I. Committee Meetings
   A. Audit Committee - March 12, 2009 ................................................................. 175
   B. Facilities Committee - March 12, 2009 ............................................................ 178
   C. Finance & Operations Committee - March 12, 2009 ......................................... 183
   D. Educational Planning & Policy Committee - March 12, 2009 ........................... 186
   E. Faculty, Staff & Student Affairs Committee - March 12, 2009 .......................... 190

II. Board of Regents Work Session - March 12, 2009
   A. State of Minnesota Economic Update ............................................................... 193

III. Board of Regents Meeting - March 12, 2009
   A. Oath of Office - Newly-Elected Regents ............................................................ 195

IV. Board of Regents Meeting - March 13, 2009
   A. Recognition of McKnight Land-Grant Professors ............................................ 196
   B. Approval of Minutes .......................................................................................... 196
   C. Report of the President ...................................................................................... 197
   D. Report of the Chair ............................................................................................ 197
   E. Receive and File Reports .................................................................................... 197
      1. Quarterly Report of Grant & Contract Activity .............................................. 197
   F. Board Calendar Annual Review ......................................................................... 197
   G. Approval of Consent Report ................................................................................ 197
      1. Report of the All-University Honors Committee ............................................ 197
      2. Gifts Report .................................................................................................... 197
      3. Quarterly Summary of Expenditures ............................................................... 197
   H. Report of the Faculty Consultative Committee ................................................. 198
   I. Adoption of Amendments to Board of Regents Policy: Board Authority ............ 198
   J. Adoption of Amendments to Board of Regents Policy: Board Policy Development 199
   K. Adoption of Amendments to Board of Regents Policy: Student Representatives to the Board of Regents ......................................................... 200
   L. Approval of Resolution Related to 2008-09 Operating Budget ........................... 203
   M. University Budget Update .................................................................................. 203
   N. Report of the Audit Committee .......................................................................... 204
      1. External Auditor Review .................................................................................. 204
      2. Issues Related to: External Audit Contract ...................................................... 204
      3. Compliance Officer Report .............................................................................. 205
      4. Information Items ............................................................................................ 205
   O. Report of the Faculty, Staff & Student Affairs Committee ................................ 205
      1. Adoption of Amendments to Board of Regents Policy: Protection of Individual Health Information ................................................................. 205
      2. Review Amendments to Board of Regents Policy: Employee Development, Education, and Training ................................................................. 205
      3. Metrics & Measures for the Undergraduate Student Experience .................... 205
      4. Supporting Employees Through Challenging Economic Times ..................... 205
      5. Information Items ............................................................................................ 205
   P. Report of the Finance & Operations Committee ................................................. 206
      1. Approval of Revised Consent Report ............................................................... 206
      3. Annual Insurance & Risk Management Report .............................................. 206
      4. Information Items ............................................................................................ 206
   Q. Report of the Educational Planning & Policy Committee .................................. 206
      1. Approval of Consent Report ............................................................................ 206
      2. Faculty Development: Review & Evaluation & Metrics & Measures ................ 206
R. Report of the Facilities Committee
   1. Approval of Resolution Related to Campus Master Plan for University of Minnesota Twin Cities Campus
   2. Approval of Capital Budget Amendments
      1. Walter Library Supercomputer Cooling & Power Increase Project
      2. Schulze Diabetes Institute Preclinical Research Remodeling
      3. NOvA Project Phase I Road & Site Work
   3. Approval of Schematic Plans
      1. Center for Magnetic Resonance Research Renovation & Expansion
      2. NOvA Project Phase I Road & Site Work
   4. Review of Real Estate Transaction
      1. Agreements for Use of University Facilities & Services with National Sports Foundation for USA Cup Soccer, July 15, 2009
   5. Information Items
S. Report of the Litigation Review Committee
   1. No meeting this month
T. New Business
   1. Parking & Traffic Plans Associated with TCF Bank Stadium
A meeting of the Audit Committee of the Board of Regents was held on Thursday, March 12, 2009 at 8:30 a.m. in the East Committee Room, 600 McNamara Alumni Center.

Regents present: Clyde Allen, presiding, Dallas Bohnsack, John Frobenius, and Dean Johnson.

Staff present: Chancellor Charles Casey; Senior Vice President and Provost Thomas Sullivan; Vice Presidents Steve Cawley, Timothy Mulcahy, and Charles Muscoplat; General Counsel Mark Rotenberg; Executive Director Ann Cieslak; and Associate Vice Presidents Gail Klatt and Michael Volna.

Student Representatives present: Jordan Bronston and Dustin Norman.

EXTERNAL AUDITOR REVIEW

Associate Vice President Volna and Associate Controller Denise Seck presented the annual review of external auditor relationships, services provided, and fees paid for audit and nonaudit services for FY2008, as described in the docket materials.

Seck reported on management’s assessment of LarsonAllen’s performance, summarized core audit and agreed-upon work procedures performed by LarsonAllen, and detailed the related fees paid. She noted the audit and non-audit engagements were performed in a timely manner with no significant issues or budget overruns. Seck indicated that low turnover on the LarsonAllen team has contributed to a more efficient audit engagement. Seck also reviewed the proposed audit fees for the FY2009 engagements. She stated that management would recommend the engagement for the FY2009 audit and the agreed-upon procedures.

Seck discussed LarsonAllen’s required annual independence assertions. LarsonAllen is confident of its independence with respect to the University, as defined by public accounting standards. (Letter on file in the Board Office.)

Seck referred committee members to the Information Items contained in the docket materials on fees paid to other audit firms. She explained purposes for engaging firms other than LarsonAllen to perform audit services.
ISSUES RELATED TO: EXTERNAL AUDIT CONTRACT

Associate Vice President Volna and Associate Controller Denise Seck noted that FY2009 is the final year of the five-year audit contract with LarsonAllen. This presentation will cover the process for engaging an audit firm for the FY2010-2014 audit contract (materials on file in the Board Office.)

Seck summarized the selection process undertaken for engaging external audit firms: the Request for Proposals (RFP); evaluation criteria; evaluation committee and responsibilities of the Board of Regents; and the timeline. She provided background on contract awards historically, and reviewed recommendations of Sarbanes-Oxley and the National Association of College and University Business Officers on partner rotation.

Seck reported that management recommends a formal RFP process be used to identify and select the University's auditor for the next contract period for FY2010-2012, with the University's option to extend the contract for two additional fiscal years. Management also recommends that if the current firm rebids, there is a requirement for senior partner rotation. She indicated that management would work with the Audit Committee chair to develop the process for committee involvement in the process.

A lengthy discussion ensued. Several committee members indicated interest in an option of a two-year extension of the current agreement with senior partner rotation after five years.

In response to a question from Regent Frobenius, Seck indicated that management has not performed an internal assessment of potential staff costs if the institution was to engage a firm other than LarsonAllen, but noted there will be new processes and a learning curve with any audit firm given the implementation of the Enterprise Financial System in July 2009 and the impact on the audit process of the new system.

In response to comments from committee members, Volna noted that a way to ensure the institution is getting a fair price for audit services and ensuring continued quality is to initiate the RFP process. Klatt added that the RFP process also opens opportunities for other firms to bid on the audit contract.

Management will evaluate the options of an extension of the current contract with LarsonAllen or initiating an RFP process. The item will return for action at the May 2009 meeting of the committee.

COMPLIANCE OFFICER REPORT

Regent Allen invited Director of Compliance Lynn Zentner to update the committee on the status of issues addressed in her report to the committee in September 2008 and to discuss other initiatives in the Office of Institutional Compliance, as detailed in the docket materials.

Zentner identified three areas of focus for this discussion: the Occupational Health and Safety Program, the University's response to the recommendations of the Association for the Assessment and Accreditation of Laboratory Animal Care (AAALAC), and the status of the Conflict of Interest Program following its transition to the Office of Institutional Compliance.
Zentner reported a steering committee has been formed to address programs that comprise the University's occupational health and safety program and defining the infrastructure under which the program might most effectively function. She also described efforts underway to evaluate the extent to which the University's research and outreach centers are in compliance with all applicable occupational health and safety requirements and standards.

Zentner stated that AAALAC conducted recent site visits and as a result made a number of recommendations to the University to enhance existing structure in the areas of institutional animal care. To address the recommendations, the institution has reorganized and realigned the animal research program and established a number of requirements to govern the processes in place.

Zentner discussed follow-up from the internal and external evaluation of the Conflict of Interest Program. She noted a Conflict of Interest Senior Leadership Advisory Committee has been convened to review and address questions and recommendations made as a result of the review process. She also described a conflict of interest issue pertaining to the development of standards to govern the relationships that University faculty and professional and administrative staff have with industry and other external entities. She reported on a Medical School task force addressing these issues and the recommendations reviewed by Medical School leadership and faculty.

Zenter highlighted several other initiatives currently underway in the Office for Institutional Compliance.

Regent Frobenius commented on the enormous public interest related to conflict of interest, especially in the medical area. He expressed hope that University of Minnesota Physicians, Fairview Health System and the University are studying how conflict of interest is affected in the interface of these three organizations.

Regent Allen complimented the report and suggested that future reports indicate whether items that are identified are being addressed or are waiting for future action.

INFORMATION ITEMS

Associate Vice President Klatt reported on the positive results of the recent quality assurance external review of the Department of Internal Audit. Klatt also referred the committee to the Information Items contained in the docket materials, including:

- External Auditor Relationships and Services Provided.

The meeting adjourned at 9:32 a.m.

ANN D. CIESLAK
Executive Director and
Corporate Secretary

Audit Committee
March 12, 2008
RESOLUTION RELATED TO THE CAMPUS MASTER PLAN FOR THE UNIVERSITY OF MINNESOTA TWIN CITIES

Vice President O’Brien introduced Judith Martin, Professor of Geography and Co-Chair of the Master Planning Steering Committee, and Orlyn Miller, Director of Capital Projects, to present for action the Campus Master Plan for the University of Minnesota Twin Cities, as detailed in the docket materials and handouts distributed at the meeting. O’Brien reminded the committee that the master plan had been reviewed at a previous meeting.

Martin summarized key recommendations of the plan, which include creating new open spaces, expanding utility infrastructure to meet campus needs, making pedestrian and bike travel a priority, and designating joint planning areas for collaborative work with neighborhood partners. Miller provided information on the public comment process and noted some slight changes to the plan since being reviewed by committee.

In response to a question from Regent Simmons, O’Brien explained that the creation and preservation of open spaces are often driven by sustainability and storm water management needs. In response to a question from Regent Larson, O’Brien identified the Hanson Hall project on the Twin Cities west bank campus as an example of the University working with community partners to find design solutions acceptable to all parties.

The committee voted unanimously to recommend approval of the resolution related to the Campus Master Plan for the University of Minnesota Twin Cities.
CAPITAL BUDGET AMENDMENT

A. Walter Library Supercomputer Cooling & Power Increase Project

A motion was made and seconded to recommend approval of the following action:

On the recommendation of the President and the Vice President for University Services, the FY2009 Capital Budget is amended to increase the budget for the following project:

Walter Library Supercomputer Cooling and Power Increase Project, Twin Cities campus.
Scope of Project: Installation of new cooling equipment and electrical capability for the area housing a new supercomputer.
Cost Estimate: $600,000.
Capital Funding: Supercomputing Institute for Advanced Computational Research - $600,000.
Estimated completion date: July 2009.

Vice President O’Brien observed that the amendment had been reviewed by the committee at a previous meeting. In response to a question from Regent Larson, Vice President Mulcahy explained that the supercomputer will support the University’s research enterprise by providing computational access to over 100 faculty and students on the Twin Cities campus.

The committee voted unanimously to recommend approval of the capital budget amendment for the Walter Library Supercomputer Cooling and Power Increase project, Twin Cities campus.

CAPITAL BUDGET AMENDMENTS

A. Schulze Diabetes Institute Preclinical Research Remodeling

A motion was made and seconded to recommend approval of the following action:

On the recommendation of the President and the Vice President for University Services, the FY2009 Capital Budget is amended to increase the budget for the following project:

Schulze Diabetes Institute Preclinical Research Remodeling, Twin Cities campus.
Scope of Project: Renovation of 5,700 gross square feet for a pre-clinical research area on the St. Paul campus. The project will provide holding facilities, preparation and procedure rooms, support space, and offices.
Cost Estimate: $720,000.
Capital Funding: Internal loan from budget office to Research Animal Resources (RAR).
Estimated completion date: July 2009.

Vice President O’Brien explained that a recent $40 million gift from the Richard M. Schulze Family Foundation for type 1 diabetes research necessitated an accelerated
remodeling schedule to accommodate the research project. Therefore, she reported that the amendment was being brought for review and action in one month.

In response to questions from the committee, Senior Vice President Cerra explained that although the research is funded through a private donation, the University will retain ownership of any future intellectual property rights.

The committee voted unanimously to recommend approval of the capital budget amendment for the Schulze Diabetes Institute Preclinical Research Remodeling, Twin Cities campus.

**B. NOvA Project – Phase I Road and Site Work**

A motion was made and seconded to recommend approval of the following action:

On the recommendation of the President and the Vice President for University Services, the FY2009 Capital Budget is amended to increase the budget for the following project:

NOvA Project, Phase I Road and Site Work, Ash River, Minnesota.

Scope of Project: Upgrade of 3.5 miles of existing logging roads to meet project specifications, clearing of the project site, and rock excavation of the building location.

Cost Estimate: $15,395,000.

Capital Funding: Department of Energy - $15,395,000.

Estimated completion date: October 2009.

Vice President O'Brien observed that the amendment was being brought for review and action in one month in order to accommodate the project timeline from the Department of Energy. She introduced Marvin Marshak, Professor of Physics, to provide information on the project. Marshak explained that Phase II of the project will entail the construction of a large physics detector to conduct neutrino research. He added that this research will further the University's existing neutrino work at the Soudan Underground Mine.

Marshak explained that both Phase I and II will be funded entirely by the Department of Energy. Regent Simmons observed that she was pleased that this capital budget amendment was brought forward because of the successful acquisition of federal funds as opposed to the more common reason of budget or construction challenges. O'Brien noted that Phase II of the project would return to the committee at a future meeting.

The committee voted unanimously to recommend approval of the capital budget amendment for NOvA Project, Phase I Road and Site Work, Ash River, Minnesota.

**SCHEMATIC PLANS**

**A. Center for Magnetic Resonance Research Renovation & Expansion**

A motion was made and seconded to recommend approval of the following action:
The schematic plans for the Center for Magnetic Resonance Research (CMRR) Renovation & Expansion, Twin Cities campus, are approved and the appropriate administrative officers are authorized to proceed with the award of contracts, the development of construction documents, and construction.

Vice President O’Brien introduced Senior Vice President Cerra and Associate Vice President Perkins to provide background information on the project, as detailed in the docket materials and handouts distributed at the meeting. Cerra reported that the expansion will allow CMRR to maintain world leadership in the area of magnetic resonance imaging by providing space for more powerful magnets. He added that this project will enhance the synergism between the academic programs housed in the Lions Research Building, McGuire Translational Research Facility, and the new Medical Biosciences Building.

Vice President O’Brien informed the committee that the University has yet to acquire a very small part of the project site on the north side from Union Pacific Railroad and that the committee might see an eminent domain action or a slightly revised project at a future meeting. In response to a question from Regent Beeson, Perkins reported that the project cost is exactly the same as when it was approved by the 2008 Legislature as part of the Biomedical Research Facilities Program.

The committee voted unanimously to recommend approval of schematic plans for the Center for Magnetic Resonance Research Renovation & Expansion, Twin Cities campus.

B. NOvA Project – Phase I Road and Site Work

A motion was made and seconded to recommend approval of the following action:

The schematic plans for the NOvA Project, Phase I Road and Site Work, Ash, River, Minnesota, are approved and the appropriate administrative officers are authorized to proceed with the award of contracts, the development of construction documents, and construction.

The committee voted unanimously to recommend approval of schematic plans for the NOvA Project, Phase I Road and Site Work, Ash River, Minnesota.

REAL ESTATE TRANSACTION

A. Agreements for Use of University Facilities and Services with National Sports Foundation for USA Cup Soccer, July 15-26, 2009

The committee reviewed a proposal for agreements for the use of University facilities and services with the National Sports Foundation for the USA Cup Soccer tournament, July 15-26, 2009. Susan Weinberg, Director of Real Estate, informed the committee that the agreements extend only to lodging, registration, food service, and parking facilities and do not include the use of competition facilities.
In response to a question from Regent Baraga, Weinberg explained that income earned through summer operations allows for the decreased costs for residential life and food service facilities during the academic year.

The item will return for action at a future meeting of the committee.

CONSENT REPORT

There were no Consent Report items for this meeting.

INFORMATION ITEMS

Vice President O'Brien referred committee members to the Information Items, including:

- The planned renovation of currently leased space and the lease of additional space at the University of Minnesota Rochester.

The meeting adjourned at 11:25 a.m.

ANN D. CIESLAK
Executive Director and
Corporate Secretary
A meeting of the Finance and Operations Committee of the Board of Regents was held on Thursday, March 12, 2009 at 9:45 a.m. in the East Committee Room, 600 McNamara Alumni Center.

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

Staff present: Chancellors Charles Casey and Jacqueline Johnson; Senior Vice President and Provost Thomas Sullivan; Vice Presidents Kathryn Brown, Steve Cawley, Timothy Mulcahy, Charles Muscoplat, and Richard Pfutzenreuter; General Counsel Mark Rotenberg; Executive Director Ann Cieslak; and Associate Vice Presidents Gail Klatt, Stuart Mason, Beth Nunnally, and Michael Volna.

Student Representatives present: Imee Cambronero and Jennifer McCabe.

ANNUAL INVESTMENT CONSULTANTS REPORT: CAMBRIDGE ASSOCIATES

Vice President Pfutzenreuter invited Associate Vice President Mason and George Pendergast, Senior Consultant, Cambridge Associates, to present the annual report on the University’s Consolidated Endowment Fund (CEF), as detailed in the docket and associated materials distributed at the meeting and on file in the Board Office.

Mason described the progress towards migrating the endowment asset allocation towards higher liquidity and lower volatility. Pendergast noted that defensive strategies by the Office of Investments and Banking have reduced from 10 to 4 percent the probability that the CEF portfolio will decline by 25 percent and fail to recover within the next three years.

Pendergast reviewed Big Ten comparative data, which shows that the University possesses: 1) an equity allocation more similar to top performers and major endowments than peer institutions of similar size; 2) a higher allocation to absolute return and lower allocation to equity hedge funds than the endowment trend; 3) significantly higher allocations to private equity than the mean of the top ten schools; and 4) a higher allocation to inflation-hedging accounts than the Big Ten average. He added that the University’s risk/return analysis demonstrates a strong portfolio.

In response to questions from the committee, Mason explained that the migration from private and public equity is a response to the decline in market reductions and a need for additional liquidity. The move towards more fixed income is designed to reduce risk and protect investments. Regent Hunter noted the importance of seeking greater financial security during difficult times.
ANNUAL INSURANCE & RISK MANAGEMENT REPORT

Vice President Pfutzenreuter invited Associate Vice President Volna to present the 2008 Annual Insurance & Risk Management Report, as detailed in the docket and associated materials distributed at the meeting and on file in the Board Office.

Volna reviewed Office of Risk Management (ORM) FY2008 accomplishments and liability payouts. He noted that the 2008 payouts increased 53 percent over the prior year, due largely to a single, unusual claim. Cost-savings from the Regents of the University of Minnesota Insurance Company (RUMINCO) and the self-insured workers compensation program have resulted in a combined estimated savings of $8.6 million over a five-year period. Volna reported that the ORM’s use of historical data to identify patterns of loss will assist units in identifying and mitigating risk.

CONSENT REPORT

Vice President Pfutzenreuter presented the revised Consent Report, as detailed in the docket and associated materials distributed at the meeting. Scott Dyer, Engineer with Parking and Transportation Services, addressed a number of concerns raised by committee members regarding on-campus parking and traffic this fall during home football games at TCF Bank Stadium. Consent items include the following:

Purchase of Goods and Services Over $250,000 to:

- Boos Dental Laboratory, Granite City Dental, Harrison Dental Studio, Hermanson Dental Laboratory, Midwest Dental Arts, Udell Dental Laboratory, and Webster Dental Laboratory for an estimated $2,800,000 of dental lab services as needed for the period of April 1, 2009 through June 30, 2011 for the School of Dentistry.
- The City of Minneapolis for an estimated $349,000 for the University of Minnesota’s agreed upon share of the system design, construction, and administration costs for an Adaptive Traffic Control Signal System, which includes traffic signals, signal interconnect, traffic signal controllers, traffic detectors, Pan-Tilt-Zoom cameras, and all communication connections between these components.
- Entuity, a provider of network management software, for $942,500 to provide additional licenses of Eye of Storm network management software, additional modules, and annual maintenance for these additional licenses as well as for the current licenses purchased previously. This is for the period of April 1, 2009 through March 31, 2012 for Networking and Telecommunications Services.
- Enventis Telecom for $1,700,000 to purchase network hardware and software and to provide annual Cisco Smartnet hardware support for the period of April 1, 2009 through March 31, 2010 for Networking and Telecommunications Services.
- Fox Sports Net North, Inc. for $2,149,000 of rights fees and $970,000 of sponsorship guaranteed revenue for Department of Intercollegiate Athletics for televising men’s hockey competitions and coaches shows for a period of July 1, 2009 to June 30, 2015 with a right of exclusive negotiation for extension.
- Gillig Company for $534,856 for a Hybrid LF-BRT Bus used by the campus shuttle fleet for approximately 12 years by the Parking and Transportation Services Department.
• Hewlett-Packard for $5,100,000 to purchase one HP CP300 BL Linux cluster for FY09 and FY10 for the University of Minnesota Supercomputing Institute (MSI). MSI provides supercomputing resources to University of Minnesota researchers as well as other institutions in the State of Minnesota. This purchase will be funded from the Supercomputing Institute’s budget for FY09 and FY10.

• Nelnet Business Solutions (NBS) for $1,036,000 to provide online payment processing and billing statement hosting for all campuses for a five-year period from April 1, 2009 to March 31, 2014 for Academic Support Resource’s Office of Student Finance.

• Rigaku Americas Corporation for $466,000 for an add-on of a Minstrel HT Imaging System to the CrystalMation system for the Department of Biochemistry, Molecular Biology and Biophysics.

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

INFORMATION ITEMS

Vice President Pfutzenreuter invited Denise Seck, Associate Controller, to review the Semi-Annual Management Report distributed at the meeting and on file in the Board Office. Seck noted that the report is the first of its kind using the new Enterprise Financial System. The report provides a semi-annual overview of the Financial Statements with commentary on significant items.

Pfutzenreuter referred committee members to the Information Items contained in the docket materials:

• Quarterly Purchasing Report;
• Quarterly Investment Advisory Committee Update;
• Quarterly Asset Management Report; and
• Semi-Annual Management Report.

The meeting adjourned at 11:09 a.m.

ANN D. CIESLAK
Executive Director and
Corporate Secretary
A meeting of the Educational Planning and Policy Committee of the Board of Regents was held on Thursday, March 12, 2009 at 3:00 p.m. in the West Committee Room, 600 McNamara Alumni Center.

Regents present:  David Larson, presiding; Anthony Baraga, Steven Hunter, Maureen Ramirez, and Patricia Simmons.

Staff present:  Senior Vice President & Provost Thomas Sullivan and Executive Director Ann Cieslak.

Student Representatives present:  Jennifer McCabe and Dustin Norman.

FACULTY DEVELOPMENT: REVIEW & EVALUATION AND METRICS & MEASURES

Senior Vice President & Provost Sullivan noted that as part of the strategic positioning process, metrics and measures for all areas of the University have been under consideration. The focus for faculty has been on the development of appropriate measures and metrics for evaluating the teaching, scholarship, and public engagement of faculty. He introduced Vice Provost Arlene Carney; Professor Emily Hoover, chair, Faculty Consultative Committee (FCC); and Associate Dean Jennifer Winslow, College of Liberal Arts, to lead the discussion.

Carney remarked that one of the pillars of strategic positioning is a focus on exceptional faculty. To determine how exceptional the University’s faculty is and what are the characteristics of exceptional faculty, a task force was created to assess faculty culture. Because the review and evaluation process is critical to faculty culture, one of the task force recommendations was for increased rigor in the process through which individual faculty seek promotion in rank. The results of their recommendations were the June 2007 amendments to Board of Regents Policy: Faculty Tenure, establishing new standards for promotion and tenure.

Carney described the annual review and evaluation process for faculty seeking promotion through the ranks from assistant to associate and from associate to full professor. Faculty in the promotion and tenure process must meet University-wide standards as well as department/unit standards in the areas of research/creative activity, teaching effectiveness, and service and public engagement. Candidate faculty are assessed by external reviewers, by departmental peers, and by faculty of other
departments in the same college. Upon the recommendation of their collegiate dean, a faculty member’s dossier is considered by the Provost’s Office where a final review identifies those to be presented to the Board for its consideration.

Hoover recalled the strategic positioning process that led to the creation of the Metrics & Measurements Task Force (Task Force). In its report, the Task Force identified 20 University-wide metrics to support the strategic positioning goals, but the FCC was concerned that the identified metrics did not capture the high quality research, scholarship, and creative activity typical of faculty at great universities. In response, the FCC charged its Subcommittee on Metrics & Measurements (Subcommittee) to identify additional metrics in the areas of research and discovery.

Windsor reported that the Subcommittee adopted ground rules, including the importance of identifying appropriate metrics, the value of using internal as well as external metrics, a focus on higher education as the audience for identified metrics, and a focus on the Twin Cities campus. Through consultations with faculty and administrators, the Subcommittee concluded that there are appropriate internal and external measures for assessing faculty research, scholarship, and creative activity; that considerable administrative measurement already is available for use in the development of appropriate metrics; that metrics must emphasize quality as well as quantity; that there is no one measure of excellence appropriate within or across departments; that excellence is determined by nonfinancial as well as financial resources; and that the measurement process should not be burdensome.

As a result of its work, the Subcommittee has recommended the use of four external measures, three campus-wide internal measures, and three internal unit measures. The Subcommittee also recommended the application of external measures to faculty and contract faculty with professorial rank and research/clinical responsibilities; the use of a web-base/database service to draw measures; the involvement of coordinate campus faculty in the development of measures for each campus; and separate reporting for each campus.

In response to questions from Regent Baraga, Carney explained that about 35 percent of associate professors have been at that rank for more than eight years. These faculty participate in workshops designed to assist them in thinking about their career and to motivate them to move to the next level. Sullivan noted that the decision whether to advance to full professor traditionally is the responsibility of the faculty member, but the revised 7.12 statements of the tenure code provide faculty development, mentoring, and infrastructure to support them in this process.

In response to a question from Ramirez, Carney confirmed that both male and female probationary faculty are encouraged to respond to work-life balance issues by stopping the tenure clock as provided by the tenure code. Both men and women faculty take advantage of this provision, and there is a consultative group to monitor gender disparities.

In response to a number of questions from Larson, Carney indicated that the highest rankings within an academic unit are earned by those faculty who are great scholars and great teachers, but that some colleges avoid significant disparities in pay increases. With respect to tenure and post-tenure reviews, she maintained that rigor is strong in most colleges and units.
Windsor observed that there are best practices University-wide, but there is not a shared language for determining what constitutes excellence. Annual merit increases, 7.12 statements, and post-tenure reviews are consistent across the institution, but they may be implemented differently within units/colleges. A very objective measurement is the rankings of the National Research Council within disciplines.

In response to questions from Student Representative Norman, Carney noted that workload policies in every college protect probationary faculty from too many responsibilities. When a faculty member comes into the University, they are promised a certain number of course releases and are eligible for semester leaves, which is not typical for probationary faculty at most other institutions.

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

CONSENT REPORT

A motion was made and seconded, and the committee unanimously recommended approval of the following academic program changes:

- **New Academic Programs**
  - Rochester Campus – Finalize approval of B.S. degree in Health Sciences
  - College of Pharmacy (Twin Cities Campus) – Create Leadership Emphasis within the Pharm.D. degree

- **Discontinuation of Academic Programs**
  - College of Food, Agricultural and Natural Resource Sciences (Twin Cities Campus) – Discontinue B.S. degree in Environmental Horticulture
  - College of Continuing Education (Twin Cities Campus) – Discontinue Mayo and Fairview Tracks within the B.A.Sc. degree in Radiation Therapy

- **Changed Academic Programs**
  - College of Food, Agricultural and Natural Resource Sciences (Twin Cities Campus) – Change name of the Minor in Environmental Horticulture to Horticulture
INFORMATION ITEMS

There were no Information Items this month.

The meeting adjourned at 4:30 p.m.

ANN D. CIESLAK
Executive Director and
Corporate Secretary
A meeting of the Faculty, Staff & Student Affairs Committee of the Board of Regents was held on Thursday, March 12, 2009 at 3:00 p.m. in the East Committee Room, 600 McNamara Alumni Center.

Regents present: John Frobenius, presiding; Clyde Allen, Richard Beeson, Dallas Bohnsack, and Dean Johnson. Venora Hung participated by phone.

Staff present: Chancellors Charles Casey and Jacqueline Johnson; Senior Vice President Frank Cerra; Vice Presidents Carol Carrier and Steven Rosenstone; General Counsel Mark Rotenberg; Executive Director Ann Cieslak; and Associate Vice President Gail Klatt.

Student Representatives present: Jordan Bronston and Adam Yust.

**BOARD OF REGENTS POLICY: PROTECTION OF INDIVIDUAL HEALTH INFORMATION**

Vice President Carrier introduced General Counsel Rotenberg to present for action an amendment to Board of Regents Policy: Protection of Individual Health Information. Rotenberg reviewed the proposed technical amendment removing Subdivision 4, which calls for review of the policy every five years. Due to periodic developments in federal law, the policy is continually reviewed, making the subdivision unnecessary.

A motion was made and seconded, and the committee voted unanimously to recommend adoption of the amendment to Board of Regents Policy: Protection of Individual Health Information as presented in the docket materials.

**BOARD OF REGENTS POLICY: EMPLOYEE DEVELOPMENT, EDUCATION, AND TRAINING**

Vice President Carrier presented a proposed amendment to Board of Regents Policy: Employee Development, Education, and Training, as detailed in the docket materials. The amendment allows for a required employee contribution towards University credit-bearing courses taken under the Regents Scholarship Program (RSP).

Carrier stressed that a tuition cost-sharing model has not been finalized, and she explained that the model currently under review recommends a 25 percent employee share of the cost of tuition through the program. She noted that many peer institutions offer similar tuition assistance programs to their employees, but added that there are enormous variations as to how the benefits are structured.
Carrier indicated that the proposed change to the RSP could result in a savings of $2.25 million from the current $8 million spent for the program each year. She stated that up to 2,400 staff utilize the benefit each year, and that civil service and bargaining unit employees comprise 70 percent of those using the program. Data shows that approximately half of the staff who earn a degree through the RSP leave the University within two years.

Carrier explained that changes to the Hope Credit and Lifetime Learning tax credit programs will benefit University employees taking classes by increasing their education tax deduction and extending the number of years the credit can be claimed. In response to questions from the committee, she clarified that the Lifetime Learning credit is available to employees for graduate education.

Regent Allen commented that the proposed savings through the RSP equals the salary and benefits of up to 40 staff positions.

Regent Frobenius acknowledged the receipt of petitions from the American Federation of State, County, and Municipal Employees, emails, and other mail received by the Board Office regarding the RSP and noted the materials are available for review.

The policy will return for action at a future meeting of the committee.

METRICS AND MEASURES FOR THE UNDERGRADUATE STUDENT EXPERIENCE

Vice President Carrier introduced Vice Provost Gerald Rinehart and Ron Huesman, Assistant Director for Institutional Research, to present metrics and measures from undergraduate survey data, as detailed in the docket and associated materials distributed at the meeting and on file in the Board Office.

With an increasing call for accountability, Rinehart described the University’s strategy to coordinate assessment efforts, linking student data from pre-matriculation through alumni. Huesman reviewed the areas surveyed, including:

- Interests, values, and attitudes of incoming freshmen;
- Experiences and activities of enrolled students; and
- Alumni experiences.

Rinehart emphasized the importance of participation in the National Survey of Student Engagement (NSSE), which was administered at the University of Minnesota for the first time in 2008. The University and 700 other institutions (including an Association of American Universities comparison group) use NSSE to benchmark the following effective educational practices: 1) level of academic challenge; 2) active and collaborative learning; 3) student-faculty interactions; 4) enriching educational experiences; and 5) supportive campus environment. The NSSE, when used in conjunction with the Student Experiences at Research Universities and other surveys administered by the University, provide important data to inform institutional change.

Rinehart explained that national accountability efforts have resulted in the development of the College Portrait website that provides consistent formatting, presentation of institutional data, links to specific institutional sites, and student learning outcomes.
SUPPORTING EMPLOYEES THROUGH CHALLENGING ECONOMIC TIMES

Vice President Carrier and Rosie Barry, Assistant Director for Organizational Effectiveness, presented resources and activities to support staff and work groups affected by budget challenges, as presented in the docket and associated materials distributed at the meeting and on file in the Board Office.

Carrier described several factors affecting engagement by the University workforce including:

- The hiring pause, resulting in additional workload for continuing employees;
- Vacancies and additional job responsibilities due to the Retirement Incentive Option which will result in changing service models;
- Anticipation of a possible salary freeze;
- Changes to health benefits; and
- Restructuring of some units.

Barry reviewed research on employee engagement that demonstrates budget cuts and workforce reduction often have a negative impact on an organization’s image and can harm productivity, and she stated that organizations must carefully manage budget and workforce reduction processes and devise strategies to maintain employee engagement. She outlined services for staff that include career guidance, counseling, and team building.

Regent Beeson noted the importance of providing financial counseling during difficult economic times. Carrier described financial programs that are available to employees, and Barry added that the Employee Assistance Program also provides assistance in this area.

CONSENT REPORT

There was no Consent Report this month.

INFORMATION ITEMS

Vice President Carrier referred the committee to the Information Items contained in the docket materials, including:

- Personnel highlights;
- University highlights;
- Faculty and staff activities and awards; and
- Student activities and awards.

The meeting adjourned at 4:31 p.m.

ANN D. CIESLAK
Executive Director and
Corporate Secretary

Faculty, Staff & Student Affairs Committee
March 12, 2009
A work session of the Board of Regents of the University of Minnesota was held on Thursday, March 12, 2009, at 1:45 p.m. in the Boardroom, 600 McNamara Alumni Center.

Regents present: Patricia Simmons, presiding; Clyde Allen, Anthony Baraga, Richard Beeson, Dallas Bohnsack, John Frobenius, Steven Hunter, Dean Johnson, David Larson, and Maureen Ramirez. Regent Linda Cohen participated by phone.

Staff present: President Robert Bruininks and Executive Director Ann Cieslak.

Regent Simmons called the meeting to order, noting that this session provides an excellent opportunity to ensure that the Board is fully aware, educated, and knowledgeable about the financial situation of the state and the nation so that the best decisions can be made on behalf of the people of Minnesota. She invited Professor Tom Stinson, state economist, to lead the discussion.

Stinson explained that the state has a projected $236 million surplus for FY2008-09, a surplus generated through budget expenditure unallotments, the use of the state's budget reserve, and federal stimulus funds. Had these measures not been taken, the state would have recorded a deficit of $426 million at the close of FY2008.

Stinson stated that recession-related job losses in Minnesota were originally projected to reach 165,000, but that federal stimulus funds are expected to save or produce about 45,000 jobs. In spite of these gains, job losses are not expected to bottom out until two years into the recession; the state could lose the equivalent of three years worth of employment; and it could take five years to recover to the employment levels of 2007.

As of February 2009, projected revenues for 2010-11 are expected to be even lower than revenues collected in 2008-09 because Minnesota, like the rest of the country, is in a very deep, extended recession. The projected declines in revenues relative to anticipated expenditures are expected to produce a budget shortfall of $4.6 billion for the 2010-11 biennium.

Stinson reported that Global Insight, the state's national macroeconomic consultant, does not anticipate a turnaround until the end of 2009, followed by a slow recovery through 2011. Minnesota's economy is expected to parallel the national trajectory, producing a recession longer and deeper than the recessions of 1980, 1990, and 2001. Should the economy's performance fall short of Global Insight's base forecast, the recession could be even worse and last longer.
Stinson emphasized that if no changes are made to Minnesota’s budget, a current-dollar structural deficit of $5.1 billion is expected in FY2012-13. To the extent that permanent changes are made in expenditures or revenues, that deficit could be reduced.

The next budget forecast is scheduled for November 2009.

A lengthy discussion ensued in which the following issues and questions were addressed:

- the potential revenue gains from imposing a sales tax on services, which are a growing, but largely untaxed, segment of the economy;
- the negative effects on economic growth should consumers decide to increase personal savings rates;
- the likelihood of post-recession inflation;
- the importance of consumer confidence, consumer spending, employment, household income, and debt-to-net-worth ratios as leading indicators of economic recovery;
- the equivalent value of dollars spent for research relative to other possible stimulus expenditures; and
- the short-term employment prospects for college graduates entering the job market this year.

Regent Simmons thanked Professor Stinson for his presentation, noting that this issue will continue to be at the forefront of many future Board discussions.

The work session adjourned at 2:50 p.m.

ANN D. CIESLAK
Executive Director and
Corporate Secretary
UNIVERSITY OF MINNESOTA
BOARD OF REGENTS

March 12, 2009

A meeting of the Board of Regents of the University of Minnesota was held on Thursday, March 12, 2009, at 1:30 p.m. in the Boardroom, 600 McNamara Alumni Center.

Regents present: Patricia Simmons, presiding; Clyde Allen, Anthony Baraga, Richard Beeson, Dallas Bohnsack, John Frobenius, Steven Hunter, Dean Johnson, David Larson, and Maureen Ramirez.

Staff present: President Robert Bruininks; Chancellor Charles Casey and Jacqueline Johnson; Senior Vice President and Provost Thomas Sullivan; Senior Vice President Frank Cerra; Vice Presidents Nancy Barcelo, Kathryn Brown, Charles Muscoplat, Timothy Mulcahy, Richard Pfitzenreuter, Steven Rosenstone; Associate Vice President Michael Volna, and Executive Director Ann Cieslak.

OATH OF OFFICE

The Honorable Christopher Dietzen, Associate Justice of the Minnesota Supreme Court, administered the oath of office to the following Regents:

Clyde E. Allen, Jr. representing the 7th Congressional District – Six-year Term
Richard B. Beeson, representing the 4th Congressional District – Six-year Term
John Frobenius, representing the 6th Congressional District – Six-year Term
Patricia S. Simmons, representing the 1st Congressional District – Six-year Term.

The meeting adjourned at 1:40 p.m.

[Signature]

ANN D. CIESLAK
Executive Director and
Corporate Secretary
A meeting of the Board of Regents of the University of Minnesota was held on Friday, March 13, 2009, at 9:00 a.m. in the Boardroom, 600 McNamara Alumni Center.

Regents present: Patricia Simmons, presiding; Clyde Allen, Anthony Baraga, Richard Beeson, Dallas Bohnsack, John Frobenius, Steven Hunter, Dean Johnson, David Larson, and Maureen Ramirez. Venora Hung participated by phone.

Staff present: President Robert Bruininks; Chancellors Charles Casey, Jacqueline Johnson, and Stephen Lehmkuhle; Senior Vice President and Provost Thomas Sullivan; Senior Vice President Frank Cerra; Vice Presidents Kathryn Brown, Timothy Mulcahy, Kathleen O’Brien, Executive Director Ann Cieslak; and Associate Vice Presidents Margaret Carlson, Donna Peterson, and Michael Volna.

RECOGNITIONS

Recognition was given to the 2009-2010 McKnight Land-Grant Professors:

Professor Arindam Banerjee, Computer Science and Engineering  
Professor Giancarlo Casale, History  
Professor Ryan Elliott, Aerospace Engineering and Mechanics  
Professor Tian He, Computer Science and Engineering  
Professor Alan C. Love, Philosophy  
Professor Julian Marshall, Civil Engineering  
Professor Steven P. Matthews, History  
Professor Kieran McNulty, Anthropology  
Professor Jennifer Powers, Ecology, Evolution, and Behavior  
Professor Martin O. Saar, Geology and Geophysics  
Professor Sangwon Suh, Bioproducts and Biosystems Engineering

APPROVAL OF MINUTES

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

Litigation Review Committee – February 12, 2009  
Educational Planning & Policy Committee – February 12, 2009  
Faculty, Staff & Student Affairs Committee – February 12, 2009  
Facilities Committee – February 12, 2009  
Finance & Operations Committee – February 12, 2009  
Audit Committee – February 12, 2009  
Board of Regents Work Session – February 13, 2009  
Board of Regents Meeting – February 13, 2009
REPORT OF THE PRESIDENT

President Bruininks discussed the University's budget challenges as a result of the global economic downturn and state budget shortfall. He noted that despite the federal stimulus funding to the state, the University faces long-term challenges, with units projecting reductions of 5 to 8 percent. President Bruininks discussed two priorities essential to the University budget: building a strong financial model, and continued emphasis on the affordability of higher education. He stressed minimizing the impact of state budget cuts on students and their families reducing potential job losses, and supporting the work of faculty and staff. He also identified as a priority increasing need-based scholarship support for middle-income students.

President Bruininks reported on breakthrough research on preventing the transmission of HIV, which could impact the lives of millions of people around the world. He also noted a recent significant gift to the Tweed Museum of Art on the Duluth campus.

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

REPORT OF THE CHAIR

Chair Simmons welcomed Regent Richard Beeson, newly-elected Regent from the Fourth Congressional District. She also congratulated Regents Allen and Frobenius on their reelection earlier in the week. Regent Frobenius offered congratulations to Chair Simmons, who was also reelected.

Chair Simmons reported that there will be no regular Board meetings in April 2009.

RECEIVE AND FILE REPORTS

Chair Simmons noted the receipt and filing of the Quarterly Report of Grant and Contract Activity.

BOARD CALENDAR ANNUAL REVIEW

Chair Simmons presented the Board of Regents calendar. The calendar lists required actions, reports, and other items routinely presented for consideration by the Board and its committees. It is reviewed annually as required by Board of Regents Policy: Board Operations and Agenda Guidelines.

The calendar has been revised since the Board last reviewed it in April 2008. The revisions were made to bring the calendar into compliance with amended or new Board policies; reflect existing practice; and correct inaccuracies.

CONSENT REPORT

Chair Simmons presented the Consent Report as described in the docket materials, including:
Report of the All-University Honors Committee, from a recommendation forwarded in a letter from President Bruininks dated February 27, 2009 to the Board of Regents.


Quarterly Summary of Expenditures through December 31, 2008.

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

REPORT OF THE FACULTY CONSULTATIVE COMMITTEE

Professor Emily Hoover, Chair, Faculty Consultative Committee (FCC) reported on the activities of the committee since its last report to the Board of Regents. During the previous quarter, FCC meeting agendas have focused on working with the administration to address the significant financial challenges ahead for the University. The recent decision to reorganize the Graduate School and create a new model for graduate education has been one topic under consideration.

Chair Simmons commended Professor Hoover and the FCC for their extraordinary commitment above and beyond their faculty work to serve the University mission.

A copy of the report of the Faculty Consultative Committee is on file in the Board Office.

BOARD OF REGENTS POLICY: BOARD AUTHORITY

Chair Simmons reviewed proposed amendments to Board of Regents Policy: Board Authority, as outlined in the docket materials. The proposed amendments are not substantive and are intended to provide language and formatting consistent with other Board policies.

A motion was made and seconded, and the Board of Regents voted unanimously to adopt amendments to Board of Regents Policy: Board Authority, as follows.

Board Authority

Subd. 1. Authority. The authority of the Board of Regents (Board) resides only with the Board as a whole and not in its individual members, except as the Board itself may have delegated specific authority to one of its members or one of its committees.

Subd. 2. Compliance. Any request or demand by a Board member for action must be consistent with the written policies, rules, and regulations of the Board and the University.

Subd. 3. University Management. Members of the Board should be vigilant to ensure they are fully informed about the effectiveness of management at the University. Specific recommendations about University operations shall be presented in public meetings of the Board or its committees.
BOARD OF REGENTS POLICY: BOARD POLICY DEVELOPMENT

Chair Simmons reviewed proposed amendments to Board of Regents Policy: Board Policy Development, as outlined in the docket materials. The proposed amendments are not substantive and are intended to provide language and formatting consistent with other Board policies.

A motion was made and seconded, and the Board of Regents voted unanimously to adopt amendments to Board of Regents Policy: Board Policy Development, as follows.

Board Policy Development

This policy defines policies of the Board of Regents (Board), distinguishes them from other University of Minnesota (University) policies, and describes the process through which Board policies are developed and adopted.

SECTION I. POLICY TYPES.

Subd. 1. Board Policies. Board policies generally deal with the University as a whole, establishing fundamental principles as a basis and guide for later action. Board policies are intended to be enduring rather than responses to a particular issue. Procedures are occasionally part of Board policies when such procedures bring clarity to the nature of the principle. More often, procedures are developed and refined administratively.

Board policies are specifically identified as such when considered and adopted by the Board. Substantive amendments to Board policies also must be adopted by the Board.

Subd 2. Other University Policies. Other University policies are needed to administer the University and its various units in accordance with state and federal legislation, reasonable administrative practice, and Board policy. While these policies may contain basic principles, they generally include procedures for managing the institution. The scope of other University policies varies. Generally, other University policies are developed, approved, implemented, and modified according to administrative policy.

When unusual circumstances suggest the advisability of Board approval of other University policies, changes to such policies also shall be submitted to the Board for action. University policies that have been reviewed and acted upon by the Board are noted in Board minutes.

SECTION II. CONFLICTS WITH OTHER UNIVERSITY POLICIES.

If other University policies conflict with Board policy, Board policy takes precedence.
SECTION III. CORRECTIONS.

Occasionally, minor corrections of Board policies are required if, for example, administrative titles or customary language usages change. When the substance of a policy is not altered, the executive director/secretary of the Board is authorized to make appropriate corrections after review by the Board chair.

SECTION IV. FORMAT.

Policies presented to the Board for consideration and adoption as Board policy shall include the following:

(1) principles to guide subsequent action at the University;
(2) text written in declarative statements; and
(3) a distinctive format and page design (to be determined by the Board Office) that includes a history of the policy and any amendments.

SECTION V. REVIEW.

The Office of the General Counsel shall review all policies for consistent form and legality prior to adoption or amendment by the Board.

Supersedes: Regents’ Policies Statement dated February 8, 1974; and Authority to Correct Policies dated July 8, 1983.

BOARD OF REGENTS POLICY: STUDENT REPRESENTATIVES TO THE BOARD OF REGENTS

Chair Simmons reviewed proposed amendments to Board of Regents Policy: Student Representatives to the Board of Regents, as described in the docket materials. The proposed amendments provide greater flexibility to the Minnesota Student Association and Graduate and Professional Student Assembly in electing the four Twin Cities student representatives.

A motion was made and seconded, and the Board of Regents voted unanimously to adopt amendments to Board of Regents Policy: Student Representatives to the Board of Regents, as follows.

Student Representatives to the Board of Regents

Student representatives to the Board of Regents (Board) present the student voice to the Board, providing a unique perspective that assists the Board in its deliberations.

Section I. Representation and Election.

Subd. 1. Representation. There shall be seven student representatives. Four students shall be elected from the Twin Cities campus and one student each from the Crookston, Duluth, and Morris campuses. Of the Twin Cities representatives, at least one and no more
than two shall represent the Graduate and Professional Student Assembly (GAPSA) and at least two and no more than three shall represent the Minnesota Student Association (MSA).

Subd. 2. Election. Student representatives from the coordinate campuses shall be elected by the elected student legislative bodies of their respective campuses. On the Twin Cities campus, student representatives shall be elected by GAPSA and MSA according to the parameters set forth in Subd. 1. of this section. Guidelines and policies for such election shall be created by the appropriate electing body and approved by an ad hoc policy committee composed of the University Student Senate Consultative Committee and the current student representatives. This policy committee shall be convened by the chair of the Student Senate Consultative Committee.

Subd. 3. Criteria for Election. The primary election criteria shall be the ability of the candidate to function as an effective advocate for the widest range of student concerns and commitment of the time necessary to participate in Board committee activities.

Subd. 4. Term of Office. Student representatives shall be elected and named during the spring semester of each year. They shall assume office June 1 and serve for a term of one year or until replaced. The executive director/secretary of the Board shall arrange an orientation. During orientation, the student representatives shall elect a chair and two vice chairs.

Subd. 5. Alternate Student Representatives. An alternate student representative shall be elected for each student representative and shall act in the event an elected student representative is absent, resigns, ceases to be enrolled (not including summer school), or is removed.

Subd. 6. Vacancies. In the event of a vacancy, the alternate shall become the student representative. If there is no alternate, the electing body, in accordance with Subd. 2 of this section, shall elect a replacement to serve for the remainder of the unexpired term.

Subd. 7. Removals. A student representative or alternate may be removed for unexcused absences or nonperformance of duties in accordance with procedures established by the student representatives and agreed to by the electing body.

Section II. Procedures for student representatives at board meetings.

Subd. 1. Committee Assignments. There shall be two student representatives assigned to each of the following committees: Audit; Educational Planning and Policy; Facilities; Faculty, Staff and Student Affairs; and Finance and Operations.

Subd. 2. Flexibility in Representation. Student representatives are allowed flexibility in representation to the committees; i.e., a student
representative may yield to another student representative who is not on the committee to speak on an issue under consideration.

Subd. 3. Voting and Motions. Student representatives shall not vote, but they may make suggestions that a Regent may affirm in the form of a motion.

Subd. 4. Reports. Student representatives may present the following reports to the Board:

Report of the Student Representatives. The chair of the student representatives, upon recognition by the chair of the Board, may present the student representatives’ viewpoint on appropriate issues before the Board.

Semester Reports. Each semester the student representatives may present a report to the Board in writing and/or verbally. The executive director/secretary of the Board shall approve topics for reports and the methods of collecting data or requesting information.

Subd. 5. Agenda Items. Student representatives may submit agenda items for committees in the manner outlined in the Board’s bylaws and policies so that proper docket materials are prepared for review by committee members in advance of the meeting.

Subd. 6. Dissenting Points of View. Student representatives may express a dissenting point of view on any report of a standing committee presented to the Board. Upon recognition by the chair of the Board, the chair of the student representatives shall present the report, orally or in writing.

Subd. 7. Expenses of Student Representatives. Expenses of student representatives related to Board meetings shall be reimbursed by the Board Office in accordance with existing University expense policies and Board guidelines for permissible expenses.

Subd. 8. Expenses of Alternates. Upon request by the chair of the student representatives and good cause being shown, the executive director/secretary of the Board, after consultation with the chair of the Board, is authorized to reimburse expenses for alternates to participate, as members of the audience, in committee deliberations. The role of the alternate shall remain the same; that is, the alternate may participate in committee deliberations as a student representative to that committee only in the absence of the elected student representative from that campus.

Supersedes: The Role ofAlternates dated February 11, 1977; Student Representatives to the Board of Regents dated December 8, 1989; Student Representative to the Committee of the Whole dated December 9, 1977; and Twin Cities Representatives dated December 10, 1976.
RESOLUTION RELATED TO FY2008-09 OPERATING BUDGET

A motion was made and seconded to approve the Resolution Related to FY2008-09 Operating Budget as follows:

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 released on December 4, 2008, a new state revenue forecast that outlined a state budget shortfall of $426,300,000 for fiscal year 2009; and

WHEREAS, the Governor of the State of Minnesota, has reduced the enacted general fund appropriations to the University of Minnesota by a total of $20,000,000.

NOW, THEREFORE, BE IT RESOLVED that the Board of Regents hereby approves a $20,000,000 negative adjustment in the annual operating budget of the University of Minnesota in order to reflect the reduction in the University’s enacted state general fund appropriation by the Governor of the State of Minnesota.

President Bruininks reported that the resolution for review and action is prompted by the state budget shortfall in this fiscal year and the decision by the Governor to rescind some of the state appropriations. The University received a $20,000,000 negative adjustment in the annual operating budget.

Vice President Pfutzenreuter explained that the $20 million rescission is a result of the November 2008 state budget forecast. The $20 million cut was distributed broadly across the University. It was fortunate that the institution acted early by instituting an early retirement plan and a hiring pause, which provided additional funds to units to accommodate the reduction.

Regent Hunter complimented the President and the staff for foresight and the fair process.

The Board of Regents voted unanimously to approve the Resolution Related to FY2008-09 Operating Budget.

UNIVERSITY BUDGET UPDATE

President Bruininks invited Vice President Pfutzenreuter to join him in a discussion of the February 2009 state revenue forecast and its potential impact on faculty, staff, and students at the University of Minnesota.

The President stated the discussion will focus on the Governor’s current recommendation and its impact on the budget; address the federal stimulus bill (American Recovery and Reinvestment Act) and the opportunities for the University; and review management’s approach to balancing the budget. He described how the stimulus bill interacts with state funding and other sources of funding at the University and how the bill provides research opportunities in a variety of areas. The University has created
a central resource to provide accurate information to faculty and administrators so the institution can best leverage this opportunity. President Bruininks also described how the stimulus bill expands the Hope Scholarship tax credit for undergraduate students, increases the Pell Grant, and invests additional money in Federal Work Study.

President Bruininks described the budget challenges facing the institution. He reviewed the probable state biennial reduction, which along with additional internal required spending total $133 million for FY2010 and is projected to re-occur again in 2011. In addition, under federal legislation, the state stabilization fund requires state support to stay at the 2006 levels, which would allow the state to decrease the University’s base budget to the 2006 level, where it could remain when stimulus funds expire in 2012.

Vice President Pfutzenreuter described the State Fiscal Stabilization Fund, noting how it will be used for public safety, government services, and education. He presented possible implications and scenarios that could result, depending on action taken by the state legislature and the governor relating to funding K12 education. He noted that the impact on the University budget will likely depend on reductions to K12 education. He discussed limitations and allowable expenditures of the federal stimulus funds and how their use is required for educational purposes and to mitigate tuition increases and fees for in-state students. Pfutzenreuter also explained how the University base budget levels of the next biennium could be determined by how federal stimulus funds are allocated.

A lengthy discussion ensued.

In response to questions from Board members, Pfutzenreuter stated the stimulus funds will be appropriated to the University by the legislature and must be spent by 2011. President Bruininks stressed the funds could be used for some recurring expenses, but cautioned that in 2012 the base budget will be lower and these funds will no longer be available for those recurring expenses. He reiterated the need to look not only at how the funds will be spent in the short term, but also look ahead to 2012 when the base budget will be lower.

The President discussed a number of core budget principles and strategies. He stressed the importance of making prudent decisions and leveraging the federal stimulus bill in ways that maximize opportunities, protect access and affordability for students, enhance existing University resources, and remain consistent with the University’s strategic planning priorities and criteria.

Regent Allen commented that the implications for the 2012 budget are critical and must be carefully considered. Regent Frobenius noted that discussions on affordability often focus on undergraduate students. He urged management and the Board to focus equally on affordability for graduate students, since the University is a provider of graduate education in the health care fields. In response to a question from Regent Larson, President Bruininks indicated that developing and managing e-learning courses is often as costly as offering courses through traditional means.

**REPORT OF THE AUDIT COMMITTEE**

Regent Allen, Vice Chair of the Committee, reported that the committee received an external auditor review; discussed issues related to the external audit contract;
received a report from the compliance officer; and discussed the information items contained the docket materials.

REPORT OF THE FACULTY, STAFF & STUDENT AFFAIRS COMMITTEE

Regent Frobenius, Chair of the committee, reported that the committee voted unanimously to recommend adoption of amendments to Board of Regents Policy: 
*Protection of Individual Health Information*, as follows.

*Protection of Individual Health Information*

Subd. 1. Policy Statement. It is the policy and practice of the University of Minnesota (University) that individually identifiable health information gathered:

(a) in the course of research conducted at the University; or

(b) through the provision of health care by the University; or

(c) in the course of health plan administration at the University

shall be protected in accordance with applicable state and federal law, including, but not limited to, the Health Insurance Portability and Accountability Act of 1996 and its implementing regulations.

Subd. 2. Delegation of Authority. The president or delegate shall administer and implement this policy, including the adoption and amendment of appropriate administrative policies and procedures.

Subd. 3. Application. The administrative policies and procedures implementing this policy shall apply to all University faculty members, employees, trainees, students, and volunteers who handle, transmit, receive, or have access to protected health information in the course of research conducted at the University, through provision of health care at the University, and in the course of health plan administration at the University.

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

Frobenius reported that the committee also reviewed proposed amendments to Board of Regents Policy: *Employee Development, Education, and Training*; and received reports on metrics and measurements for the undergraduate student experience and supporting employees through challenging economic times; and reviewed a number of information items included in the docket.
REPORT OF THE FINANCE & OPERATIONS COMMITTEE

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

a) Recommend approval of the revised Consent Report for the Finance & Operations Committee as presented to the committee and described in the March 12, 2009 committee minutes.

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

Hunter reported that the committee also discussed the Annual Insurance and Risk Management Report and the Annual Investment Consultants Report of Cambridge Associates; and reviewed a number of information items detailed in the docket materials.

REPORT OF THE EDUCATIONAL PLANNING & POLICY COMMITTEE

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

a) Approval of the Consent Report for the Educational Planning & Policy Committee as presented to the committee and described in the March 12, 2009 committee minutes.

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

Larson reported that the committee also discussed faculty development, including the review and evaluation of individual faculty and metrics and measures of faculty performance.

REPORT OF THE FACILITIES COMMITTEE

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

a) Approval of a Resolution Related to the Campus Master Plan for the University of Minnesota Twin Cities, as follows.

RESOLUTION RELATED TO THE CAMPUS MASTER PLAN FOR THE UNIVERSITY OF MINNESOTA TWIN CITIES

WHEREAS, in 1993, the Board of Regents adopted the following four campus master planning principles to direct the development of campus master plans on each of the University of Minnesota campuses:

The principle of creating and maintaining a distinctive and aspiring vision for the physical development of each campus;
The principle of enriching the experience of all who come to the campus;

The principle of maximizing the value of existing physical assets while responding to emerging/changing physical needs;

The principle of an inclusive, accountable, and timely process for creating and implementing the master plan vision; and

WHEREAS, in February 2006, President Bruininks charged a faculty, staff, and student steering committee to update the 1996 Master Plan; and

WHEREAS, using internal resources and expertise to update the Twin Cities Campus Master Plan has resulted in the development of a plan that reflects the University community and supports the academic plan of the University; and

WHEREAS, the steering committee engaged in broad consultation with the University community, adjacent jurisdictions, community partners and adjoining neighborhoods, throughout the master planning process; and

WHEREAS, there is agreement on the vision for the campus as a sustainable community of discovery; and

WHEREAS, the administration from the University of Minnesota has recommended the adoption of this Master Plan;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Regents directs that the University of Minnesota Twin Cities Campus Master Plan be used to support the University’s academic mission and guide future land use and capital project decisions in accordance with the four planning principles.

b) Approval of amendments to the FY2009 Capital Budget by:

1. $600,000 to increase funding for the Walter Library Super-Computer Cooling and Power Increase Project, Twin Cities Campus.

2. $720,000 to fund the design and construction of remodeling work to develop preclinical research space for the Schulze Diabetes Institute on the Twin Cities Campus.

3. $15,395,000 to fund the design and construction of the NOvA Project – Phase I Road and Site Work located at Ash River, Minnesota.
c) Approval of schematic plans for the following projects as presented to
the committee and described in the March 12, 2009 committee
minutes:

1. Center for Magnetic Resonance Research Renovation and
   Expansion.

2. NOvA Project – Phase I Road and Site Work.

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

Bohnsack reported that the committee also reviewed the following real estate
transaction: agreements for use of University facilities and services with National Sports
Foundation for USA Cup Soccer July 15-16, 2009; and reviewed a number of
information items included in the docket materials.

REPORT OF THE LITIGATION REVIEW COMMITTEE

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

NEW BUSINESS

Regent Beeson commented it would be useful for the Board to receive a
presentation on parking and traffic plans associated in connection with the opening of
TCF Bank Stadium in Fall 2009. Chair Simmons noted future staff presentations will
address these and other issues associated with game day activities.

The meeting adjourned at 10:48 a.m.

ANN D. CIESLAK
Executive Director and
Corporate Secretary

Board of Regents
March 13, 2009