

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

June 11, 2004

A meeting of the Board of Regents of the University of Minnesota was held on Friday, June 11, 2004, at 9:00 a.m. in the Boardroom, 600 McNamara Alumni Center.

Regents present: David Metzen, presiding; Clyde Allen, Anthony Baraga, Peter Bell, Frank Berman, Dallas Bohnsack, John Frobenius, William Hogan, Richard McNamara, Maureen Reed, and Patricia Simmons.

Staff present: President Robert Bruininks; Senior Vice President and Provost Christine Maziar; Senior Vice President Frank Cerra; Vice Presidents Kathryn Brown, Carol Carrier, Sandra Gardebring, Kathleen O'Brien, and Richard Pfutzenreuter; Interim Vice President David Hamilton; Acting General Counsel William Donohue; Executive Director Ann Cieslak; Provost David Carl; and Associate Vice Presidents Margaret Carlson, Gerald Fischer, Gail Klatt, and Donna Peterson.

ANNUAL MEETING

Chair Metzen called the annual meeting of the Board of Regents to order at 9:00 a.m.

ESTABLISHMENT OF MEETING DATES

A motion was made and seconded and the Board of Regents voted unanimously to approve the following meeting schedule for 2004-2005:

July 7-8, 2004	Board of Regents Retreat
July 8-9, 2004	
August 2004 - No Meeting	
September 9-10, 2004	
October 7-8, 2004	Meeting at the University of Minnesota Duluth
November 11-12, 2004	
December 9-10, 2004	
January 2005 - No Meeting	
February 10-11, 2005	
March 10-11, 2005	
April 7-8, 2005	Tentative
May 12-13, 2005	
June 9-10, 2005	

The annual meeting adjourned at 9:10 a.m.

The regular meeting of the Board of Regents was convened at 9:11 a.m.

**RECOGNITION: CHRISTINE M. MAZIAR
SENIOR VICE PRESIDENT FOR ACADEMIC AFFAIRS AND PROVOST**

Recognition was given to Christine M. Maziar for her service as Senior Vice President for Academic Affairs and Provost. Maziar is leaving the University to become the Vice President and Associate Provost at the University of Notre Dame.

**RECOGNITION: APOSTOLOS P. GEORGOPOULOS
MCKNIGHT PRESIDENTIAL ENDOWED CHAIR IN NEUROSCIENCE**

President Bruininks introduced Professor Apostolo P. Georgopoulos, recipient of a University of Minnesota McKnight Presidential Endowed Chair in Cognitive Neuroscience.

RECOGNITION: MAYA BABU, TRUMAN SCHOLAR

Recognition was given to Maya Babu, the 2004 recipient of the Truman Scholarship.

APPROVAL OF MINUTES

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

Audit Committee - May 13, 2004

Educational Planning & Policy Committee - May 13, 2004

Facilities Committee - May 13, 2004

Faculty, Staff & Student Affairs Committee - May 13, 2004

Finance & Operations Committee - May 13, 2004

Board of Regents - May 13, 2004

Board of Regents - May 14, 2004

Public Forum - May 18, 2004

REPORT OF THE PRESIDENT

President Bruininks announced the creation of a new Office of Service and Continuous Improvement. The office will serve as a University-wide resource that will assist and work collaboratively with administrative and collegiate units and individuals to improve efficiency, operations and customer service. He noted that Scott Martens will serve as the director of the office.

The President also noted the passing of Tony Potami, former Associate Vice President whose efforts to promote research and technology transfer had an enormous impact on the University's research enterprise.

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

REPORT OF THE CHAIR

Chair Metzen noted the newly-formed Friends of Eastcliff Book Club, formed to provide an opportunity for members of the University community to participate in the sharing of literature and ideas at Eastcliff.

Metzen reported that Board members will participate in their annual retreat on July 7-8, 2004. An assessment of the Board's work will be on the agenda for the two-day retreat.

Regents Metzen, Allen, and Baraga presented a summary of the Presidential Performance Evaluation Committee. The committee recognized Bruininks' academic leadership, administrative and fiscal management, and his relationship with the Board of Regents and internal and external constituencies.

A copy of the report of the Presidential Performance Evaluation Committee is on file in the Board Office.

RECEIVE AND FILE REPORTS

Chair Metzen reported that there were no receive and file reports this month.

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 through April 30, 2004, as listed in the docket material and on file in the Board Office.

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

REPORT OF THE ALL-UNIVERSITY HONORS COMMITTEE

Regent Metzen stated that the Report of the All-University Honors Committee was forwarded to the Board in letters from President Bruininks on May 26, 2004 and June 8, 2004.

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

APPOINTMENT OF REGENTS PROFESSORS

President Bruininks reported that the Regents Professor Nominating Committee forwarded a recommendation to the Board of Regents on May 26, 2004. He recommends approval of the recommendation.

A motion was made, seconded, and the Board of Regents voted unanimously to approve the recommendation of the Regents Professor Nominating Committee.

QUARTERLY SUMMARY OF EXPENDITURES

Regent Metzen presented the Quarterly Summary of Expenditures for the Office of the Board of Regents, the President's Office, and Eastcliff Operations, for nine months ending March 31, 2004 as contained in the docket materials.

A motion was made and seconded and the Board of Regents voted unanimously to approve the Summary of Expenditures for the period ending March 31, 2004.

BOARD OF REGENTS POLICY: *CODE OF ETHICS* ANNUAL REVIEW

Acting General Counsel William Donohue reviewed the Board of Regents policy: *Code of Ethics for Members of the Board of Regents*. Section IV, Subdivision 1 of the policy provides that the Board publicly reviews annually the requirements and procedures provided in the Board policy.

Donohue highlighted three general standards that board members are obligated to follow: 1) Each member of the Board

must consider the welfare of the entire University, not just a particular constituency, when considering an issue; 2) conflict of interest comes in many forms and cannot be entirely avoided, and is not a reflection of some misconduct by any individual regent; and 3) Board members are obligated to not use the authority, title, or prestige of the regental office to obtain any private financial, social, or political benefit that would in any manner be inconsistent with public interest.

Regarding procedures, Donohue reviewed that any individual can bring an ethics or conflict of interest claim to the chair of the Board. A regent for whom a conflict of interest question has arisen is encouraged to consult with the general counsel and may request that the general counsel provide a written opinion on the matter. A copy of the opinion is provided to the chair. Likewise, the chair may also request an opinion from the general counsel on any conflict of interest question that comes to the chair's attention.

When a conflict of interest has been disclosed or acknowledged, the regent with the conflict of interest issue shall not participate in the deliberations or vote of the Board of Regents. The policy also states that a disclosure or acknowledgement of a potential conflict of interest shall be noted in an appropriate place in the Board of Regents minutes.

In response to a question, Donohue stated that the University has its own policy relating to the receipt of gifts and is not covered by the State Gift Act.

REPORT OF THE FACULTY CONSULTATIVE COMMITTEE

Professor Judith Martin reported on the activities of the committee since its last report to the Board of Regents, and briefly discussed ongoing and emerging initiatives.

A copy of the report is included in the docket materials and is on file in the Board Office.

RECOGNITION: FACULTY CONSULTATIVE COMMITTEE OUTGOING CHAIR

Recognition was given to Professor Martin for her service as chair of the Faculty Consultative Committee during the 2003-04 academic year.

ANNUAL UNIVERSITY OF MINNESOTA ALUMNI ASSOCIATION REPORT

Jerry Noyce, UMAA National President, highlighted the achievements of the University of Minnesota Alumni Association during fiscal year 2004.

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

Noyce was commended for his service and leadership on behalf of the University.

BOARD OF REGENTS POLICY: *BOARD OPERATIONS AND AGENDA GUIDELINES*

Chair Metzen presented proposed revisions to the Board of Regents Policy: *Board Operations and Agenda Guidelines*, as presented in the docket materials. He reported that the proposed changes include revisions to reflect consistency with Board of Regents Policy: *Reservation and Delegation of Authority* and other Board policies and current practice, i.e. Audit Committee Charter changes and new titles. He noted that members of the administration have reviewed the proposed revisions and the General Counsel has reviewed the policy for form and legality. The item will be on the July 2004 agenda for approval.

BOARD OF REGENTS POLICY: *RESERVATION AND DELEGATION OF AUTHORITY*

Chair Metzen presented proposed amendments to the Board of Regents Policy: *Reservation and Delegation of Authority*, as presented in the docket materials. The proposed amendments incorporate changes made in other Board policies in 2003-2004 that include the following:

- language changes for editing purposes;
- changes in titles;
- addition of Board of Regents reservation of authority regarding financial support for the commercialization of technology;
- clarification of Board of Regents reservation of authority regarding continuous appointments, engagement of debt advisers and/or underwriters, and retirement plan; and
- clarification regarding the acceptance of legal service.

The item will be on the July 2004 agenda for approval.

At 10:30 a.m. Chair Metzen noted the passing of former United States President Ronald Reagan and asked for a moment of silence to acknowledge his death.

FY 2004-05 ANNUAL OPERATING BUDGET

A motion was made and seconded to approve the following resolution relating to the FY05 annual operating budget:

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

WHEREAS, the State of Minnesota, through its legislative and executive branches, has appropriated \$1,097,351,000 in state general fund monies for the 2004-2005 biennium to the University of Minnesota, which represents a \$185,069,000 decline compared to current base level funding, for the pursuit of its mission and in support of our goals and objectives; and

WHEREAS, the University of Minnesota is committed to achieving standards of national and international excellence; and

WHEREAS, the future of the University is premised on partnerships within the University community of faculty, staff and students, with the State of Minnesota, other educational institutions, business and industry, University alumni, local communities, and the citizens of Minnesota;

NOW, THEREFORE, BE IT RESOLVED that to achieve these goals, the Board of Regents approves the University of Minnesota Fiscal Year 2003-04 Operating Budget as follows:

The annual revenue and expenditure plan for current, non-sponsored funds and projected expenditures for sponsored funds for fiscal year 2003-04.

The Fiscal Year 2004-05 Operating Budget approved by the Board of Regents includes the following attachments which are included in the President's Recommended Fiscal Year 2004-05 Operating Budget:

Attachment 1 - Resource and Expenditure Budget Plan (University Fiscal Pages)

Attachment 2 - Fund Forecast - Centrally Distributed and Attributed Funds

Attachment 3 - University of Minnesota 2004-05 Tuition Plan: Tuition Rates

Attachment 7 - University of Minnesota 2004-05 Tuition Plan: Course Fees

Attachment 8 - University of Minnesota 2004-05 Tuition Plan: Academic Fees

Attachment 9 - University of Minnesota 2004-05 Tuition Plan: Fees in Lieu of Tuition

Attachment 10 - Student Services Fees

President Bruininks briefly reviewed the major components of the budget noting that the Board had reviewed details of the budget at its June 2004 meeting. He noted that the primary goals of recommendations for fiscal year 2004-05 were to balance the budget and invest in the future. He stated that the budget challenge for the fiscal year totaled \$70.4 million and that the resource plan for funding the obligations and investments included administrative, programmatic, and operating cost reductions, internal reallocations, increased institutional revenues, and increased institutional revenues, and increased tuition and fees. He stressed that no reserves were used to balance the budget.

Board members indicated their support for the budget but expressed concern regarding declining state support for the University. Regent Berman stated that he believes Minnesotans do not understand the effects that the budget reductions may have on the University in the future. Regent Hogan indicated that the University will begin to lose very good students if support for the University continues to decline. Responding to a comment from Regent Reed, Bruininks stated that the University could play a strong role if it partnered with the State of Minnesota to help solve their budget problems.

The Board of Regents voted unanimously to approve the resolution related to the FY05 Annual Operating Budget.

FY 2005 ANNUAL CAPITAL IMPROVEMENT BUDGET

A motion was made and seconded to approve the following resolution relating to the FY 2005 Capital Improvement Budget:

WHEREAS, the Board of Regents directed the administration to annually submit a capital improvement budget and a 6-year capital improvement plan; and

WHEREAS, the Board has adopted principles to guide the formulation of the capital improvement budget and 6-year capital improvement plan; and

WHEREAS, the Board recognizes the importance of sustaining and improving the University's facilities in support of teaching, research, and outreach; and

WHEREAS, the administration has developed a capital planning framework designed to focus its capital planning efforts toward projects that support the University's institutional priorities within a financial strategy that is realistic;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Regents

1) approves the FY 2005 Capital Improvement Budget; 2) authorizes the administration to increase the approved FY 2005 Capital Improvement Budget by an amount equal to the level of capital project funding appropriated by the Minnesota Legislature in a special session held in 2004; 3) requires that such an increase be reported to the Board of Regents at the next Board of Regents meeting; and 4) reaffirms its prior year capital expenditure authorizations.

President Bruininks and Vice Presidents Pfutzenreuter and O'Brien presented changes to the budget since it was reviewed by the Board at its May 2004 meeting as contained in the docket materials.

It was reported that the proposed budget authorizes projects totaling \$44,196,000 to begin design or construction during the next fiscal year. The budget has been reduced by a net \$187,911,000 due primarily to the failure by the 2004 Minnesota Legislature to enact new capital appropriations for the University of Minnesota. The resolution has been revised to authorize the administration to increase the budget by an amount equal to the level of capital project funding appropriated by the Legislature if a special session is held.

The Board of Regents voted unanimously to approve the resolution relating to the FY 2005 Capital Improvement Budget.

REPORT OF THE AUDIT COMMITTEE

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

REPORT OF THE FACULTY, STAFF, & STUDENT AFFAIRS COMMITTEE

Regent Simmons, Chair of the committee, reported that the committee voted unanimously to recommend:

- Approval of the Consent Report for the Faculty, Staff, & Student Affairs Committee as presented to the committee and described in the June 10, 2004 committee minutes.

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

Simmons reported that the committee also engaged in a lengthy policy discussion relating to health care benefits and reviewed a number of information items as described in the docket materials.

REPORT OF THE FINANCE & OPERATIONS COMMITTEE

Regent Hogan, Chair of the committee, reported that the committee voted unanimously to recommend:

a) Approval of the Consent Report for the Finance & Operations Committee as presented to the committee and described in the June 10, 2004 committee minutes.

- Adoption of Board of Regents Policy: *Debt Transactions*, as follows:

DEBT TRANSACTIONS

SECTION I. SCOPE.

This policy governs the administration's authority to engage in debt transactions and to engage underwriters and debt advisers. Its provisions apply to all external debt transactions of the University of Minnesota (University), regardless of maturity.

SECTION II. DEFINITIONS.

Subd. 1. Debt Transactions. Debt transactions shall include the following:

- (a) issuing bonds or other forms of debt financing, including, but not limited to, commercial paper, certificates of participation, and bond anticipation notes;
- (b) purchasing a liquidity facility, line of credit, or other credit-enhancement strategies;
- (c) hedging interest rate risk;
- (d) refunding existing debt; and
- (e) executing capital leases.

Subd. 2. Underwriter. Underwriter shall mean a person or firm engaged by the University to underwrite debt transactions and/or advise the University on the planning and structuring of debt transactions.

Subd. 3. Debt Adviser. Debt adviser shall mean a financial adviser, manager, or any person or firm engaged to advise the University on all elements of planning and structuring of debt transactions.

Subd. 4. Core Debt. Core debt shall mean any general obligation bond or other University debt backed by the full faith and credit of the University. Core debt includes borrowings to support the central mission of the University, subject to the provisions of Section V below. The structure of such debt is based on the general financial strength of the University, and may or may not be self-supporting. Self-supporting debt is repaid from sources outside the University's centrally allocated or attributed funds.

Subd. 5. Special Purpose Debt. Special purpose debt shall mean University debt issued to support specific projects where the revenues from specified sources are pledged to repay the indebtedness. Special purpose debt is not supported by the full faith and credit of the University and may include a subordinated revenue pledge.

Subd. 6. Hedging Transactions. Hedging transactions shall mean the use of investment hedging strategies and/or the use of interest rate caps and swaps where possible to reduce the University's interest rate risk.

SECTION III. RESERVATION AND DELEGATION OF AUTHORITY.

Subd. 1. Reservation of Authority to Engage Debt Advisers and Underwriters. The Board shall have the exclusive authority and power on behalf of the University to engage debt advisers and/or underwriters, provided, however, in exigent situations, as determined by the president or delegate, such officers shall have the authority to engage immediately a debt adviser and/or underwriter. In such instance, the president or delegate shall seek Board approval of the engagement at the next regularly scheduled Board meeting.

Subd. 2. Delegation of Authority. The president or delegate shall:

- (a) be responsible to the Board for the faithful execution of all debt transactions, consistent with Board policies and applicable law;
- (b) have the authority and power to enter into hedging transactions to manage interest rate risk on the University's outstanding debt;
- (c) have the authority and power to terminate the engagement of a debt adviser and/or underwriter; and
 - have the authority and power to negotiate agreements on behalf of the University to engage an underwriter in accordance with the following procedures:
 - (1) encourage all interested parties to review and recommend periodic changes in the University's debt structure;
 - (2) prepare and publicly distribute to all interested parties a request for proposal for any new debt transactions; and
 - (3) recommend new debt transactions to the Board following review by the Debt Management Advisory Committee.

SECTION IV. ESTABLISHMENT OF CORE DEBT RATING TARGET LEVELS.

The Board establishes a goal of maintaining a long-term core debt rating of Aa/AA category and a short-term core debt rating of A-1/P-1 by Moody's and Standard & Poor's, respectively.

SECTION V. GUIDING PRINCIPLES.

The following shall be used to govern the University's issuance of debt:

Subd. 1. Core Debt. Core debt shall be issued in aggregate amounts of \$10,000,000 or more primarily to finance capital expenditures, including certain equipment, with the goal of:

- (a) preserving the University's core debt ratings at the target levels established in Section IV above;
- (b) providing financing flexibility by ensuring continued access to capital markets;
- (c) ensuring access to different forms of variable and fixed-rate bonds; and
- (d) minimizing University borrowing costs at acceptable levels of risk over the life of the issue.

Subd. 2. Special Purpose Debt. Special purpose debt shall be issued primarily to finance capital expenditures, including certain equipment, and shall:

- (a) receive an investment grade credit rating, if rated;
- (b) ensure an acceptable cost of capital;
- (c) identify a revenue stream to support debt service; and
- (d) consider unique market timing or opportunities.

Subd. 3. Taxable Debt. Taxable debt may be used for those projects with an intended use or other characteristic that precludes the use of tax-exempt debt or when other financial considerations indicate the use of taxable debt is in the best interest of the University.

Subd. 4. Tax-Exempt Debt Maturity. The average maturity of tax-exempt debt should be as short as economically feasible for the project, generally not to exceed the useful life of the financed asset, and shall not exceed the federally legislated limit of the useful life of the financed asset.

Subd. 5. Prohibition. Debt transactions shall not be used to fund University operating costs.

SECTION VI. BINDING EFFECT.

Action taken by the president or delegate pursuant to this policy shall be an act of and shall bind the Board.

SECTION VII. REPORTING.

The president or delegate shall annually provide to the Board a Capital Financing and Debt Management report. The report shall include a review of the current and projected interest rate environment, current and anticipated debt plans, appropriate financial benchmarks and ratios, and other factors deemed appropriate. The report shall rely on selected financial ratios, consistent with major credit rating agency criteria, to ensure that the University is operating within appropriate financial parameters to maintain the core debt ratings.

SECTION VIII. CERTIFICATE OF AUTHORITY.

At the request of the president or delegate, the secretary of the Board shall certify the authority and power of the president or delegate to enter into debt transactions as provided in this policy.

Supersedes: Asset and Debt Management, dated April 12, 1991; Debt Guidelines, dated January 13, 1989; and Debt Transactions, dated March 11, 1994.

- Approval of a resolution amending the February 9, 2001 Bonding Resolution, as follows:

WHEREAS, the Regents of the University of Minnesota by a resolution adopted on February 9, 2001 (the "Bonding Resolution"), has authorized the sale and issuance of Bonds by the University in an aggregate principal amount not in excess of \$50,000,000 (excluding original issue discount, if any, with respect to the Bonds) outstanding at any time, in one or more series to provide funds to finance the acquisition and installation of items of equipment by the University and construction and remodeling projects to be undertaken by the University;

WHEREAS, pursuant to the authorization contained in the Bonding Resolution the University has issued and sold as the initial Bonds authorized to be issued under the Bonding Resolution two series of Bonds in the aggregate original principal amount of \$20,000,000, of which amount \$15,325,000 is presently outstanding;

WHEREAS, the Bonding Resolution provides that the terms of any additional series of Bonds to be issued by the University pursuant to the terms of the Bonding Resolution shall be subject to the approval of the Board of Regents;

WHEREAS, it has been proposed that the University issue additional Bonds pursuant to the authority contained in the

Bonding Resolution and that the Bonding Resolution be amended to provide that Bonds issued pursuant to the authorization contained in the Bonding Resolution are also permitted to be used to provide funds to finance the acquisition by the University of land and buildings and any interest therein and related costs;

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

1. As additional Bonds to be issued pursuant to the authority contained in this resolution, the Treasurer is authorized to approve the terms of one or more series of Bonds in an aggregate original principal amount of up to \$23,000,000 (excluding original issue discount, if any, with respect to the Bonds); including but not limited to the principal amount thereof, the maturity date or dates thereof, the interest rate or rates thereon, and the provisions, if any, with respect to the redemption of such Bonds prior to the stated maturity thereof, provided that if the interest rate on any series of Bonds shall be a fixed rate as provided in the Indenture of Trust or Order or any supplement or amendment thereto pursuant to which it is issued, the interest rate on any Bonds of such series may not exceed 7.00% per annum.

2. Section 1 of the Bonding Resolution is hereby amended to read as follows:

“1. To provide funds to finance the acquisition and installation of items of equipment by the University, construction and remodeling projects to be undertaken by the University and the acquisition of land and buildings or any interest therein and related costs by the University, the University hereby authorizes the sale and issuance of the Bonds from time to time in a principal amount not in excess of \$50,000,000 (excluding original issue discount, if any, with respect to the Bonds) outstanding at any time. The Bonds may be issued in separate series or together in one or more series. In no event shall any Bond mature later than 10 years following its date of issuance, and in no event shall any Bond mature later than December 31, 2020. The Bonds shall be general obligations of the University. Interest on the Bonds may or may not be excludable from gross income under Section 103 of the Internal Revenue Code of 1986, as amended. The Treasurer is authorized to approve the terms of one or more series of Bonds to be issued by the University pursuant to the authority contained in this resolution as provided in Section 3 hereof. The terms of any additional series of Bonds to be issued by the University pursuant to the authority contained in this resolution shall be subject to the further approval of the Board of Regents.”

3. Section 2 of the Bonding Resolution is hereby amended to read as follows:

“2. The items of equipment, the construction and remodeling projects and the land and buildings to be financed by the proceeds of the Bonds shall be the equipment, construction and remodeling projects and land and buildings the source of funding of which is designated by the Board of Regents or by the Treasurer as part of the University’s capital planning process as proceeds of indebtedness of the University.”

4. Except to the extent expressly amended hereby, the Bonding Resolution shall remain in full force and effect.

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

Hogan reported that the committee reviewed proposed amendments to the Board of Regents Policy: *Purchasing*; engaged in a discussion relating to the proposed FY 2004-05 Annual Operating Budget; and reviewed a number of information items as described in the docket materials.

REPORT OF THE EDUCATIONAL PLANNING & POLICY COMMITTEE

Regent Reed, Chair of the committee, reported that the committee voted unanimously to recommend:

- Approval of the Consent Report for the Educational Planning & Policy Committee as presented to the committee and described in the June 10, 2004 committee minutes.

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

Reed reported that the committee engaged in a discussion relating to academic freedom policy issues; reviewed proposed amendments to the Board of Regents Policy: *University of Minnesota Press* and Board of Regents Policy:

Accessioning/Deaccessioning Museum Collections; discussed policy issues relating to the Commissioned Interdisciplinary initiatives; and reviewed a number of information items as described in the docket materials.

REPORT OF THE FACILITIES COMMITTEE

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

- Approval of the Consent Report for the Facilities Committee as presented to the committee and described in the June 10, 2004 committee minutes.

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

Bohnsack reported that the committee also reviewed proposed Board of Regents Policy: *Campus and Facility Usage*; amendments to Board of Regents Policy: *Monumental Works of Art*; and proposed Board of Regents Policy: *Sustainability and Energy Efficiency*; reviewed a proposed lease for the Office of Business Development and Carlson Ventures Enterprises; and reviewed a number of information items as described in the docket materials.

REPORT OF THE LITIGATION REVIEW COMMITTEE

Regent Berman, Chair of the committee, reported that the committee met on May 17, 2004 and no actions were taken at the meeting.

The meeting adjourned at 12:05 p.m.

ANN D. CIESLAK
Executive Director and
Corporate Secretary