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UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

MINUTES

BOARD OF REGENTS' MEETING

AND

REGENTS' COMMITTEE MEETINGS

December 10-11, 1992

Office of the Board of Regents

220 Morrill Hall

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

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

December 10-11, 1992

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UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Committee of the Whole

November 30, 1992

A special meeting of the Committee of the Whole was held on Monday, November 30, 1992, at 3:30 p.m. in the Regents' Room, 238 Morrill Hall.

Regents present: Anderson, Craig, Keffeler, M. Page, Reagan, Roe, Rosha, Sahlstrom, and Wynia. Regents Kuderer, Neel, and A. Page participated by telephone.

Staff present: Senior Vice Presidents Erickson and Infante; Vice Presidents Hughes, and Petersen; Executive Director Muesing; and Associate Vice Presidents Markham, and Paschke.

Student Representative present: Rachel Paulose.

Messrs. David Dupree and Tom Pinto from Foster Wheeler also participated by telephone.

POWER EFFICIENCY PROGRAM GRANT APPLICATION

Chair Kuderer called the meeting to order indicating that the purpose of the special meeting was to vote on the resolution relating to the application grant for the Power Efficiency Program. He reported that the application had been discussed by the Board of Regents at its November 13, 1992 meeting and called on Vice President Anne Petersen to present a summary of the application.

Vice President Petersen presented highlights from the grant application, entertaining any additional questions from committee members.

A motion was made and seconded to approve the proposed resolution and Chair Kuderer asked if there were any questions.

In answer to a question posed by Student Representative Paulose, it was reported that Foster Wheeler is exclusively responsible for repayment of the Department of Energy's investment and that under the terms of the contract, the University would have no obligation for repayment.

Regent Wynia posed several questions pertaining to cost savings. It was reported that the preliminary estimated cost of the Clean Coal Technology project is \$150 million with a ± 30 percent accuracy. The University will fund 50 percent of the project. Mr. David Dupree, Foster and Wheeler, reported that the costs submitted to the Department of Energy will portray every aspect of the project, including operations and maintenance costs. He further reported that this is not a fixed price project and as the project progresses, negotiations regarding costs will continue.

In answer to a question from Regent Sahlstrom, it was reported that the flexibility to use alternative fuels with the clean coal technology will exceed the flexibility provided in the non clean coal proposal.

Representatives from Foster Wheeler responded to a number of questions raised by Regent Keffeler pertaining to the technology of the project and cogeneration. Questions were also raised regarding emissions and required utilization of coal. Mr. Paschke reported that the only time the University is required to burn 100 percent coal is during the two week test periods for each of the three years during the demonstration periods.

Regent Rosha requested that as the application and discussions with the Department of Energy proceed, information be provided regarding the extent of the new public/private partnership involving the University, and the gains or losses resulting from the commercialization of any new technology.

Senior Vice President Erickson added that the process is intended to create more options rather than taking options away.

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

WHEREAS, the Board of Regents passed a resolution in June 1992 directing the administration to develop a clean coal technology program grant application for Board of Regents' consideration and approval at the November 1992 meeting;

WHEREAS, the application does not obligate the University to any specific course of action with regard to the implementation of clean coal technology;

WHEREAS, if the application is selected by the United States Department of Energy for negotiation of a contract for a clean coal technology grant, such contract must be approved by the Board of Regents;

WHEREAS, any proposed use of clean coal technology is subject to complete review within the Environmental Impact Statement (EIS) process applicable to the University's steam production and distribution system;

THEREFORE BE IT RESOLVED, on the recommendation of the President and the Vice President for Research, the Board of Regents approves the Power Efficiency Program Grant Application for a demonstration project using clean coal technology. The grant application is for submission to the United States Department of Energy from the University of Minnesota and Foster Wheeler, USA.

RESOLVED FURTHER, that up to \$2.5 million of any savings resulting from the successful implementation of clean coal technology be directed to research related to energy use and efficiency of the University's steam production and distribution system. The Vice President for Research shall oversee the allocation of such funds and shall report annually to the Board of Regents on the results of the research as part of the annual report on the status of the University's research and sponsored grant and contract activity presented each January.

The meeting adjourned at 4:25 p.m.


BARBARA MUESING
Executive Director &
Corporate Secretary

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

November 30, 1992

A special meeting of the Board of Regents of the University of Minnesota was held on Monday, November 30, 1992, at 4:26 p.m. in the Regents' Room, 238 Morrill Hall.

Regents present: Anderson, Craig, Keffeler, M. Page, Reagan, Roe, Rosha, Sahlstrom, and Wynia. Regents Kuderer, Neel, and A. Page participated by telephone.

Staff present: Senior Vice Presidents Erickson and Infante; Vice Presidents Hughes, and Petersen; Executive Director Muesing; and Associate Vice Presidents Markham, and Paschke.

REPORT OF THE COMMITTEE OF THE WHOLE

November 30, 1992

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

- a) Approval of resolution re Power Efficiency Program Grant Application, as follows:

WHEREAS, the Board of Regents passed a resolution in June 1992 directing the administration to develop a clean coal technology program grant application for Board of Regents' consideration and approval at the November 1992 meeting;

WHEREAS, the application does not obligate the University to any specific course of action with regard to the implementation of clean coal technology;

WHEREAS, if the application is selected by the United States Department of Energy for negotiation of a contract for a clean coal technology grant, such contract must be approved by the Board of Regents;

WHEREAS, any proposed use of clean coal technology is subject to complete review within the Environmental Impact Statement (EIS) process applicable to the University's steam production and distribution system;

THEREFORE BE IT RESOLVED, on the recommendation of the President and the Vice President for Research, the Board of Regents approves the Power Efficiency Program Grant Application for a demonstration project using clean coal technology. The grant application is for submission to the United States Department of Energy from the University of Minnesota and Foster Wheeler, USA.

RESOLVED FURTHER, that up to \$2.5 million of any savings resulting from the successful implementation of clean coal technology be directed to research related to energy use and efficiency of the University's steam production and distribution system. The Vice President for Research shall oversee the allocation of such funds and shall report annually to the Board of Regents on the results of the research as part of the annual report on the status of the University's research and sponsored grant and contract activity presented each January.

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

The meeting adjourned at 4:28 p.m.


BARBARA MUESING
Executive Director &
Corporate Secretary

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

December 10, 1992

A special meeting of the Board of Regents of the University of Minnesota was held on Thursday, December 10, 1992, at 9:00 a.m. in the Regents' Room, 238 Morrill Hall.

Regents present: Anderson, Craig, Keffeler, Kuderer, Neel, A. Page, M. Page, Reagan, Roe, Rosha, Sahlstrom, and Wynia. President Hasselmo presided.

Staff present: Senior Vice Presidents Erickson and Infante; Vice Presidents Anderson and Hopkins; General Counsel Rotenberg; Executive Director Muesing; Associate Executive Director Janzen; University Attorneys Bohnhorst and Brown; and Associate to the President O'Brien.

Others present: Jonathan Kahan and Colleen Martin, Hogan & Hartson; and Frances McCloskey and David McGowan, Coopers & Lybrand.

The meeting was called to order and a motion was moved and seconded that the following resolution be approved:

RESOLVED, that on the recommendation of the President and as provided by Minnesota State Statute 471.705 Subd. 1d, a non-public meeting of the Board of Regents be held at 9:00 a.m. on Thursday, December 10, 1992, in Room 238, Morrill Hall, for the purpose of discussing attorney-client privileged matters.

The Board of Regents voted unanimously to approve the resolution.

The meeting adjourned at 9:02 a.m.


BARBARA MUESING
Executive Director &
Corporate Secretary

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Facilities Committee

December 10, 1992

A meeting of the Facilities Committee of the Board of Regents was held on Thursday, December 10, 1992, at 2:00 p.m. in the Regents' Room, 238 Morrill Hall.

Regents present: Regent Roe, Chair; Regents Anderson, Craig, Kuderer, Neel, and Wynia.

Staff present: Senior Vice President Erickson; Associate Executive Director Janzen; Vice Chancellor Fox; Associate Vice Presidents Hewitt and Markham; and Assistant Vice President Tschida.

Student Representatives present: Corey Mitteness and Brian Swanson.

SENIOR VICE PRESIDENT'S MONTHLY REPORT

Senior Vice President Erickson presented the Senior Vice President's Monthly Report for December 1992. A motion was made and seconded to recommend approval of the report.

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

PROJECTS PREVIOUSLY SUBMITTED FOR INFORMATION

The committee reviewed the design and construction of the following projects for action:

- a. Hockey Arena, Scope Increase
Twin Cities Campus
Estimated increase in project: \$138,000
Total estimated cost of the project: \$20,138,000
Funding: Revenue supported bonding program; University Building Energy Efficiency Project (UBEEP); and Facilities Management
Estimated completion date: August 1993

It was noted that a tour of the athletic facilities is scheduled during the February meetings of the Board of Regents. Regent Neel suggested that tours of other on-going projects be scheduled as well in the near future. Senior Vice President Erickson responded that tours can be scheduled for any projects that committee members wish to see.

The committee voted unanimously to recommend approval of the project.

- b. 19th Avenue Parking Ramp
Twin Cities Campus
Estimated cost of the project: \$5,500,000
Funding: Parking Services Revenues and internal loan
Estimated completion date: August 1994

Harvey Turner, Assistant Director in Facilities Management, reported that this project is ready to proceed pending the purchase of a small parcel of land needed to complete the ramp. He stated that an agreement had been reached for the purchase, however, the neighborhood residential Project Area Committee (PAC) group has requested that the University provide more spaces for public parking in the ramp and has asked the city to delay action on the sale. He further reported that the business group in the area as well as the councilperson representing the area have indicated their support for the project proceeding.

After some discussion, the committee voted unanimously to recommend approval of the project. It was noted that the project would come back to the committee if there were any changes as a result of the PAC's request.

- c. Domestic Water Pipe Replacement Program
Duluth Campus
Estimated cost of the project: \$2,048,000
Funding: 1992 Legislative Appropriation for Fire and Life Safety
Estimated completion date: April 1993

The committee voted unanimously to recommend approval of the project.

REAL ESTATE TRANSACTIONS PREVIOUSLY SUBMITTED FOR INFORMATION

The committee voted unanimously to recommend approval of the following resolutions relating to real estate transactions previously reviewed:

- a) 99-Year Land Lease to City of Morris and Acquisition of .705 Acre as Lease Consideration, West Central Experiment Station, Morris

RESOLVED, that on the recommendation of the President and Senior Vice President for Finance and Operations, the appropriate administrative officers are authorized to execute the necessary documents for (1) the acquisition of .705 acre of land from the City of Morris at \$1.00 and (2) the lease of approximately 8 acres of land located in the South One-Half of Section 36, Township 125, Range 42 West, Stevens County, to the City of Morris for 99 years.

- b) Sale of 6,500 Square Feet of Land at Vacated Colorado Avenue and 24th Avenue East, Duluth Campus

RESOLVED, that on the recommendation of the President and Senior Vice President for Finance and Operations, the appropriate administrative officers are authorized to execute the appropriate documents providing for the sale of 6,500 square feet of

land at vacated Colorado Avenue and 24th Avenue East, to Donald B. and Carlyn J. Crouch, for the sum of \$5,111.

In response to a question raised about disposition of University property, Associate Vice President Hewitt presented a brief update on issues being addressed by the Master Planning Committee. Regent Neel stated that divestment of excessive land holdings would provide financial gains for the University and should be continually reviewed.

PROJECTS PRESENTED FOR INFORMATION

North Stadium Parking Lot and Bus Drop Off Twin Cities Campus

The committee reviewed a proposal to construct a 60-car North Stadium parking facility that will provide metered parking for visitors and a limited quantity of contract parking for University staff. It was reported that this lot will replace some of the parking which was eliminated by the development of the University Recreational Sports Center. A drop-off lane for buses will also be constructed. Lighting and landscaping to compliment the adjacent plaza is included in the scope of the project. Estimated cost of the project was reported to be \$107,000 with funding provided from Parking Services funds and the Department of Recreational Sports funds. Estimated completion is June 1993.

The committee discussed the importance of providing for future pedestrian links between University buildings as projects are proposed. Associate Vice President Hewitt reported that the Master Planning Office is currently engaged in an inventory of existing connections for determination of future pedestrian links.

The committee also received a brief update concerning the Memorial Arch and progress on the Alumni Center. Senior Vice President Erickson reported that with regard to the Alumni Center, fundraising is in process. With regard to the Memorial Arch, it was reported that options regarding the site will be presented to the committee in the near future. Regent Roe urged that the matter be scheduled as soon as possible and that enough time be scheduled on the agenda for a thorough discussion before action is requested.

University Drive and Parking Lot B Restoration Duluth Campus

The committee reviewed a proposed project for the reconstruction of University Drive and Parking Lot B on the Duluth campus, including the replacement of street lighting. Vice Chancellor Greg Fox presented details of the project, indicating that the estimated cost of the project was reported to be \$570,000 with funding to be provided from UMD Repair and Replacement Funds and Parking Reserves. Estimated completion is August 1993.

Partial Tuckpointing of Sports and Health Center, Life Science Greenhouse, Cina Hall, Bohannon Hall, Kirby Student Center, and Washburn Hall Duluth Campus

The committee reviewed a proposed project to complete partial tuckpointing on the following buildings:

- A. Sports and Health Center Building
- B. Life Science Greenhouse

- C. Cina Hall
- D. Bohannon Hall
- E. Kirby Student Center
- F. Washburn Hall

Vice Chancellor Fox reported that the project is necessary to protect and maintain the physical assets of the University. Estimated cost of the project was reported to be \$144,000 with funding to be provided from the UMD Repair and Replacement Fund. Estimated completion is August 1993.

**Roof Replacement for Marshall Performance Arts Center,
A. B. Anderson Hall (Upper Roof), Humanities, Tweed Museum, Concourse B, and
Sports and Health Center South Entrance
Duluth Campus**

Vice Chancellor Fox reviewed a proposed project to replace the existing roofs on the following buildings: 1) Marshall Performance Arts Center; 2) A. B. Anderson Hall (upper roof); 3) Humanities; 4) Tweed Museum; 5) Concourse B; and 6) Sports and Health Center South Entrance. He reported that roof leaks have occurred on a frequent basis and replacement is necessary to protect and maintain the buildings. Estimated cost of the project was reported to be \$583,000 with funding to be provided from UMD Plant funds. Estimated completion is September 1993.

REAL ESTATE TRANSACTIONS PRESENTED FOR INFORMATION

**Purchase of .647 Acre of Land at Oak and 5th Street SE
Minneapolis, Minnesota**

The committee reviewed a proposal for the purchase of .647 acre of land at Oak and 5th Street SE to be used for a trailer parking to the new Hockey Arena now under construction. Associate Vice President Hewitt explained details of the project and responded to questions, reporting that appraisals will be brought back to the committee for final approval.

**Sale of 4.31 Acres and Temporary Easements for Highway 169 Improvements,
North Central Experiment Station
Grand Rapids**

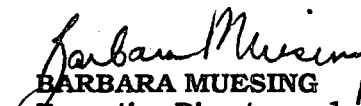
The committee reviewed a proposal to sell 4.31 acres of land and temporary easements for Highway 169 improvements to the Department of Transportation. Associate Vice President Hewitt reported that agreement has not been reached with the Department of Transportation regarding a price for the property and negotiations are still pending. The committee will be kept apprised on the status of the negotiations.

**Sale of the Friedell Building
Rochester, Minnesota**

The committee reviewed a proposal for the sale of the Friedell Building in Rochester, Minnesota. Associate Vice President Hewitt provided details of the proposal indicating that University programs presently housed at the Friedell Building will soon be relocated to the University Center on the campus of the Rochester Community College. He reported that all other tenants of the building have a termination date in 1993 and the building can then be declared as surplus and offered for sale. Mr. Hewitt reported that two appraisals have been obtained and a third appraisal is in process.

In answer to a question relating to Master Planning, Associate Vice President Hewitt reported that there is a definite relationship between the Capital Planning Principles and the Master Plan, indicating that the principles provide a means for the implementation and execution of the Master Plan.

The meeting adjourned at 3:30 p.m.


BARBARA MUESING
Executive Director and
Corporate Secretary

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Financial Operations & Legislative Committee

December 10, 1992

A meeting of the Financial Operations & Legislative Committee of the Board of Regents was held on Thursday, December 10, 1992, at 3:55 p.m. in the Regents' Room, 238 Morrill Hall.

Regents present: Regent Wynia, Acting Chair; Regents Kuderer, M. Page, Rosha, and Sahlstrom.

Staff present: Senior Vice President Erickson; Associate Executive Director Janzen; Associate Vice President Paschke; Assistant Vice President Cram; and Director of State Relations Peterson.

Student Representatives present: Courtney Jaren and Corey Mitteness.

SENIOR VICE PRESIDENT'S MONTHLY REPORT

Senior Vice President Erickson presented the Senior Vice President's Monthly Report for December 1992. A motion was made and seconded to recommend approval of the report.

The committee voted unanimously to recommend approval of the Senior Vice President's Monthly Report for December 1992.

QUARTERLY PURCHASING REPORT

The committee reviewed the Quarterly Purchasing Report. Highlights of the report included the following :

- A total of 85,803 transactions were processed for a value of \$62,572,364. From this total, 29 were justified sole source awards totaling \$1,628,488.
- There were no Regents' policy violations.
- Eight change orders exceeded \$100,000.
- 17 purchase awards were made that were over \$100,000 and under \$250,000.

Purchasing Director Karen Triplett was present to respond to any questions.

QUARTERLY REPORT ON ASSET AND DEBT MANAGEMENT

Associate Vice President Paschke reviewed the Quarterly Report on Asset and Debt Management. The following information for University investments for the period ended September 30, 1992 was included in the report:

- Endowment and reserves on September 30, 1992 were \$926.8 million for the University and \$271.9 million for the University Foundation.
- The Permanent University Fund (PUF) is valued at \$120.8 million and is included in the endowment assets of the University.
- The Consolidated Endowment Fund returned 4.2 percent and 9.7 percent for the past quarter and 12 months respectively vs. the benchmark returns of 3.8 percent and 11.8 percent (65 percent equities/35 percent fixed income), and 3.2 percent and 11 percent (composit index of endowment and Foundation funds.) Over the past 10 years, the Consolidated Endowment Fund has generally exceeded the returns of the composites of other endowment funds.
- Performance of University Equity Managers for the past 12 months ranged from 10.1 percent to 3.2 percent compared to the Standard and Poors 500 return of 11 percent.
- Performance of University Fixed Income Managers for the past 12 months ranged from 30.1 percent to 12.6 percent compared to the Lehman Brothers Government Corporate Index return of 13.2 percent.
- The performance of the Long-Term Reserves was 15 percent for the past 12 months compared to the fixed income benchmark return of 14.6 percent. For most periods, the performance of the long-term reserves exceeded the benchmark returns.
- The average yield for the Short-Term Reserves was 6.9 percent for the past 12 months vs. 3.9 percent for Treasury Bills and 4.1 percent for Money Market Funds.

After a short discussion, Regent Kuderer commended Mr. Paschke for his excellent work managing the University's investments.

LEGISLATIVE STRATEGY


Donna Peterson, Director of State Relations, presented an update on legislative activity. She distributed a preliminary directory of addresses for legislators indicating that committee assignments have been made in the Senate and are still pending in the House. She reported that the committee structure has been changed, describing some of the changes made to date.

Ms. Peterson reported that a tour for new legislators was provided November 18 with 17 legislators attending. She reported that various presentations on the teaching, research and service activities at the University were given, indicating that she felt the tour was informative and successful. She further reported that visits with all legislators are still being scheduled.

Ms. Peterson reported that the Alumni Association is hiring an individual to coordinate its efforts at the legislature and reported that Jim Lewis, 4-H Foundation, has been asked by administration to coordinate initiatives with the deans during the legislative session.

Regent Sahlstrom stressed the importance of including the students when coordinating efforts for the legislative session.

The meeting adjourned at 4:30 p.m.


BARBARA MUESING
Executive Director &
Corporate Secretary

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Faculty, Staff and Student Affairs Committee

December 10, 1992

A meeting of the Faculty, Staff and Student Affairs Committee of the Board of Regents was held on Thursday, December 10, 1992, at 2:00 p.m. in Room 300, Morrill Hall.

Regents present: Regent Sahlstrom, presiding; Regents Keffeler, A. Page, M. Page, Reagan, and Rosha.

Staff present: Chancellors Ianni and Johnson; Senior Vice President Infante; Vice Presidents Hopkins, Hughes, and Petersen; Executive Director Muesing; Associate Vice Presidents Barbatsis, Carrier, and Johnson; Assistant Provost Spector.

Student Representatives present: Courtney Jaren and Sara Nienow.

SENIOR VICE PRESIDENT'S MONTHLY REPORT

Senior Vice President Infante presented the Senior Vice President's Monthly Report, which was included in the docket materials, to the committee for approval. He stated that the Faculty Workload Task Force Report was adopted by the University Senate, and is being considered by the administration. He discussed the University-Presidential Opportunity Program (U-POP) '92, and noted the status of administrative searches. In response to Regent Reagan, Dr. Infante stated that the search for the Director of the Minnesota Sea Grant Program is proceeding.

In response to Regent Sahlstrom, Dr. Infante discussed implementation of the Faculty Workload Task Force Report, stating that each unit will develop separate workload policies because of the diversity of the University. He indicated that the implementation process will provide an opportunity for the University community and the public to become aware of all components of faculty workload at a research institution. Regent Sahlstrom stated he hopes faculty who participate in outreach activities are suitably recognized and rewarded as they are for teaching and research, and Dr. Infante noted that the report addresses that issue.

Dr. Infante concurred with Regent Keffeler's suggestion that the Board should approve the recommendations of the Task Force, since they address significant matters related to expectations of the University faculty and the balance among teaching, research, and outreach. Vice President Hopkins suggested that the faculty workload principles be approved by the Board, noting that the process and appendices will be improved over time and should remain flexible.

Following a brief discussion, Regent Keffeler noted that the consensus of the committee is that the Board approve portions of the Faculty Workload Task Force Report that have policy implications. Dr. Infante asked for clarification on whether the committee wants the administration to devise a document in the form of Regents' policy. Regent Keffeler stated that she feels the Board should approve the faculty workload

principles at this point, noting that the administration should then determine whether to present the final document to the Board for approval as a resolution of support or as Regents' policy.

Regent Rosha moved approval of the Senior Vice President's Monthly Report, and the motion was seconded by Regent Keffeler.

Dr. Sallye McKee reported on the U-POP program and discussed follow-up that has taken place with the program participants, stating that the goal is to provide a more enriched program next summer. Regent Sahlstrom stressed the importance of the U-POP program, and commended Dr. McKee and others for their efforts.

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

REPORT TO THE LEGISLATURE REGARDING SECURITY AND TRAINING PLAN ON VIOLENCE AND SEXUAL HARASSMENT

Regent Keffeler moved approval of the following resolution regarding the report to the Legislature on the University's System Plan for Campus Security and Training on Sexual Harassment and Violence, and the motion was seconded by Regent Reagan:

WHEREAS, campus security is essential to ensure a sense of community with diversity, and successful education can only occur in an atmosphere of mutual respect, free from sexual and racial harassment and other forms of intolerance and their harmful effects; and

WHEREAS, the Board of Regents regularly reviews the University's policy on sexual harassment, as well as reports of offices, committees, and other units responsible for campus security and educational programming and training to prevent violence and harassment;

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

- fully supports and is in agreement with the spirit and intent of the recent legislation directing Minnesota post-secondary institutions to strengthen programs to prevent sexual harassment and violence;
- approves the University of Minnesota System Plan for Campus Security and Training on Sexual Harassment and Violence to be forwarded to the Higher Education Coordinating Board;
- directs the administration to begin implementation in 1992-93 with full implementation to be accomplished by 1994-95; and
- directs the administration to report to the Board in November 1993 about progress toward implementing and evaluating the Plan and associated educational programs.

Senior Vice President Infante discussed the report, noting that there have been no fundamental changes since it was presented to the committee for review at the November meeting.

A lengthy discussion ensued regarding implementation of the plan. Regent A. Page suggested providing students with the required training through a mandatory

credit course. Senior Vice President Infante, Vice Presidents Hopkins and Hughes, and Assistant Provost Spector discussed various options for delivery of training to faculty, staff, and students, including the possibility of meeting the objectives of the report through the cultural diversity requirement. In response to Regent Rosha, Dr. Hopkins stated that the Curriculum Committee will consider courses that meet the requirements of the report as the new curriculum is developed. Dr. Spector noted that a new committee will be appointed to address implementation issues.

Regent Keffeler expressed support for requiring training for faculty, staff, and students. However, she stated that while the Board's desire should be conveyed to the faculty, she would not feel comfortable with the Board directing such a curriculum requirement.

Regent Rosha stated that he feels all students should have access to training within their first two years at the University. Dr. Infante stated that the intent is to provide access to training, although he expressed discomfort with the concept of making such training a course requirement that carries academic credit.

Following the discussion, the committee voted unanimously to recommend approval of the resolution.

In response to Regent Keffeler, Regent Sahlstrom noted that the resolution states that responsibility for implementation of the plan rests with the administration. Dr. Hughes stated that the administration will report back to the committee after an implementation strategy is developed. Dr. Infante noted that the implementation strategy will be campus-based and will address training at different levels throughout the University community.

ANNUAL REPORTS OF ALL-UNIVERSITY AND CAMPUS INDIAN ADVISORY COMMITTEES

Regent Sahlstrom introduced Dr. Josie Johnson, the new Associate Vice President for Academic Affairs with responsibility for minority affairs, and welcomed her to the committee. Senior Vice President Infante introduced the annual reports of the American Indian advisory committees, noting that representatives from the advisory committees on the Duluth and Twin Cities campuses were present.

John Day, a member of the University of Minnesota, Duluth American Indian Advisory Board (UMD-AIAB), introduced Mike Munnell and Carol DeVerney, members of the UMD-AIAB and the Anishinabe Club. Mr. Day stated that the opportunity to address the Board regarding the Advisory Board's concerns illustrates the Board's concern for the American Indian population.

Mr. Day addressed the issue of disposition of profits generated by the sale of the salt spring lands. He reviewed background information, noting that the UMD-AIAB adopted a resolution in 1988 calling for 80 percent of the profits from such sales to be earmarked for the Duluth campus. On behalf of the Advisory Board, Mr. Day requested the Board to make a final determination at this time regarding the proposed distribution formula.

Mr. Munnell expressed appreciation for the chance to address the Board. He stated for the record that the Anishinabe Club requests that the 80 percent distribution formula passed by the AIAB in 1988 be uniformly applied to all profits from the sale of salt spring lands. Mr. Munnell indicated that nothing less will ensure that American Indian children will receive equal educational opportunities. He noted that the AIAB's top priority is to establish an endowed professorship in American Indian Education.

Dr. Infante reviewed a history of the salt spring lands, which was owned by Native Americans and transferred to the federal government. He indicated that 1986 legislation authorized the University to sell the land, noting that 1988 legislation provides that proceeds from the land sales should be used on the coordinate campuses. Dr. Infante noted that the Board of Regents did not act on the 1988 UMD-AIAB resolution.

Dr. Infante reported that UMD received \$250,000 of the \$295,000 proceeds from the sale of salt spring lands to date, and discussed a recommendation by the President's Development Committee that each coordinate campus should receive an appropriate proportionate share of the proceeds. He indicated that the \$250,000 provided to UMD was matched by an equal amount from the Permanent University Fund for an endowed professorship in American Indian Education. However, he noted that the \$27,000 generated from that investment is insufficient to support a full-time professor.

In response to Regent Sahlstrom, Dr. Johnson discussed the current status of the salt spring lands sales. She stated that gross revenues from the sales through 1994-95 will total approximately \$950,000.

Regent Reagan spoke in support of the distribution formula recommended by the UMD-AIAB, noting UMD's aggressive efforts to meet the needs of American Indians. Dr. Johnson concurred with Regent Reagan's comments regarding UMD's significant contributions. She acknowledged previous misunderstandings regarding the distribution of salt spring lands proceeds and stressed the importance of creating an atmosphere of trust. Dr. Johnson stated that the administration would like to have an opportunity to work with representatives from all coordinate campuses to ensure fair distribution of the proceeds. Regent Reagan asked if such discussions could take place before the January Board meeting, and Dr. Infante stated that he did not feel that would provide sufficient time for discussion and suggested the February meeting as an alternative.

Regent Keffeler stated that she feels the way reports are presented to the Board can result in misunderstandings. She noted that the proposed 80 percent distribution formula could be misleading if it is neutralized by an equity arrangement for all of the coordinate campuses, and stated that she looks forward to further discussion of this issue.

Regent Roshia stated that this situation presents the Board with an opportunity to reward UMD for its minority recruitment and retention efforts. He suggested that the administration should develop a comprehensive approach throughout the University to reward units who achieve such success.

Regent M. Page suggested that discussions regarding this issue should involve American Indian representatives, in addition to administrators. In an effort to expedite resolution of this issue, Regent Reagan suggested that American Indian representatives from each campus should meet to discuss the situation. Dr. Johnson stated that the administration wants to be clear, equitable, and fair in its effort to resolve the matter, stating that she hopes the community and the Board have faith in that effort.

In response to Regent Reagan's suggestion, Mr. Day stated that within a month he could personally arrange a meeting with representatives from the other coordinate campuses to discuss this issue and develop a resolution on the matter.

In summary, Regent Sahlstrom stated that Mr. Day will discuss this issue with American Indian representatives from the Crookston and Morris campuses and that an administrative recommendation will be presented to the committee as soon as possible. He expressed appreciation to everyone who participated in the discussion.

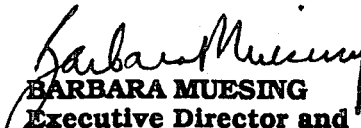
**REPORTS OF THE OFFICE OF THE ASSOCIATE VICE PRESIDENT FOR
ACADEMIC AFFAIRS AND ASSOCIATE PROVOST WITH SPECIAL
RESPONSIBILITY FOR MINORITY AFFAIRS AND THE OFFICE OF
EQUAL OPPORTUNITY AND AFFIRMATIVE ACTION**

and

REPORT ON FALL QUARTER ENROLLMENT

The discussions regarding these two items were postponed until the January meeting due to time constraints.

The meeting adjourned at 3:45 p.m.


BARBARA MUESING
Executive Director and
Corporate Secretary

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Educational Planning and Policy Committee

December 10, 1992

A meeting of the Educational Planning and Policy Committee of the Board of Regents was held on Thursday, December 10, 1992, at 3:50 p.m. in Room 300, Morrill Hall.

Regents present: Regent Craig, presiding; Regents Keffeler, Neel, A. Page, Reagan, and Roe.

Staff present: Senior Vice President Infante; Vice Presidents Anderson, Hopkins, and Petersen; Executive Director Muesing.

Student Representatives present: Darius Casey and Andy Kuehnel.

SENIOR VICE PRESIDENT'S MONTHLY REPORT

Regent Roe moved approval of the Senior Vice President's Monthly Report, and the motion was seconded by Regent Keffeler.

Senior Vice President Infante reviewed the report, which was included in the docket materials, and noted the following:

- Approval by the Higher Education Coordinating Board (HECB) of the proposal for the Master of Liberal Studies (M.L.S.) Degree at the University of Minnesota, Duluth

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

In response to Regent Roe, Dr. Infante reported on the status of the State Grant Program funding proposal currently being considered by HECB. He emphasized that although he does not think the proposal represents good public policy, he does not want to be associated with a possible division between the public and private sectors of higher education. Committee members expressed concern regarding the proposal, and regarding HECB's lack of consultation with the higher education systems in the state during the development process.

**APPOINTMENTS TO THE MINNESOTA LANDSCAPE ARBORETUM
FOUNDATION BOARD OF TRUSTEES**

Regent Keffeler moved approval of the following resolution, and the motion was seconded by Regent Roe:

RESOLVED, that on the recommendation of the President and the Senior Vice President for Academic Affairs, Charlotte Drake and Helen

Hartfiel be appointed to three-year terms on the Board of Trustees of the Minnesota Landscape Arboretum Foundation.

The committee voted unanimously to recommend approval of the resolution.

**REGENTS' POLICY ON DELEGATION OF AUTHORITY/
ACCEPTANCE OF SPONSORED GRANTS AND CONTRACTS**

Regent A. Page moved adoption of the proposed Regents' Policy on Delegation of Authority: Acceptance of Sponsored Grants and Contracts, and the motion was seconded by Regent Roe.

Senior Vice President Infante and Vice President Petersen reviewed the proposed policy. They noted provisions developed in response to issues raised at the November meeting regarding definitions of significant grants and substantial impact on the University's academic plan and budget.

Regent Keffeler suggested the addition of a provision requiring Regents' approval of the submission and receipt of significant grants, stating that the Board has a fundamental responsibility to ensure that such grants are consistent with the University's mission. Dr. Infante and Dr. Petersen expressed concerns regarding the proposed provision, including potential problems with the timing of such approvals because of grant application deadlines. Dr. Petersen noted that the administration understands the spirit of the proposal, citing the Power Efficiency Project as an example of a grant that would require Regents' approval under this policy. She stated she would be comfortable with a provision requiring Regents' approval of the receipt of significant grants. Dr. Infante commented on the administration's participation in the grant application process, and suggested including a provision requiring Regents' approval of either the submission or the receipt of significant grants.

Regent Neel noted for the record that he feels it would be inappropriate for the Board to be involved in the approval process on every grant. To address the problem associated with grant application deadlines, he suggested that the administration inform the Board about large or sensitive grant proposals during the preliminary application process.

Regent Keffeler moved approval of the following amendment to the resolution, and the motion was seconded by Regent Neel:

The Board of Regents shall approve the submission or receipt of such significant grants. In such cases as significant grants are submitted without prior approval of the Board of Regents, a report will be provided to the Board of Regents at the earliest possible time explaining the potential implications of the grant and the reasons that occasioned the necessity to submit the grant without Board approval.

In response to Dr. Petersen, Regent Keffeler stated that she would leave the timing and type of report noted in her proposed amendment to the discretion of the administration. Following a brief discussion, the committee voted unanimously to recommend approval of the amendment.

The committee voted unanimously to recommend adoption of the following policy:

RESOLVED, that the Regents of the University of Minnesota hereby delegate the authority to formally accept sponsored grants and contracts to the president, or his/her designee.

To be accepted, grants and contracts must adhere to appropriate University policies, such as those on hazardous biological materials, secrecy in research, use of human subjects in research, and animal care and usage. In addition, other policies and practices will be followed, including prior dean and department head approval of proposal and principal investigator, fiscal soundness including recovery of indirect costs, prior approval of any required institutional matching funds, availability of suitable space, prior disclosure of any conflict of interest including financial interest in a company affected by the proposal, and public disclosure of information.

Information on grants and contracts shall be reported to the Regents on a quarterly basis. Significant individual grants and contracts shall be reported to the Regents in timely fashion on an ad hoc basis. The Board of Regents shall approve the submission or receipt of such significant grants. In such cases as significant grants are submitted without prior approval of the Board of Regents, a report will be provided to the Board of Regents at the earliest possible time explaining the potential implications of the grant and the reasons that occasioned the necessity to submit the grant without Board approval. Significant grants are those that are very large, (more than 1 percent of the prior year's externally funded research expenditures), or that would have a substantial impact on the academic plan or on the budget of the University. Examples of substantial impact would include special facilities requirements or a substantive area that is new or unusual to the University. The president, or his/her designee, shall make a formal presentation to the Regents annually on the status of the University's research and on its sponsored grant and contract activity.

UPDATE - MINNESOTA HIGHER EDUCATION COORDINATING BOARD STATE GRANT PROGRAM FUNDING PROPOSAL

Dr. Infante reported that he just received word that the Minnesota Higher Education Coordinating Board took the following actions with respect to the State Grant Program funding proposal:

- Approved by a 6-3-1 vote the proposal to increase total funding for the State Grant Program by approximately \$70 million, with an amendment that the Legislature should be asked to provide the additional funds from general operating funds and if that fails, the funds should come from the public higher education allotment.
- Rejected by a 5-5 vote the proposal to prevent tuition increases to fund the State Grant Program by recommending that the Governor propose to the Legislature a salary freeze for employees in order to fund the increase in the program.

Following the report, Regent Craig expressed gratitude on behalf of the Board to Dr. Infante for his efforts regarding this issue.

REGENTS' POLICIES ON HEALTH SCIENCES

Regent Keffeler moved approval of the following resolution, and the motion was seconded by Regent A. Page:

RESOLVED, on the recommendation of the President and the Senior Vice President for Health Sciences, that

- The revised Delegation of Authority: General Delegations Regents' policy, as included in the docket, be adopted
- The Health Sciences Mission policy, the Policy on Health Sciences, and the Rural Physician's Associate Program policy be rescinded as Regents' policy.

The meeting adjourned at 4:50 p.m.


BARBARA MUESING
Executive Director and
Corporate Secretary

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Committee of the Whole

December 10, 1992

A meeting of the Committee of the Whole of the Board of Regents was held on Thursday, December 10, 1992, at 10:15 a.m. in the Regents' Room, 238 Morrill Hall.

Regents present: Regent Kuderer, presiding; Regents Anderson, Craig, Keffeler, Neel, A. Page, M. Page, Reagan, Roe, Rosha, Sahlstrom, and Wynia.

Staff present: President Hasselmo; Chancellors Ianni, Johnson, and Sargeant; Senior Vice President Erickson; Vice Presidents Allen, Anderson, Hopkins, Hughes, and Petersen; Executive Director Muesing; Associate Executive Director Janzen; Associate Vice Presidents Kvavik, Markham, Paschke, Perlmutter, and Pfutzenreuter.

Student Representative present: Rachel Paulose.

REPORT ON RELATIVE TUITION STANDING

President Hasselmo introduced the discussion regarding the University's relative tuition standing. David Berg, Director of Management Planning & Information Services, discussed the University's tuition situation, stating that the administration is concerned about students' ability to attend, based on tuition increases and changes in financial aid. Mr. Berg reported that tuition rates at all major public research institutions are increasing rapidly, and noted that Minnesota's undergraduate resident rate continues to rank fifth among the Big Ten public institutions. He stated that dependence on tuition income has been rising, and state and federal financial aid has not kept pace with tuition increases.

Mr. Berg reported on a proposal by the Higher Education Coordinating Board (HECB) to increase tuition at public higher education institutions and use the revenue to finance an increase in the State Grant Program. He discussed the potential impact of the proposal on the University.

President Hasselmo presented a resolution opposing the HECB proposal. Regent Anderson moved approval of the following resolution, and the motion was seconded by Regent Craig:

WHEREAS, the Minnesota Higher Education Coordinating Board is considering a proposal to finance an increase in the State Grant Program for undergraduate students by reducing the proportion of taxpayer funds allocated directly to the public higher education systems; and

WHEREAS, this proposal would offset the reduction in public system funding through an increase in tuition at public institutions; and

WHEREAS, this proposal would levy the tuition increase on students who are not eligible for support from the State Grant Program -- non-resident non-reciprocity students who currently pay the full cost of instruction and graduate and professional students ; and

WHEREAS, this proposal does not take into account the adverse impact on the University's ability to subsidize high-cost professional and graduate programs; and

WHEREAS, this proposal further differentiates the State of Minnesota from its reciprocity states and Manitoba in tuition levels and financial aid, and may therefore call into question reciprocity agreements in their present form; and

WHEREAS, this proposal's tuition increase may result in a loss of access to higher education by lower-middle and middle income students that is in excess of gains in access for lower income students; and

WHEREAS, this proposal, in a time of financial hardship for the state, establishes a level of funding exceeding what is mandated by state and federal law including adjustments for inflation and a tuition cap for private colleges, which may be in excess of the actual average cost of comparable undergraduate programs at public institutions; and

WHEREAS, the Board of Regents has encouraged the development of state financial assistance, with special attention to the needs of low income people, and recognizes the need for additional resources by the State Grant Program to respond to changes in assistance policy by the federal and state governments and by inflation; and

WHEREAS, the Board of Regents resolved on December 13, 1991 its expression of concern for the financial hardship created by the increases in tuition and challenged the public and private higher education systems to aggressively seek additional sources of state and federal support to aid financially disadvantaged students; and in a letter to Governor Arne Carlson on September 11, 1992 indicated that raising tuition is a hardship that cannot continue to be imposed on the families of Minnesota students in future years, and that reduced state appropriation and increased tuition are the wrong choices for the future of our students and our citizens.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Regents reaffirms its expression of concern for the financial hardship created by increases in tuition and supports adequate funding of the State Grant Program.

BE IT FURTHER RESOLVED, that the Board emphasizes the need for the Minnesota Higher Education Coordinating Board to undertake a thorough analysis and evaluation of the effects and consequences of this proposal, and to consult with the other governance boards of Minnesota's higher education systems on tuition and public financial assistance policy.

BE IT FURTHER RESOLVED, that the Board of Regents convey to the Minnesota Higher Education Coordinating Board its opposition to the method of using tuition at public institutions to fund the State Grant Plan, and encourages the Minnesota Higher Education Coordinating Board and the public and private higher education systems to seek

alternative sources of state and federal support to aid financially disadvantaged students.

Regent Reagan noted for the record that he is vehemently opposed to the HECB proposal, stating that it is an attempt to privatize public education.

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

Regent Roshia stated the University and Board of Regents have a responsibility to take a stronger position on the role of tuition in funding higher education in the state. Regent Kuderer noted that on September 11, 1992 he sent a letter to Governor Carlson expressing the Board's position regarding tuition increases.

President Hasselmo indicated that the Biennial Request includes the basic assumption that tuition should not rise beyond the rate of inflation, and welcomed suggestions on how to make that point stronger. He stated that while he is sympathetic to a resolution passed by student groups recommending that tuition increases should not exceed the 3 1/2 percent inflation rate, he cannot commit himself to that position at this time because of the unknown factors which impact the University's financial situation.

In response to Regent Neel, President Hasselmo and Associate Vice President Kvavik indicated that the HECB did not consult with the University or the other systems as the proposal was developed. Regent Neel expressed concern regarding the lack of consultation, and Regent Kuderer noted that the HECB Board is conducting a hearing regarding the impact of the proposal on public education and has not yet taken action.

Regent Craig acknowledged the students' resolution regarding tuition, in spite of the fact that the Board cannot approve the proposal because it would restrict the President as he develops the budget.

Regent Sahlstrom stressed the importance of all public higher education systems uniting in an effort opposing the HECB proposal. Dr. Kvavik stated that the HECB proposal would have a negative impact on all of the public higher education systems, noting that other systems have also expressed opposition to the recommendation.

Regent M. Page expressed frustration regarding tuition and state funding issues, stating she is concerned about the impact of public policy on higher education in the state. President Hasselmo stated that Regent Page's concern is at the heart of the matter. He noted the University's efforts to act responsibly and work within the state's limitations, citing profound changes resulting from the restructuring and reallocation plan. He discussed the University's limited capacity to make further major reductions, and stated that the administration will work with the Board to present this matter to the state.

Regent Roe noted that the other higher education systems did not share in the pain that resulted from the University's restructuring and reallocation plan, and stated that future actions must be coordinated with the other systems.

Regent Anderson stated he is pleased to see the unanimity on this issue, and thanked President Hasselmo and the administration for their attention to the HECB proposal.

Regent Neel stated that Arthur Hauptman, a higher education policy consultant, discussed issues related to state financing of higher education in the March 1992 issue

of Policy Perspectives. He suggested that the Board should discuss these issues at a future retreat or meeting:

- tuition and student aid
- tying tuition to a percentage of the median or per capita income within the state
- stabilizing how public higher education is financed on a long-term basis through a system of reserves and counter cyclical debt financing
- providing incentives to schools that want to downsize without being penalized for doing so

In response to Student Representative Paulose, Mr. Berg reported that although renegotiation of reciprocity agreements is under consideration by the HECB, the impression is that the HECB Board is not inclined to renegotiate. He also discussed the percentage of instructional costs paid by students in reciprocity states. Dr. Kvavik noted that if the tuition increase proposed by the HECB is passed, Minnesota would be third in the nation in terms of students paying a percentage of instructional costs. Regent Kuderer stated that if the HECB proposal is adopted, it would seriously jeopardize the UMC plan.

Regent Anderson noted that when reciprocity went into effect, students paid the resident tuition of the state where they attended school. However, that policy was later changed so students now pay the resident tuition rates of their home state.

Student Representative Paulose distributed a comparison of 1991-92 resident undergraduate tuition and fees for the 50 states, noting that Minnesota is tenth among all the states. She urged the administration to consider the market when developing a recommendation for tuition increases for the coming year.

President Hasselmo stated that this is a very important public policy issue. He noted that the administration has responded to the Regents' request for a tuition policy in a pragmatic way, given the budget situation. He stated that a response will be developed in policy terms, noting that the policy statement may become a confirmation of the principles being applied to address the tuition situation.

Following the discussion, Regent Kuderer noted that the report was received, accepted, and will be filed. He expressed appreciation to the administration for the presentation, and to the Board for a thoughtful discussion of a difficult subject.

INTERIM REPORT OF THE UNIVERSITY OUTREACH COUNCIL

Vice President Allen led the discussion regarding the interim report of the University Outreach Council. He noted the membership of the committee and the staff support provided by Jeanne Markell and Steve Laursen. Dr. Allen reported that the committee has gained interesting perspectives and insights relative to this mission of the University, and noted that the University is one of the glories of the state because of the rich array of outreach activities it provides.

Dr. Allen stated that the interim report is the result of interviews done internally and externally, and indicated that it has been distributed to deans, Senate committee members, and the coordinate campuses. It will be used as a centerpiece for a second round of meetings with deans, faculty groups, and staff and student groups interested in this topic.

Dr. Allen discussed the issues that have been raised during the committee's deliberations, including a definition of outreach as part of the University's mission in contrast to public service. He noted that public service has been difficult to define in a mission sense, and stated that the University must define the three components of its mission and how it rewards those who perform them.

Dr. Allen discussed a proposed Vision Statement for Outreach at the University of Minnesota, and reviewed a conceptual understanding of outreach. He stated that the University shares knowledge with others through teaching and outreach, noting that outreach is a two-way process that contributes to the University's teaching and research agendas. In response to the question of why the University should have outreach as a major portion of its mission, he noted the close link between research and outreach. Dr. Allen reviewed nine strategic questions that the council believes will assist deans and department heads with strategic planning related to outreach programs and faculty workload principles.

In summary, Dr. Allen discussed overall perspectives that have been gained through the work of the council. He noted there is a general view among deans that the outreach portion of the University's mission is very important, and outreach is a critical part of how higher education can help society. Dr. Allen expressed concern that the University does not receive sufficient credit for its rich agenda of outreach activities. He also noted that it is frequently difficult to quantify and give appropriate credit to the individuals responsible for outreach programs in the same way that teaching and research activities are recognized, and that issue must be addressed.

Dr. Allen noted that feedback resulting from consultation across the institution will continue to come in through the council, and will be the fuel for its next report. He emphasized that the council has not yet addressed structural issues, including distance education to facilitate outreach programs.

Regent Kuderer reported that he and Regent Craig attended a session of the Outreach Council and noted that some of the issues being addressed are very difficult, including whether or not outreach activity is adequately acknowledged. Regent Craig stated that attending the meeting was a good experience, and stressed the importance of communicating the scope of the University's outreach activities.

Regent Sahlstrom expressed concern about an adequate reward system for outreach activities, and stressed the need for legislative support and the importance of communication regarding these efforts. In response to issues raised by Regent Sahlstrom, Dr. Allen stated that outreach includes credit and non-credit programs offered on and off campus, and he stressed the significance of feedback that results from these programs. He noted that activities associated with public relations, University promotion, and student recruitment are types of non-academic outreach. Regent M. Page stated that she is pleased by the fact that the University is enriched by the exchange of knowledge through outreach.

Regent Wynia stated that she hopes at some point the Board will be asked to adopt a policy that would ensure outreach and teaching are valued and rewarded at the University. Dr. Allen stated he will keep that in mind as the work of the council proceeds. President Hasselmo noted that the Senate recently adopted faculty workload principles, which will help establish a reward structure.

Regent Neel congratulated Dr. Allen for his efforts, and stressed the significance of telecommunications to the University's outreach efforts.

Regent Roe stated that the United States should have a food policy, and suggested that the University should facilitate a national conference on establishing such a policy. Dr. Allen discussed the possibility of a major food conference being held

in conjunction with the conclusion of the University's Moroccan project. He also noted that his role on the council is not as Vice President of the Institute of Agriculture, Forestry, and Home Economics, but rather as a central officer.

Following the discussion, Regent Kuderer thanked Dr. Allen and the members of the council for their efforts. He noted that the report was received, accepted, and will be filed. President Hasselmo also expressed his appreciation, and reminded the Board that the report is one in a series of reports that will be presented to the Board regarding the University's strategic planning efforts.

SIX-YEAR CAPITAL BUDGET CALENDAR AND PRINCIPLES

Senior Vice President Erickson introduced the discussion regarding the Six-Year Capital Budget Calendar and Capital Budget Principles. He reported that the proposed documents are the result of an extensive consultative process, and noted that this is one of the most important endeavors the University has undertaken.

Associate Vice President Markham reviewed the proposed Capital Budget Calendar, stating that it reflects capital budget reform, provisions in the Regents' Policy on Board Operation and Agenda Guidelines, and a desire to integrate capital decisions with the University's operating budget. She noted that the University needs policies for capital budgeting, and those policies and principles can only be set by the Board.

Associate Vice President Pfutzenreuter reviewed the proposed Capital Budget Principles, including revenue and expenditures principles. He stated that the principles will guide development and review of the Capital Budget.

Regent Kuderer discussed the timetable for approval of the Capital Budget Calendar and Capital Budget Principles. He noted that the Board could take such action prior to the report by Associate Vice President on the Master Plan, which is scheduled for the February meeting.

Regent Keffeler indicated that she likes the proposed principles, stating that they provide a solid basis for capital planning. In response to Regent Keffeler's request for reassurance that the principles will be applied to the existing base of capital projects and not only increments, Mr. Pfutzenreuter stated that is the administration's intention. Ms. Markham noted that all new capital requests and existing capital activities will be reflected in the Capital Improvement Plan that will be submitted to the Board in May. Mr. Erickson noted that Board action will be necessary on a number of projects prior to approval of the Capital Improvement Plan, and stated that the administration will take responsibility for addressing any variation with the proposed principles.

In response to Regent Neel, Mr. Erickson stated that approval and uniform application of the proposed principles will eliminate the ad hoc decision-making process that has made the administrative process difficult for years. He also noted that the issue of skyways will be addressed in the Master Plan. In response to Regent Neel, Ms. Markham agreed that existing capital expenditures is a euphemism for addressing the University's \$200 million in deferred maintenance projects.

In response to Regent Craig, Ms. Markham reported that all current capital activities will be reflected in the Capital Improvement Program. By approving the plan, the Board will be reaffirming its commitment to those projects.

Regent Wynia stated that she likes the general conceptual approach of the plan. In response to a concern raised by Regent Wynia, Mr. Erickson and Ms. Markham explained the rationale for the administration's recommendation for a six-year pay-back period for energy conservation efforts in existing facilities. Ms. Markham noted that

although the proposed principles will remain fairly stable over time, they can be modified as part of the capital budgeting process. Regent Wynia indicated that she feels the principle reflects a lack of concern by the University about energy conservation, stating that she would prefer to see a ten-year pay-back period. Mr. Erickson stated it might be possible to incorporate the sense of Regent Wynia's concern in the principle.

Following the discussion, Regent Kuderer urged the Regents to review the proposed calendar and principles before this item is presented to the Board for approval at the January meeting.

ANNUAL FINANCIAL REPORT

The presentation regarding the Annual Financial Report of the University was postponed due to time constraints.

The meeting adjourned at 12:05 p.m.


BARBARA MUESING
Executive Director and
Corporate Secretary

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Committee of the Whole

December 11, 1992

A meeting of the Committee of the Whole of the Board of Regents was held on Friday, December 11, 1992, at 8:30 a.m. in the Regents' Room, 238 Morrill Hall.

Regents present: Regent Kuderer, presiding; Regents Anderson, Craig, Keffeler, A. Page, M. Page, Reagan, Roe, Rosha, Sahlstrom, and Wynia. Regent Neel participated in the meeting via telephone.

Staff present: President Hasselmo; Chancellors Ianni, Johnson, and Sargeant; Senior Vice Presidents Erickson and Infante; Vice Presidents Allen, Anderson, Hopkins, Hughes, and Petersen; General Counsel Rotenberg; Executive Director Muesing; Associate Executive Director Janzen; Associate Vice Presidents Barbatsis, Brenner, Fischer, Markham, Paschke, and Pfitzenreuter.

Student Representative present: Rachel Paulose.

ANNUAL REPORT OF THE UNIVERSITY FOUNDATION

President Hasselmo introduced Associate Vice President Gerald Fischer, President of the University of Minnesota Foundation, and Marvin Borman and James Campbell, past Chair and Vice Chair of the Board of Trustees of the Foundation, respectively. He noted that the Annual Report will also provide an opportunity to review the Foundation's remarkable record since it began in 1962.

Mr. Fischer led the discussion of the Annual Report, and he recognized the dedicated efforts of the Board of Trustees and the Foundation's development and support staff, some of whom were present at the meeting. He reviewed the Foundation's growth over the past 30 years in terms of donors, assets, annual gift production, and amount of voluntary support for the University.

Mr. Fischer discussed the impact of funds generated by the Foundation, including establishment of the Regents' Professorship Program, increased faculty support, new and upgraded facilities, and student support through scholarships. He noted that the Foundation received gifts and commitments for scholarships of \$9.8 million in 1992 versus \$4.4 million in 1990. He indicated that endowments designated for scholarships total \$87 million, generating approximately \$5 million annually for student scholarships.

Mr. Fischer reported on fundraising results for 1992. He noted that gift production increased 21.1 percent, and there was a 9.6 percent increase in gifts received. Mr. Fischer discussed the purpose and source of donations, noting that 58.70 percent of the gifts come from alumni. In terms of voluntary support, he indicated that the University ranked third nationally among public institutions and eleventh among public and private institutions.

Mr. Fischer reviewed the status of the Foundation's major fundraising projects, including undergraduate scholarships, on-campus sports facilities, the Cancer Research Center, and The Gateway project. He noted that although there is enthusiastic support for The Gateway project and the Class of 1942 has contributed over \$200,000 for that project, a major lead gift has not yet been identified to make it possible to move forward at this time.

Mr. Fischer reviewed the Foundation's future goals, including a gift production goal of \$54 million in 1993, increased alumni participation, commitment to quality and efficiency, and heightened stewardship commitment. He reviewed the combined market value of the endowments of the University of Minnesota Foundation, the Minnesota Medical Foundation, and the University of Minnesota, and reported on University investment pool returns as of June 30, 1992.

In conclusion, Mr. Fischer discussed the reasons donors contribute to the University and he emphasized the important efforts made by the Trustees, development staff, and others to make the University of Minnesota Foundation a success.

Regent Kuderer thanked Mr. Fischer for an excellent report, and stated that the wisdom of those who started the University of Minnesota Foundation 30 years ago is now paying great dividends and will continue to do so. He also noted the contributions of the Class of 1942 to The Gateway project. Regent Sahlstrom recognized Robert Odegard, who led the Class of 1942 in its fundraising effort.

Regent Keffeler expressed appreciation to Mr. Fischer for his superb contributions and leadership. She asked President Hasselmo and the Foundation to consider establishing scholarships as a top fundraising priority in light of the serious impact of increased tuition on students, and suggested a major fundraising campaign for that purpose similar to the Minnesota Campaign's focus on the academic area. Mr. Borman noted that the amount of funds raised for scholarships has doubled since 1990, and stated that he feels the Foundation could do even better with a specific goal. Mr. Fischer noted that an emphasis on scholarships could stimulate alumni contributions.

President Hasselmo noted that Foundation fundraising activities over the past several years have focused on a number of major initiatives, rather than on a campaign with one area of emphasis. Mr. Fischer discussed the possibility of conducting a major campaign in the future with a focus on students.

In response to Regent Craig, Mr. Fischer stated that the funds raised for scholarships include general scholarship funds, as well as funds designated specifically for minority students.

Student Representative Paulose expressed appreciation for the scholarship support being generated by the Foundation. In response to an issue raised by Ms. Paulose, it was noted that approximately \$1 million is devoted to athletic scholarships.

Following the discussion, Regent Kuderer recognized the efforts of Mr. Fischer, the Board of Trustees, and the Foundation staff for their efforts. He noted that the report was received, accepted, and will be filed.

REPORT OF THE FACULTY CONSULTATIVE COMMITTEE

Professor Mario Bognanno, Chair of the Faculty Consultative Committee (FCC), thanked the Board for the opportunity to report on the activities of the FCC. In spite of being faced with difficult times and complex issues, he indicated that the academic governance system at the University remains healthy.

Dr. Bognanno reported that the Senate recently approved the faculty workload policy and a proposal to stop the tenure clock for probationary faculty who become new parents. He also noted that non-union faculty from the University of Minnesota, Duluth can now participate in the Senate. The Board of Regents referred amendments to the Academic Misconduct Policy to the Senate for its approval, and Dr. Bognanno indicated that those amendments were approved.

Dr. Bognanno indicated that the FCC is currently addressing several issues, including faculty participation in the process of awarding merit pay and identifying additional ways to communicate good news regarding the University to the public. He also stated that a subcommittee has been appointed to discuss faculty participation in the evaluation of academic administrators, noting that the process for the Regents' annual review of the President is extremely successful because of consultation with a wide range of internal and external constituencies. He reported that the faculty value their involvement in the President's assessment, and they recognize the benefits of the process.

Dr. Bognanno discussed the development of the University's grievance policy, and reviewed the principles contained in the proposed policy. He stated that it will be presented to the Board of Regents following review by the University Senate. Dr. Bognanno noted that all non-union faculty, academic staff, civil service staff, graduate student employees, and non-graduate student employees would be covered by the proposed policy.

Regent Kuderer noted that Regent Neel had just been connected to the meeting by telephone. The committee voted unanimously to allow Regent Neel to participate in the meeting via telephone.

Regents Craig and Roe commended Dr. Bognanno for his efforts to develop a University grievance policy, and Regent Roe noted that his previous experience as a distinguished arbitrator is invaluable during this process.

In response to Regent Wynia, Dr. Bognanno stated the proposed policy provides that the University grievance officer's annual report will be disseminated to the administration, the University Senate, and various employee groups.

President Hasselmo stated that the University is fortunate to have a tradition of strong faculty leadership, particularly noting the contributions of Professor Bognanno and Professor Tom Scott, who chaired the FCC last year. He expressed appreciation to Professor Bognanno and his colleagues on the FCC for their tremendous work.

Following the discussion, Regent Kuderer thanked Professor Bognanno for his efforts. He noted that the report was received, accepted, and will be filed.

ANNUAL FINANCIAL REPORT

Senior Vice President Erickson led the discussion regarding the Annual Financial Report. He noted that the University received an unqualified opinion and the bond ratings were recently confirmed, which indicate confidence in the strength of the University's financial management. He introduced Associate Vice President Richard Pfitzenreuter and Carole Fleck, Director of Financial Reporting and Budget Administration. Mr. Erickson noted difficulties that have resulted from implementation of the CUPS system, and acknowledged the efforts of Ms. Fleck and Sarah Scattergood in preparing the Annual Financial Report.

Ms. Fleck discussed the June 30, 1992 Balance Sheet and reviewed the University's assets, liabilities, and fund balance, which exceeds \$1.7 billion. She reviewed balance sheet and credit worthiness ratios, noting substantial increases for workers compensation and additional accruals for the University's 1992 severance and termination programs. Mr. Erickson discussed efforts to resolve issues related to workers compensation costs, noting that actions to date have reduced annual expenses by approximately \$400,000.

Ms. Fleck reviewed the Statement of Changes in Fund Balances and the Statement of Current Funds Revenues, Expenditures, and Other Changes for the year ended June 30, 1992. She discussed an evaluation of financial performance, including net operating ratios, contribution ratios, and demand ratios. Ms. Fleck reviewed current fund revenues in constant 1992 dollars, and noted reduced state support and an increase in research contracts and grants. She reviewed a ratio of revenue source to total education and general expenditures and mandatory transfers, noting that declining state funds puts greater pressure on tuition, fees, and private gifts.

In summary, Ms. Fleck indicated that the University's Annual Report and a financial comparison of the Big 10 institutions are being prepared and will be provided to the Board. She noted that the Annual Report focuses on the University's teaching mission, and will include profiles of four University students.

In response to Regent Kuderer, Mr. Erickson stated that the Management Letter from Coopers & Lybrand will be presented to the Audit Committee at its January meeting.

Mr. Erickson responded to concerns raised by Regent Rosha regarding the policy implications of tuition increasing as a portion of current fund revenues, while every category of education and general expenditures that would benefit students decreased. He stated that in many cases, funds are restricted and have to be directed to specific activities. He noted that this issue will be addressed as part of the University's attempt to be more intensive in the planning and budgeting process. Regent Sahlstrom concurred with Regent Rosha's comments, and expressed a concern regarding the lack of support for the University's public service activities.

Following the discussion, Regent Kuderer thanked Mr. Erickson and Ms. Fleck for the report. He stated it is obvious from the report that initiatives by faculty and staff have helped close the gap that has been created by the decrease in state appropriations, and expressed the hope that the situation will improve.

REPORT OF THE NOMINATING COMMITTEE/ HOSPITAL BOARD OF GOVERNORS

Regent Craig, Chair of the Regents' Nominating Committee for the Hospital Board of Governors, presented the committee's recommendations for approval. She stated that the slate of candidates is excellent, noting that the nominations were made after consideration of the expertise needed on the Board of Governors and gender and geographic diversity.

Regent Anderson moved approval of the following resolution, and the motion was seconded by Regent Keffeler:

RESOLVED, that on the recommendation of the Board of Regents' Nominating Committee for the Board of Governors of the University of Minnesota Hospital and Clinic, the following individuals are appointed for three-year terms - Kathleen R. Annette, Michael J. Fay, Stephen W. Hansen, and Donald M. Sudor; the following individuals are reappointed

for three-year terms: Leonard Bienias, Nellie Johnson, and Arthur Kydd; and Charles W. Jones is appointed as the Student Representative for a one-year term.

The committee voted unanimously to recommend approval of the resolution

**UNIVERSITY OF MINNESOTA, CROOKSTON
PROGRAM PROPOSALS AND BENCHMARKS**

President Hasselmo led the discussion regarding the University of Minnesota, Crookston (UMC) program proposals and benchmarks. He stated that the proposal to establish polytechnic career oriented programs represents an important new concept in higher education. He reviewed several amendments to the original resolution presented at the November meeting, and stated that he appreciates the Board's participation in developing the final resolution.

Regent Sahlstrom moved approval of the following resolution, and the motion was seconded:

WHEREAS, the Regents of the University of Minnesota have directed the University of Minnesota, Crookston (UMC) to provide selected baccalaureate degrees in agriculture, business, environmental sciences, human resource development, and appropriate interdisciplinary studies;

WHEREAS, the proposed programs build on the existing faculty, facilities, and program strengths and include collaboration with other higher education institutions in order to meet student and employer needs and optimize the use of the current investment of state-appropriated dollars, and the human and physical resources of the campus;

WHEREAS, the proposed baccalaureate programs respond to the present UMC student educational goals, the increasing high school graduating senior baccalaureate plans, and employer needs;

WHEREAS, each baccalaureate program includes the benchmarks through the key strategies of customer focus, quality, collaboration, technology, and accountability; and

WHEREAS, the value of the University of Minnesota is greatly enhanced to the citizens of the state by providing applied undergraduate baccalaureate degrees and applied research;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Regents of the University of Minnesota approves the following 12 polytechnic career oriented baccalaureate programs for the University of Minnesota, Crookston, and directs the administration to forward these programs to the Minnesota Higher Education Coordinating Board:

For Careers in the Food and Fiber Industry

Agricultural Aviation

Agricultural Industries Sales and Management

Animal Industries Management

Emphasis: Dairy Management

Emphasis: Equine Management

Emphasis: Meat Animal Management

Environmental and Natural Resource Management

Emphasis: Soil & Water Technology

Emphasis: Natural Resource Management

Emphasis: Park Management

Plant Industries Management

Emphasis: Agronomy

Emphasis: Horticulture

For Careers in Small Business and Entrepreneurship

Business Administration (Small Business & Entrepreneurship)

Emphasis: General Business

Emphasis: Managerial Accounting

Emphasis: Information Management Systems

Emphasis: Retail Merchandising

For Careers in Selected Service Industries

Early Childhood Care and Education

Health Management

Emphasis: Healthcare Management

Emphasis: Sport and Fitness Management

Hotel/Restaurant/Institutional Management

For Career Advancement in Technical and Applied Technology

Applied Interdisciplinary Studies

Environmental and Processing Technology

Emphasis: Food & Fiber Processing

Emphasis: Applied Science Technology

Emphasis: Waste Management

Technical Communication

BE IT FURTHER RESOLVED, that following review by the Minnesota Higher Education Coordinating Board, the UMC baccalaureate programs be presented for the usual consideration by the Board of Regents, in the context of continuing review of the University's financial situation.

BE IT FURTHER RESOLVED, that the Board of Regents establishes the following benchmarks for evaluation:

Enrollment and Retention

- FYE enrollment increased by approximately 7% each year to 1,165 FYE by FY97.
- Headcount enrollment increased by approximately 3% each year to attain 1,533 by FY97.
- Approximately 400 new high school admits and 100 transfer students enrolled annually by FY97.
- Student retention rates of 60% freshmen to sophomore, 50% to junior, and 40% to senior status respectively by FY97.
- 90% of graduates seeking employment are employed in career-related fields within one year of graduation.

Quality Programs and Services

- North Central accreditation as a baccalaureate institution by Fall 1993.
- Academic program improvement audit committees established by Fall 1993 to review programs and courses on a three-year cycle.
- Learner outcomes established for all courses and programs by Fall 1994 and multiple measurements implemented by Fall 1995.
- Structured field experiences/internships required in all programs and completed by 75% of students by their senior year by FY97.

Collaborative Partnerships

- UMC cooperative AAS programs with technical colleges expanded to serve more than 500 technical college students annually by FY97.
- Cooperative agreements established to receive/deliver a total of 50 courses annually within the University, Bemidji State University, Moorhead State University, the University of North Dakota, North Dakota State University, and Concordia by FY97.
- Six joint faculty appointments created between UMC and the colleges within the University and neighboring institutions by FY97.
- Bemidji State University, Moorhead State University, and the University of Minnesota, Twin Cities will offer extended programs on the UMC campus by FY97.
- Fifteen business-contracted agreements annually with area employers for delivery of continuing education and outreach.
- Ten articulation program agreements established with technical and community colleges to insure appropriate transfer of student credits into UMC programs by FY97.

Incorporation of Technology

- All faculty and students have computers, e-mail, and voice mail by FY97.
- Computer technology incorporated in all courses and documented in the college bulletin and course syllabi.
- Shared data bases, technology, and expertise with 10 employers as an integral part of the career programs.

Financial Accountability

- Cost per FYE decreases by 16% from FY92 (\$8,348) to FY97 (\$6,969).
- Tuition income from additional students reaches approximately \$775,000 by FY97 and is used to support the additional needs for faculty, staff, supplies, equipment, technology, and telecommunication.
- Applied research funding which enhances rural economic viability increases to over \$1,000,000 annually by FY97.
- The programmatic changes are expected to be accomplished within the current amount of state-appropriated funds through FY97 augmented by tuition funds generated by UMC. However, UMC will not be excluded from budget adjustments, should the need for further budget cuts arise or opportunities for budget increases present themselves for the University as a whole.
- Any budgetary changes, contrary to these expectations will require Regents' approval.

Regent Sahlstrom noted the remarkable state-wide support for UMC that has existed since its inception. He introduced Ken Broin, a member of the UMC Advisory Committee, and recognized him and all of the other volunteers who have served UMC so well over the years.

Senior Vice President Infante emphasized that the proposed programs will benefit the state's work force and economic development, adding that the UMC proposal and the University's education programs in Rochester are examples of what also needs to be done in the Twin Cities. Dr. Infante indicated that if the University is to serve the people of Minnesota, it must extend its assets across the state in cooperation with the other systems of higher education, especially in the arena of career oriented education.

Regent Craig expressed appreciation to everyone who participated in the development of the proposal, stating that accolades should go to Regent Sahlstrom for his many contributions to UMC.

In response to an issue raised by Regent Wynia, President Hasselmo stated that a fundamental assumption of the proposal is that UMC will not be subsidized by other components of the University. He noted that if the market cannot tolerate a tuition increase at UMC, the result would be fewer resources to accomplish its mission. Regent Wynia noted that this underscores the significance of the tuition issue and the action by the Minnesota Higher Education Coordinating Board.

Regent Roshia stated that he is encouraged by the proposal. He concurred with Regent Wynia's comments, and stated that the message regarding the financial risks associated with the proposal must be made clear to its supporters.

Regent Keffeler stated that the University's role in career oriented education and collaboration with other institutions is important across the state, particularly in the metropolitan area. She cautioned against regarding the UMC proposal as an experiment that, if successful, could be applied elsewhere. She clarified that the University cannot wait to assess UMC's success in meeting benchmarks before addressing other important priorities. President Hasselmo responded that the University does not intend to wait, noting that discussions are continuing with the other public systems and that he feels the administration will be in a position within the next several months to report to the Board with greater specificity on program initiatives in the metropolitan area.

Dr. Infante stated that the administration will soon be able to report on an agreement to establish an educational program in the Twin Cities similar to the UMC proposal.

Following the discussion, the committee voted unanimously to recommend approval of the proposed resolution.

Regent Sahlstrom expressed appreciation to Chancellor Sargeant, Vice Chancellor Meyer, and the UMC faculty and staff for their efforts.

Regent Kuderer also expressed appreciation to all involved in the development of the proposal, adding a statement of confidence that UMC will be successful under the leadership of Chancellor Sargeant.

Chancellor Sargeant responded by thanking the Board for the opportunity, noting that an implementation plan is being developed.

President Hasselmo stated that the proposal represents a collaborative effort by Chancellor Sargeant and his colleagues, Dr. Infante, the other systems of higher education, and the Board of Regents. He expressed appreciation to the Board of Regents for actively participating in the process.

PRESIDENT'S REPORT ON THE ANTI-LYMPHOCYTE GLOBULIN (ALG) PROGRAM

President Hasselmo reported on the status of matters relating to the Minnesota Anti-Lymphocyte Globulin (ALG) program. A copy of the ALG report was subsequently included in the December President's Report to the Regents. A copy of the President's Report is on file in the Regents' Office.

Regent Kuderer thanked the President for the status report, and stated that the Board appreciates being informed regarding this matter.

The meeting adjourned at 10:50 a.m.


BARBARA MUESING
Executive Director and
Corporate Secretary

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

December 11, 1992

A meeting of the Board of Regents of the University of Minnesota was held on Friday, December 11, 1992, at 11:05 a.m. in the Regents' Room, 238 Morrill Hall.

Regents present: Craig, Keffeler, Kuderer, Neel, A. Page, M. Page, Reagan, Roe, Rosha, and Sahlstrom. Regent Neel participated by telephone. President Hasselmo presided.

Staff present: Chancellors Johnson and Sargeant; Senior Vice Presidents Erickson and Infante; Vice Presidents Allen, Hopkins, and Petersen; Executive Director Muesing; Associate Executive Director Janzen; and Associate Vice Presidents Barbatsis, Fischer, and Perlmutter.

APPROVAL OF MINUTES

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

Audit Committee - November 12, 1992
Facilities Committee - November 12, 1992
Financial Operations & Legislative Committee - November 12, 1992
Faculty, Staff & Student Affairs Committee - November 12, 1992
Educational Planning & Policy Committee - November 12, 1992
Committee of the Whole - November 12, 1992
Committee of the Whole - November 13, 1992
Board of Regents - November 13, 1992

REPORT OF THE PRESIDENT

President Hasselmo presented his monthly report which pertained to the Minnesota Anti-Lymphocyte Globulin (MALG) Program, Higher Education Coordinating Board Student Financing Proposal, Academic Excellence Scholarship Program, the new mission for the University of Minnesota, Crookston, Faculty Workload, and an Outstanding Advising Award for Ms. Lois deLeon.

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

REPORT OF THE CHAIR

Chair Kuderer called on Regent Sahlstrom who reported briefly regarding recognition recently given to Bob Provost and Gordon Starr for their roles in establishing the St. Paul Campus Student Center.

Chair Kuderer announced that the Board of Regents offers its support to the administration's efforts regarding the implementation of the Smoke-Free Campus Plan.

He reported that the January agenda will include lunch at Comstock dormitory followed by a hard-hat tour of the The Frederick R. Weisman Art Museum currently under construction. The Thursday, January 7, dinner will be with the President's Minority Advisory Committee at the Earle Brown Center on the St. Paul campus. He also reported that the February agenda will include a tour of the athletic facilities also under construction and a possible tour of the transitway. In addition, February 20 has been selected as the date for a Regents' Retreat and asked regents to so note on their calendars.

Chair Kuderer acknowledged that this will be the last meeting for Regent Alan Page who was recently elected to the Minnesota Supreme Court, extending best wishes on behalf of the Board as he assumes his new duties. He then called on Student Representative Chair Rachel Paulose who presented Regent Page with a plaque. Regent Page briefly addressed the Board.

GIFTS

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

The Board of Regents voted unanimously to approve the gifts as presented.

CONTRACTS AND GRANTS/APPLICATIONS AND AWARDS

Vice President Petersen submitted for approval the contracts and grants/applications and awards as presented in the docket material and on file in the Regents' Office.

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

REPORT OF THE COMMITTEE OF THE WHOLE December 10, 1992

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

- a) Approval of resolution to the Minnesota Higher Education Coordinating Board Opposing the Use of Tuition at Public Higher Education Institutions to Fund the State Grant Program, as follows:

WHEREAS, the Minnesota Higher Education Coordinating Board is considering a proposal to finance an increase in the State Grant Program for undergraduate students by reducing the proportion of taxpayer funds allocated directly to the public higher education systems; and

WHEREAS, this proposal would offset the reduction in public system funding through an increase in tuition at public institutions; and

WHEREAS, this proposal would levy the tuition increase on students who are not eligible for support from the State Grant Program -- non-resident non-reciprocity students who currently pay the full cost of instruction and graduate and professional students; and

WHEREAS, this proposal does not take into account the adverse impact on the University's ability to subsidize high-cost professional and graduate programs; and

WHEREAS, this proposal further differentiates the State of Minnesota from its reciprocity states and Manitoba in tuition levels and financial aid, and may therefore call into question reciprocity agreements in their present form; and

WHEREAS, this proposal's tuition increase may result in a loss of access to higher education by lower-middle and middle income students that is in excess of gains in access for lower income students; and

WHEREAS, this proposal, in a time of financial hardship for the state, establishes a level of funding exceeding what is mandated by state and federal law including adjustments for inflation and a tuition cap for private colleges, which may be in excess of the actual average cost of comparable undergraduate programs at public institutions; and

WHEREAS, the Board of Regents has encouraged the development of state financial assistance, with special attention to the needs of low income people, and recognizes the need for additional resources by the State Grant Program to respond to changes in assistance policy by the federal and state governments and by inflation; and

WHEREAS, the Board of Regents resolved on December 13, 1991 its expression of concern for the financial hardship created by the increases in tuition and challenged the public and private higher education systems to aggressively seek additional sources of state and federal support to aid financially disadvantaged students; and in a letter to Governor Arne Carlson on September 11, 1992 indicated that raising tuition is a hardship that cannot continue to be imposed on the families of Minnesota students in future years, and that reduced state appropriation and increased tuition are the wrong choices for the future of our students and our citizens.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Regents reaffirms its expression of concern for the financial hardship created by increases in tuition and supports adequate funding of the State Grant Program.

BE IT FURTHER RESOLVED, that the Board emphasizes the need for the Minnesota Higher Education Coordinating Board to undertake a thorough analysis and evaluation of the effects and consequences of this proposal, and to consult with the other governance boards of Minnesota's higher education systems on tuition and public financial assistance policy.

BE IT FURTHER RESOLVED, that the Board of Regents convey to the Minnesota Higher Education Coordinating Board its opposition to the method of using tuition at public institutions to fund the State Grant Plan, and encourages the Minnesota Higher Education Coordinating Board and the public and private higher education systems to seek alternative sources of state and federal support to aid financially disadvantaged students.

Chair Kuderer noted that since the resolution was approved by committee on Thursday, there have been new developments by the Minnesota Higher Education Coordinating Board (MHECB). He called on the administration for an update.

President Hasselmo reported that the Regents' resolution was presented by Senior Vice President Infante to the MHECB before action on their proposal. He indicated that the MHECB amended its proposal, still recommending a substantial increase in student financial aid funding, but no longer specifying tuition increases as the source. The reviewed proposal recommends that an increased state appropriation be the preferred source, however, failing that, financial aid increases would come from reducing the state appropriation to Minnesota's public higher education systems, cutting programs or increasing tuition. President Hasselmo stated that there are serious public policy implications of MHECB's proposal, with the students standing to lose. Even if students do not pay in tuition dollars, they will pay in the form of a lower quality education.

Senior Vice President Infante summarized discussions from the MHECB meeting, indicating that speaking on behalf of the administration, he is very disappointed with the MHECB's proposal. He stated if the proposal is implemented, tuition for the entire higher educational system would increase by \$25 million of which \$6.8 million would be the University's component. The state grant program would only provide \$15 million for the entire higher education system resulting in a net loss to the students of \$9.9 million in public education, \$1 million for the University of Minnesota students.

Chair Kuderer moved approval of the resolution including a request that the President draft a letter to all legislators expressing the Board's opposition to the MHECB action. The motion was seconded and the Board of Regents voted unanimously to approve.

Regent Keffeler asserted the importance of everyone being together on the issue of tuition, recounting that the students presented a resolution regarding tuition at the Educational Policy and Planning Committee in November 1992. She stated that the spirit of that resolution and the University's stand regarding tuition are not far apart, and moved that the administration meet with student leaders to seek common ground regarding tuition and to formulate a joint recommendation to be brought back to the Board for approval.

The motion was seconded and the Board of Regents voted unanimously to approve the motion.

Regents Rosha and Roe stressed the importance of taking an aggressive message to the legislature.

Chair Kuderer reported that the committee also received an interim report of the University Outreach Council and reviewed for information a proposed six-year capital budget calendar and principles.

REPORT OF THE COMMITTEE OF THE WHOLE
December 11, 1992

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

- a) Approval of resolution re Report of the Nominating Committee/Hospital Board of Governors, as follows:

RESOLVED, that on the recommendation of the Board of Regents' Nominating Committee for the Board of Governors of the University of Minnesota Hospital and Clinic, the following individuals are appointed for three-year terms - Kathleen R. Annette, Michael J. Fay, Stephen W. Hansen, and Donald M. Sudor; the following individuals are reappointed for three-year terms: Leonard Bienias, Nellie Johnson, and Arthur Kydd; and Charles W. Jones is appointed as the Student Representative for a one-year term.

- b) Approval of resolution re University of Minnesota, Crookston Program Proposals and Benchmarks, as follows:

**RESOLUTION ESTABLISHING POLYTECHNIC CAREER
ORIENTED PROGRAMS AND BENCHMARKS
FOR EVALUATION AT THE
UNIVERSITY OF MINNESOTA, CROOKSTON**

WHEREAS, the Regents of the University of Minnesota have directed the University of Minnesota, Crookston (UMC) to provide selected baccalaureate degrees in agriculture, business, environmental sciences, human resource development, and appropriate interdisciplinary studies;

WHEREAS, the proposed programs build on the existing faculty, facilities, and program strengths and include collaboration with other higher education institutions in order to meet student and employer needs and optimize the use of the current investment of state-appropriated dollars, and the human and physical resources of the campus;

WHEREAS, the proposed baccalaureate programs respond to the present UMC student educational goals, the increasing high school graduating senior baccalaureate plans, and employer needs;

WHEREAS, each baccalaureate program includes the benchmarks through the key strategies of customer focus, quality, collaboration, technology, and accountability; and

WHEREAS, the value of the University of Minnesota is greatly enhanced to the citizens of the state by providing applied undergraduate baccalaureate degrees and applied research;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Regents of the University of Minnesota approves the following 12 polytechnic career oriented baccalaureate programs for the

University of Minnesota, Crookston, and directs the administration to forward these programs to the Minnesota Higher Education Coordinating Board:

For Careers in the Food and Fiber Industry
Agricultural Aviation
Agricultural Industries Sales and Management
Animal Industries Management
 Emphasis: Dairy Management
 Emphasis: Equine Management
 Emphasis: Meat Animal Management
Environmental and Natural Resource Management
 Emphasis: Soil & Water Technology
 Emphasis: Natural Resource Management
 Emphasis: Park Management
Plant Industries Management
 Emphasis: Agronomy
 Emphasis: Horticulture

For Careers in Small Business and Entrepreneurship
Business Administration (Small Business & Entrepreneurship)
 Emphasis: General Business
 Emphasis: Managerial Accounting
 Emphasis: Information Management Systems
 Emphasis: Retail Merchandising

For Careers in Selected Service Industries
Early Childhood Care and Education
Health Management
 Emphasis: Healthcare Management
 Emphasis: Sport and Fitness Management
Hotel/Restaurant/Institutional Management

For Career Advancement in Technical and Applied Technology
Applied Interdisciplinary Studies
Environmental and Processing Technology
 Emphasis: Food & Fiber Processing
 Emphasis: Applied Science Technology
 Emphasis: Waste Management
Technical Communication

BE IT FURTHER RESOLVED, that following review by the Minnesota Higher Education Coordinating Board, the UMC baccalaureate programs be presented for the usual consideration by the Board of Regents, in the context of continuing review of the University's financial situation.

BE IT FURTHER RESOLVED, that the Board of Regents establishes the following benchmarks for evaluation:

- Enrollment and Retention
- FYE enrollment increased by approximately 7% each year to 1,165 FYE by FY97.
 - Headcount enrollment increased by approximately 3% each year to attain 1,533 by FY97.
 - Approximately 400 new high school admits and 100 transfer students enrolled annually by FY97.

- Student retention rates of 60% freshmen to sophomore, 50% to junior, and 40% to senior status respectively by FY97.
- 90% of graduates seeking employment are employed in career-related fields within one year of graduation.

Quality Programs and Services

- North Central accreditation as a baccalaureate institution by Fall 1993.
- Academic program improvement audit committees established by Fall 1993 to review programs and courses on a three-year cycle.
- Learner outcomes established for all courses and programs by Fall 1994 and multiple measurements implemented by Fall 1995.
- Structured field experiences/internships required in all programs and completed by 75% of students by their senior year by FY97.

Collaborative Partnerships

- UMC cooperative AAS programs with technical colleges expanded to serve more than 500 technical college students annually by FY97.
- Cooperative agreements established to receive/deliver a total of 50 courses annually within the University, Bemidji State University, Moorhead State University, the University of North Dakota, North Dakota State University, and Concordia by FY97.
- Six joint faculty appointments created between UMC and the colleges within the University and neighboring institutions by FY97.
- Bemidji State University, Moorhead State University, and the University of Minnesota, Twin Cities will offer extended programs on the UMC campus by FY97.
- Fifteen business-contracted agreements annually with area employers for delivery of continuing education and outreach.
- Ten articulation program agreements established with technical and community colleges to insure appropriate transfer of student credits into UMC programs by FY97.

Incorporation of Technology

- All faculty and students have computers, e-mail, and voice mail by FY97.
- Computer technology incorporated in all courses and documented in the college bulletin and course syllabi.
- Shared data bases, technology, and expertise with 10 employers as an integral part of the career programs.

Financial Accountability

- Cost per FYE decreases by 16% from FY92 (\$8,348) to FY97 (\$6,969).
- Tuition income from additional students reaches approximately \$775,000 by FY97 and is used to support the additional needs for faculty, staff, supplies, equipment, technology, and telecommunication.
- Applied research funding which enhances rural economic viability increases to over \$1,000,000 annually by FY97.
- The programmatic changes are expected to be accomplished within the current amount of state-appropriated funds

through FY97 augmented by tuition funds generated by UMC. However, UMC will not be excluded from budget adjustments, should the need for further budget cuts arise or opportunities for budget increases present themselves for the University as a whole.

- Any budgetary changes, contrary to these expectations will require Regents' approval.

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

Chair Kuderer reported that the committee also reviewed the annual report from the University Foundation, a report from the Faculty Consultative Committee and the Annual Financial Report. In addition, the President presented an updated report on the Anti-Lymphocyte Globulin Program.

REPORT OF THE FACULTY, STAFF & STUDENT AFFAIRS COMMITTEE

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

- a) Approval of the Senior Vice President's Monthly Faculty, Staff and Student Affairs Report as listed in the docket material.
- b) Approval of resolution re Report to the Legislature Regarding Security and Training Plan on Violence and Sexual Harassment, as follows:

WHEREAS, campus security is essential to ensure a sense of community with diversity, and successful education can only occur in an atmosphere of mutual respect, free from sexual and racial harassment and other forms of intolerance and their harmful effects; and

WHEREAS, the Board of Regents regularly reviews the University's policy on sexual harassment, as well as reports of offices, committees, and other units responsible for campus security and educational programming and training to prevent violence and harassment;

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

- fully supports and is in agreement with the spirit and intent of the recent legislation directing Minnesota post-secondary institutions to strengthen programs to prevent sexual harassment and violence;
- approves the University of Minnesota System Plan for Campus Security and Training on Sexual Harassment and Violence to be forwarded to the Higher Education Coordinating Board;
- directs the administration to begin implementation in 1992-93 with full implementation to be accomplished by 1994-95; and

- directs the administration to report to the Board in November 1993 about progress toward implementing and evaluating the Plan and associated educational programs.

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

Chair Sahlstrom reported that the committee also reviewed annual reports of the All-University and Campus Indian Advisory Committees. He reported that the reports of the Office of the Associate Vice President for Academic Affairs and Associate Provost with special responsibility for Minority Affairs and the Office of Equal Opportunity and Affirmative Action as well as the Report on Fall Quarter Enrollment were postponed until the January 1993 meeting.

REPORT OF THE FACILITIES COMMITTEE

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

- a) Approval of the Senior Vice President's Monthly Facilities Report which included reports pertaining to purchasing, project status, property accounting, and miscellaneous items as presented in the docket material and filed in the Regents' Office.
- b) Approval of resolution regarding projects previously submitted for information, as follows:

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

1. Hockey Arena, Scope Increase
Twin Cities Campus
Estimated increase in project: \$138,000
Total estimated cost of the project: \$20,138,000
Funding: Revenue supported bonding program; University Building Energy Efficiency Project (UBEEP); and Facilities Management
Estimated completion date: August 1993
 2. 19th Avenue Parking Ramp
Twin Cities Campus
Estimated cost of the project: \$5,500,000
Funding: Parking Services Revenues and Internal Loan
Estimated completion date: August 1994
 3. Domestic Water Pipe Replacement Program
Duluth Campus
Estimated cost of the project: \$2,048,000
Funding: 1992 Legislative Appropriation for Fire and Life Safety
Estimated completion date: April 1993
- c) Approval of resolution regarding real estate transactions previously approved:

- a) 99-Year Land Lease to City of Morris and Acquisition of .705 Acre as Lease Consideration, West Central Experiment Station, Morris

RESOLVED, that on the recommendation of the President and Senior Vice President for Finance and Operations, the appropriate administrative officers are authorized to execute the necessary documents for (1) the acquisition of .705 acre of land from the City of Morris at \$1.00 and (2) the lease of approximately 8 acres of land located in the South One-Half of Section 36, Township 125, Range 42 West, Stevens County, to the City of Morris for 99 years.

- b) Sale of 6,500 Square Feet of Land at Vacated Colorado Avenue and 24th Avenue East, Duluth Campus

RESOLVED, that on the recommendation of the President and Senior Vice President for Finance and Operations, the appropriate administrative officers are authorized to execute the appropriate documents providing for the sale of 6,500 square feet of land at vacated Colorado Avenue and 24th Avenue East, to Donald B. and Carlyn J. Crouch, for the sum of \$5,111.00.

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

Regent Roe reported that the committee also reviewed several projects for information which included construction of a North Stadium parking facility and bus drop off; restoration of University Drive and Parking Lot B on the Duluth campus; partial tuckpointing of six buildings on the Duluth campus; and roof replacement for six buildings on the Duluth campus. In addition, three real estate transactions were presented for information: 1) purchase of land at Oak and 57th Street SE in Minneapolis; 2) sale of land at the North Central Experiment Station in Grand Rapids, Minnesota; and 3) sale of the Friedell Building in Rochester, Minnesota.

REPORT OF THE FINANCIAL OPERATIONS & LEGISLATIVE COMMITTEE

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

- a) Approval of the Senior Vice President's Monthly Financial Operations and Legislative Report including accounts receivable, central reserves, debt management, and miscellaneous items as presented in the docket material and filed in the Regents' Office.

The Board of Regents voted unanimously to approve the recommendation of the Financial Operations & Legislative Committee.

Regent Kuderer reported that the committee also reviewed the Quarterly Purchasing Report, the Quarterly Report on Asset and Debt Management, and received a legislative update.

**REPORT OF THE EDUCATIONAL PLANNING &
POLICY COMMITTEE**

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

- a) Approval of the Senior Vice President's Monthly Educational Planning and Policy Report as presented to the committee in the docket material and including the following action:

- Approval by the Higher Education Coordinating Board (HECB) of the proposal for the Master of Liberal Studies (M.L.S.) Degree at the University of Minnesota, Duluth.

- b) Approval of resolution re Appointments to the Minnesota Landscape Arboretum Foundation Board of Trustees, as follows:

RESOLVED, that on the recommendation of the President and the Senior Vice President for Academic Affairs, Charlotte Drake and Helen Hartfiel be appointed to three-year terms on the Board of Trustees of the Minnesota Landscape Arboretum Foundation.

- c) Adoption of Regents' Policy on Delegation of Authority/Acceptance of Sponsored Grants and Contracts, as follows:

RESOLVED, that the Regents of the University of Minnesota hereby delegate the authority to formally accept sponsored grants and contracts to the president, or his/her designee.

To be accepted, grants and contracts must adhere to appropriate University policies, such as those on hazardous biological materials, secrecy in research, use of human subjects in research, and animal care and usage. In addition, other policies and practices will be followed, including prior dean and department head approval of proposal and principal investigator, fiscal soundness including recovery of indirect costs, prior approval of any required institutional matching funds, availability of suitable space, prior disclosure of any conflict of interest including financial interest in a company affected by the proposal, and public disclosure of information.

Information on grants and contracts shall be reported to the Regents on a quarterly basis. Significant individual grants and contracts shall be reported to the Regents in timely fashion on an ad hoc basis. The Board of Regents shall approve the submission or receipt of such significant grants. In such cases as significant grants are submitted without prior approval of the Board of Regents, a report will be provided to the Board of Regents at the earliest possible time explaining the potential implications of the grant and the reasons that occasioned the necessity to submit the grant without Board approval. Significant grants are those that are very large, (more than 1 percent of the prior year's externally funded research expendi-

tures), or that would have a substantial impact on the academic plan or on the budget of the University. Examples of substantial impact would include special facilities requirements or a substantive area that is new or unusual to the University. The president, or his/her designee, shall make a formal presentation to the Regents annually on the status of the University's research and on its sponsored grant and contract activity.

- d) Adoption of revised Regents' Policy on Delegation of Authority: General Delegations, as follows:

DELEGATION OF AUTHORITY

General Delegations

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

Corporate Officers

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

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

The president, the senior vice president for finance and operations, the treasurer, or the controller are each hereby authorized and empowered, on behalf of the Regents of the University of Minnesota, to:

1. Execute all contracts, agreements, and all other documents and instruments relating to research, training and public service programs with the Government of the United States, or its agencies or subdivisions, and with nonfederal sponsors.
 - a) This authority is also extended to: the associate vice president of the Office of Research and Technology Transfer Administration; the director of patents and licensing, and the assistant directors, of the Office of Research and Technology Transfer Administration.
2. Submit proposals for research, development, service and training contracts, subcontracts, and grants and execute same.

- a) This authority is also extended to: the associate vice president of the Office of Research and Technology Transfer Administration; the director of patents and licensing; the assistant directors of the Office of Research & Technology Transfer Administration; and the chancellor, vice chancellor for finance and operations, assistant to the vice chancellor for finance and operations, and director of the Business Office, vice chancellor for academic administration, and associate vice chancellor for academic administration of the University of Minnesota, Duluth.
3. Accept gifts offered without unusual conditions or restrictions.
4. Accept low bids, within available funds, for the construction of University facilities.
 - a) This authority is also extended to the assistant vice president for facilities management.
5. Negotiate and consummate real estate transactions within policies established by the Board of Regents.
6. Designate and commission architects, engineers, and consultants as needed for University purposes.
 - a) This authority is also extended to the assistant vice president for facilities management and the associate vice president for campus planning and real estate for activities related to that function.
 - b) The authority to retain consultants other than architects and engineers for University services is extended to the assistant vice president of business services and director of purchasing services.
 - c) The authority to retain consultants other than architects and engineers for University of Minnesota Hospital and Clinic services is extended to the Board of Governors.
 - d) The authority to retain consultants other than architects and engineers for University services not exceeding \$25,000 is extended to the chancellors and the provost of the Twin Cities campus, the Board of Governors, and the associate vice president of the Office of Research & Technology Transfer Administration.
 - e) The authority to retain consultants other than architects and engineers for University services not exceeding \$2,000 is extended to the deans of all University colleges and equivalent administrative officers.

7. Execute contracts, agreements, and all other instruments relating to:
 - a) New building construction, building and equipment alterations, and improvements.
 - 1) This authority is also extended to the assistant vice president for facilities management.
 - b) Purchase, sale and lease of supplies, goods, furniture, fixtures and equipment.
 - 1) The authority to purchase equipment and supplies is also extended to the assistant vice president of business services and director of purchasing services.
 - c) Trusts, gifts, grants, bequests and donations and the correct assignments of such.
 - d) Intercollegiate athletics.
 - e) Lease and rental of equipment and facilities for University purposes.
 - 1) The authority to lease and rent equipment for University purposes is also extended to the assistant vice president of business services and director of purchasing services.
 - f) Fringe benefit program for University employees. The authority to execute administrative documents required for the operation of the fringe benefit programs is extended to the assistant director for employee benefits, the employee benefits operations manager, and the employee benefits program manager.
 - g) Corporate liability and property insurance.
 - h) Patents, trademarks, service marks, copyrights and other means of protection as provided for in the Regents' Patent and Technology Transfer Policy and applications therefore; licenses, assignments and transfers of patents, service marks, trademarks, copyrights and other means of protection as provided for in the Regents' Patent and Technology Transfer Policy and payment of legal services relating thereto.
 - 1) This authority is also extended to: the associate vice president of the Office of Research and Technology Transfer Administration; and the director of patents and licensing.
 - i) Student teaching and school survey agreements.

- j) Institutional memberships.
- k) Health sciences affiliation agreements.
- l) The performance of experimental, developmental, or research work without formal advertising or solicitation of competitive bids - all such agreements to be reported to the Board of Regents.
- m) Real estate lease for periods not exceeding three years.
 - 1) This authority is also extended to the University attorney, the general counsel and the associate vice president for campus planning and real estate.

Senior Vice President for Finance and Operations
Treasurer, or Controller

1. Adjustments of the level of deposits among the various banks from time to time to meet the need of the operations of the University, with the understanding that no bank depository heretofore established by the regents will be closed without specific action of the Board.
2. Approval of payment of small claims against the University.
 - a) This authority is also extended to the chancellors and provost of the Twin Cities campus.
 - b) This authority with respect to small claims arising out of the University of Minnesota Hospital and Clinic is extended to the Board of Governors.
3. The correct assignment and transfer of gift funds made to the University of Minnesota to the appropriate foundation or group so that the intended purpose of the donor is achieved.

Senior Vice President for Finance and Operations
and his/her designee

1. Solely responsible for the acquisition of property, casualty, and liability insurance coverages for the University of Minnesota, and approval to obtain insurance to augment the University's insurance be granted only if the acquisition of such coverage is in the best interests of the University.

Secretary

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

1. Accept legal service on behalf of the corporation and of the University.

- a) This authority is also extended to the University attorney and the general counsel.
2. Certify to any action of the board or its committees, the identity, appointment, and authority of the officers of the corporation or of the University, and the provisions of the corporation's Bylaws and policies and excerpts from the minutes of the Board of Regents.

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

Titles modified in November 1991 pursuant to Regents' Policy on Policies adopted March 8, 1991.

- e) Approval of resolution re Rescission of Regents' Policies, as follows:

RESOLVED, on the recommendation of the President and the Vice President for Health Sciences, that the Health Sciences Mission Policy, the Policy on Health Sciences, and the Rural Physician's Associate Program be rescinded.


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

Regent Craig reported that the committee also received a brief update on the Higher Education Coordinating Board State Grant Program funding proposal.

REPORT OF THE AUDIT COMMITTEE

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

The meeting adjourned at 12:06 p.m.


BARBARA MUESING
Executive Director &
Corporate Secretary