I. Committee Meetings
A. Audit Committee – May 7, 2008
C. Facilities Committee – May 8, 2008
D. Educational Planning & Policy Committee – May 8, 2008
E. Faculty, Staff & Student Affairs Committee, May 8, 2008

II. Board of Regents Meeting - May 8, 2008
A. Awards Ceremony
1. Distinguished McKnight University Professor Awards
2. Academy of Distinguished Teachers
3. John Tate Awards for Undergraduate Advising
4. Josie R. Johnson Award for Human Rights and Social Justice
5. Outstanding Community Service Awards
6. President’s Award for Outstanding Service

III. Board of Regents Meeting - May 9, 2008
A. Recognitions
1. McKnight Presidential Professor
2. Student Representatives to the Board of Regents
B. Approval of Minutes
C. Report of the President
D. Report of the Chair
E. Receive and File Reports
1. Annual Review of President’s Delegations
F. Approval of Report of the All-University Honors Committee
G. Approval of Gifts
H. Approval of Resolution Related to Appointment of UMMCF Board of Trustees
I. Report of the Student Representatives to the Board of Regents
J. Review of President’s Recommended Annual Capital Improvement Budget 2009
L. Review of President’s Recommended Annual Operating Budget FY2009
M. Report of the Faculty, Staff & Student Affairs Committee
1. Approval of Revised Consent Report
2. Approval of Annual Promotion and/or Tenure Recommendations
3. Approval of Continuous Appointment Status
4. Faculty Compensation: Comparisons & Analysis
5. Information Items
N. Report of the Finance & Operations Committee
1. Approval of Consent Report
2. Issues Related to: President’s Recommended Annual Operating Budget
3. Issues Related to: President’s Recommended Annual & Six-Year Capital Improvement Budgets
4. Update: Enterprise Financial System Implementation
5. Information Items
O. Report of the Educational Planning & Policy Committee
1. Approval of Consent Report
2. Amendments to Board of Regents Policy: International Education
3. International Education Update: Goals & Strategies
P. Report of the Facilities Committee
1. Approval of Consent Report
2. Issues Related to: President’s Recommended Annual & Six-Year Capital Improvement Budgets

3. Information Items

Q. Report of the Audit Committee
1. Approval of External Audit Plan
2. Impact of EFS Implementation & New Accounting Pronouncements on the University’s Internal Control Environment
3. Internal Audit Update
4. Information Items

R. Report of the Litigation Review Committee
1. No meeting this month

IV. Board of Regents Meeting - May 21, 2008
A. Public Forum on the President’s Recommended Annual Operating Budget FY2009
A meeting of the Audit Committee of the Board of Regents was held on Wednesday, May 7, 2008 at 2:00 p.m. in the East Committee Room, 600 McNamara Alumni Center.

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

Staff present: Senior Vice President and Provost Thomas Sullivan; Vice Presidents Kathryn Brown, Steve Cawley, Timothy Mulcahy, and Richard Pfutzenreuter; Executive Director Ann Cieslak; and Associate Vice Presidents Gail Klatt and Michael Volna.

Vice President Brown introduced Lynn Zentner, Director of the Office of Institutional Compliance effective April 14, 2008. Zentner briefly addressed the committee.

**IMPACT OF EFS IMPLEMENTATION & NEW ACCOUNTING PRONOUNCEMENTS ON THE UNIVERSITY’S INTERNAL CONTROL ENVIRONMENT**

Associate Vice President Volna noted the presentation would cover: the critical changes to policies, procedures, and system designs affecting internal controls as a result of the implementation of the Enterprise Financial System (EFS); and the significant increase in internal controls documentation required by new auditing standards.

Volna reported that the implementation of the EFS would have a positive long-term effect on internal controls, primarily in the areas of control activities and monitoring. In June 1995 the Board adopted the Committee of Sponsoring Organizations (COSO) Framework of Internal Control, a widely accepted way of viewing internal controls and applying them to various activities. He outlined the elements of the COSO Framework: monitoring; information and communication; control activities; risk assessment; and control environment (“tone at the top”), and described how each element is essential for effective operations, reliable financial reporting, and compliance. EFS will enhance especially monitoring and improve control activities. Additional EFS internal controls impacts also will reduce risks associated with vendor and system support; improve the competency of the workforce; and incorporate new tools for monitoring, internal controls, compliance, and business process performance.

Volna discussed the institution’s risk profile, or “heat map,” which illustrates level of risk and the impact of various financial activities and transactions, and he described the EFS control impact on a number of high-, moderate-, and low-risk activities.

Volna introduced Denise Seck, Associate Controller, who reported that eight new auditing standards, referred to as the Risk Assessment Standards, have been issued and are effective for the FY2008 audits. The new standards require the University’s external auditors to obtain an understanding of the University and its environment,
external auditors to obtain an understanding of the University and its environment, including internal controls. She described how the University would work with the external auditors to meet the requirements of the documentation standards and the impact on COSO Framework on the new standards.

In response to questions, Volna indicated that the COSO Framework was developed for a financial framework, but can be applied in other areas, such as human resources. He stated that he is not familiar with if or how the COSO Framework has been applied to the University’s human resources function and preferred not to speculate on an application.

**EXTERNAL AUDIT PLAN**

Associate Controller Seck invited Chas McElroy and Craig Popenhagen, Principals, LarsonAllen, to present LarsonAllen’s external audit plan for the FY2008 University audits, as included in the docket and associated materials distributed at the meeting. McElroy reviewed LarsonAllen’s plan for FY2008 University engagements, summarizing the approach, objective, and scope of services, the timeline of the audit, and reports and letters to be issued.

Popenhagen noted a shift in timeline for some of the audit projects due to the University’s upcoming “go live” date for the new Enterprise Financial System. He also discussed new FY2008 auditing standards that require LarsonAllen to test the effectiveness of internal controls over all aspects of financial reporting and to fully understand the internal controls of the institution. The implementation of two additional governmental accounting standards also will affect the FY2008 audits.

A motion was made and seconded, and the committee voted unanimously to recommend approval of the External Audit Plan.

**INTERNAL AUDIT UPDATE**

Associate Vice President Klatt presented the Internal Audit Update, as included in the docket materials. She reported that during the past quarter 22 percent of the outstanding recommendations rated as “essential” were implemented by University departments, a percentage lower than the previous quarter and less than the expected rate of 40 percent. In addition, four units fully implemented all their remaining “essential” recommendations.

Klatt reported that the Department of Internal Audit completed an audit of pre-implementation readiness of the Enterprise Financial Services project (materials on file in the Board Office). The audit scope was broad, including aspects of functionality, infrastructure, staff training, controls, security, and performance. A project management audit also was completed, with positive results.

**INFORMATION ITEMS**

Associate Vice President Klatt referred the committee to the information items contained in the docket materials, including:

- Semi-Annual Controller’s Report.

The meeting adjourned at 3:03 p.m.

\[Signature\]

ANN D. CIESLAK
Executive Director and
Corporate Secretary

May 7, 2008
A meeting of the Finance and Operations Committee of the Board of Regents was held on Thursday, May 8, 2008 at 9:45 a.m. in the East Committee Room, 600 McNamara Alumni Center.

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

Staff present: Chancellors Charles Casey, Jacqueline Johnson, and Stephen Lehmkuhle; Senior Vice President and Provost Thomas Sullivan; Senior Vice President Robert Jones; Vice Presidents Kathryn Brown, Steve Cawley, Timothy Mulcahy, and Richard Pfutzenreuter; Executive Director Ann Cieslak; and Associate Vice Presidents Stuart Mason and Michael Volna.

Student Representatives present: Nathan Swanson and Kristi Kremers.

ISSUES RELATED TO: PRESIDENT'S RECOMMENDED ANNUAL OPERATING BUDGET

Vice President Pfutzenreuter invited Budget Director Julie Tonneson to join him in presenting the President's Recommended Annual Operating Budget, as detailed in the docket and associated materials on file in the Board Office.

Pfutzenreuter outlined the operating budget plan for FY2008-09. He reviewed the University's financial needs and total budget strategy, described centrally distributed and attributed funds, and outlined the contingency plans. Incremental resource planning was discussed as a framework to support University core costs and essential new financial investments in student, faculty and staff, organization, and innovation. He also identified resources for the FY2008-09 budget plan, noting that three contingency plans have been developed in light of current legislative funding uncertainties.

Pfutzenreuter detailed proposed changes to undergraduate tuition for 2008-09 and reviewed data to demonstrate that the tuition increase is somewhat offset by increases in state scholarship funds and a decrease or elimination of some fees.

To address the anticipated $48 million reduction in the second year of the biennial budget, Pfutzenreuter indicated that the University will reduce important planned investments, increase the student share through tuition increases, and double the University's contribution from $11.5 to $23 million, to be achieved through reallocations.

In response to questions from the committee, Pfutzenreuter stated the entire University fee structure would be reviewed beginning in Fall 2008, after which recommendations will be presented to the Board. He described the proposed Student Capital Enhancement Fee, which would begin with entering freshman in the 2008-09 academic years. The fee would increase during the initial five years from $12.50 to
$100.00 per semester and is expected to generate an additional $7.1 million for debt service on student facilities. Students have been consulted regarding the fee, and a student committee will be formed to provide input and help prioritize projects. The new fee is in line with similar fees at peer institutions. In response to a motion by Regent Frobenius and seconded by Regent Allen, the committee voted five in favor and one opposed to request the administration further review the Student Capital Enhancement Fee and consider its implications.

Regent Allen commented that had State support remained consistent over the past 40 years, annual tuition increases would have held steady at 1.2 percent.

**ISSUES RELATED TO: PRESIDENT'S RECOMMENDED ANNUAL & SIX-YEAR CAPITAL IMPROVEMENT BUDGETS**

Vice President Pfutzenreuter presented the President’s Recommended Annual & Six-Year Capital Improvement Budgets, as detailed in the docket and associated materials distributed at the meeting.

Pfutzenreuter explained that the $289.4 million Capital Improvement Budget authorizes projects to begin design or construction during FY2009. Of the total budget, $145 million is related to State projects, including the recently approved biomedical facilities. The FY2009 request also includes the Bell Museum project and Higher Education Asset Preservation and Replacement projects not funded in the 2008 capital request.

Pfutzenreuter outlined components of the FY2009-FY2014 Capital Improvement Plan (Plan) totaling $1,168,890,000 in new projects. The Plan:

- Establishes the next two State capital requests;
- Sets priorities and direction for continued capital and academic planning efforts;
- Defines boundaries of additional University debt; and
- Identifies University financial obligations.

Capital appropriations from the State constitute approximately half of the total Plan.

Pfutzenreuter reviewed the debt issuance plan. If all projects were funded, the University would have a projected debt capacity reserve of $572 million in FY2014, a reserve that would support continuation of the University’s excellent financial ratings. Depending on the success of fundraising for such projects as the Bell Museum, the total debt funded may be lower than projected.

In response to questions from the committee, Pfutzenreuter stated that the Capital Oversight Committee, which collects data and prioritizes projects, coordinates project selection. He added that there are projects in the queue that must await the completion of other projects. Pfutzenreuter reported that UMore Park planning discussions are currently underway with consultants.

**UPDATE: ENTERPRISE FINANCIAL SYSTEM IMPLEMENTATION**

Vice President Pfutzenreuter introduced Associate Vice President Volna, who led the discussion of the Enterprise Financial System (EFS) implementation as detailed in the docket and associated materials on file in the Board Office. Volna reported that a comprehensive readiness assessment of the EFS project has been completed and the project has recommended July 1, 2008 as the “go-live” date. He reviewed key areas of the assessment, such as functional readiness, central/campus operational readiness,
and performance readiness, and identified a number of issues yet to be addressed, such as final testing/system debugging, development of a budget module, and training wrap-up.

In response to questions from the committee, Volna expressed confidence in the upcoming implementation. He anticipates a successful launch on July 1, even though the project involves a lot of employees and there may be some issues to be resolved. Total project costs are tracking within budget and contingency and, once implemented, an ongoing system of support and enhancement costs will be a part of the annual budget process.

CONSENT REPORT

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

- Aastra Intecom for $666,899 to provide technical support for the PBX telephone system and a Centergy software subscription for the period of July 1, 2008 through June 30, 2011 for Networking and Telecommunications Services, a division of the Office of Information Technology.
- Apache Group for an estimated $326,400 for can liners (trash bags), to be stocked at the University Stores for use by Facilities Management and other University departments. The renewal contract period is from June 1, 2008 through May 31, 2009.
- Apply Yourself Recruiting Solutions for $532,910 for a 4-year contract, from FY2009 through FY2012, for graduate student on-line application and recruiting software services for The Graduate School programs on the three campuses.
- Berean Group Int’l Inc. for an additional $330,000 to increase an existing contract to $576,000 to complete design, development, and implementation work of the Education Abroad prospect and applicant system for the Office of Information Technology and Learning Abroad Center. The current contract covers services for the period October 15, 2007 through May 16, 2008.
- GE Healthcare for an estimated $1,072,866 for a service agreement for a Magnetic Resonance Imaging unit for the period of December 2008 through December 2016 for the University of Minnesota, Veterinary Medical Center.
- Gillig Company for $504,016 for a Hybrid LF-BRT Bus as needed for the campus shuttle fleet to be used for approximately 12 years by the Parking and Transportation Services Department. The University will pay the total cost of this vehicle and receive reimbursement from the Metropolitan Council for 80% of the total.
- Harlan Sprague Dawley, Inc for an estimated $3,007,000; to The Jackson Laboratory for an estimated $2,715,000; to Charles River Labs for an estimated $3,416,000; and to Taconic for an estimated $862,000 for research animals as needed for the period of May 1, 2008 through June 30, 2011 for the Research Animal Resources Department.
- Laser Technologies for an estimated $1,498,500 for Hewlett Packard laser toner and ink-jet printer cartridges, to be stocked at the University Stores for use in University departments. The contract period is from June 1, 2008 through May 31, 2009.
• Lenovo for an estimated $333,526 to purchase 262 IBM/Lenovo ThinkPad T61 laptops for the incoming Law School class of 2011. The laptops will be purchased with funds obtained through a laptop purchase fee added to the Law School’s Student Technology Fee over the first two semesters of the student’s enrollment.
• Solutionary, Inc. to increase an existing contract to $1,030,000 to manage and monitor the University’s critical network devices for the University’s Office of Information Technology. The current contract covers services for the period August 1, 2005 through July 31, 2008 at a cost of $750,000. The proposed contract amendment would add $280,000 to the contract and extend service through July 31, 2009.

A motion was made and seconded, and the committee voted unanimously to recommend approval of the consent report.

INFORMATION ITEMS

There were no information items this month.

The meeting adjourned at 11:44 a.m.

ANN D. CIESLAK
Executive Director and
Corporate Secretary
A meeting of the Facilities Committee of the Board of Regents was held on Thursday, May 8, 2008 at 9:45 a.m. in the West Committee Room, 600 McNamara Alumni Center.

Regents present: David Metzen, presiding; Anthony Baraga, Dallas Bohnsack, Maureen Cisneros, David Larson, and Patricia Simmons.

Staff present: Chancellor Jacqueline Johnson; Vice President Kathleen O'Brien; Executive Director Ann Cieslak; and Associate Vice Presidents Michael Berthelsen and Robert Kvavik.

Student Representatives present: Nathan Olson and Jim Irrgang.

ISSUES RELATED TO: PRESIDENT'S RECOMMENDED ANNUAL & SIX-YEAR CAPITAL IMPROVEMENT BUDGETS

Vice President O'Brien and Associate Vice President Kvavik presented issues related to the Annual Capital Improvement Budget (Budget) and the Six-Year Capital Improvement Plan (Plan), as detailed in the docket and materials distributed at the meeting. O'Brien reminded the committee that the Budget functions as the first year of the Plan and includes projects over $500,000 that are ready to move into final design and/or construction. She highlighted projects in the Budget for each campus and reported that the total FY2009 Budget is slated to be $289.4 million. O'Brien added that the University is tentatively planning to submit a FY2009 legislative capital request for $18 million for the new Bell Museum and $25 million in Higher Education Asset Preservation and Replacement funds.

O'Brien explained that the Plan is developed in accordance with such principles as alignment with academic priorities, the importance of space flexibility, sustainability, and maintenance of projected debt capacity limits. Kvavik provided information on the alignment of Plan projects with each of the four strategic positioning areas of exceptional students, faculty and staff, organization, and innovation. He reported that the University is moving from a project planning model, where departments and colleges control physical spaces, to a model where interdisciplinary management is stressed and institutional strategic goals are emphasized.

A lengthy discussion ensued. In response to a question from Regent Larson, O'Brien explained that life safety issues have the highest priority in assembling the annual and six-year capital plans, with programmatic needs and return on investment also considered. In response to questions from several Regents, Kvavik highlighted the need for the University to build flexible spaces that allow for more group learning and collaborative ventures than in the past. He added that overall buildings need to be easily convertible because a research area such as nanotechnology, which is currently a high priority for University faculty, might not be a topic of interest in fifteen years.
In response to a question from Regent Metzen, Kvavik reported that faculty members have accepted the new interdisciplinary approach to capital planning and are heavily involved in the design of new facilities such as the Science, Teaching, and Student Services building.

CONSENT REPORT

A motion was made and seconded to recommend approval of the Consent Report including:

- Purchase of 516 Ontario Street SE, Minneapolis.

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

INFORMATION ITEMS

Vice President O'Brien referred committee members to the Information Items contained in the docket materials, including:

- The granting of a permanent easement and a temporary construction easement to the Minnesota Pipeline Company for the construction of the MinnCan pipeline across Section 13 at the southeast corner of the University's property at UMore Park in Dakota County; and
- Emergency approval of a forty month lease for use of 5,796 square feet at Baker Technology Plaza, 6121 Baker Road, Minnetonka, Minnesota.

The meeting adjourned at 10:55 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, May 8, 2008 at 2:15 p.m. in the West Committee Room, 600 McNamara Alumni Center.

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

Staff present: Chancellors Jacqueline Johnson and Kathryn Martin; Senior Vice President & Provost Thomas Sullivan; Senior Vice President Robert Jones; Vice President Kathryn Brown; Associate Vice Presidents Gail Klatt and Meredith McQuaid; and Executive Director Ann Cieslak.

Student Representatives present: Jennifer McCabe and Nathan Olson.

**BOARD OF REGENTS POLICY: INTERNATIONAL EDUCATION**

Senior Vice President & Provost Sullivan introduced Senior Vice President Jones and Associate Vice President McQuaid, who led the discussion. Jones stated that the University has a long history in international education, but since McQuaid's appointment as associate vice president and dean, the Office of International Programs has been increasing the University's stature as a global university by promoting the global dimension of teaching, research, and education across the institution; recruiting and supporting international students, faculty, and staff; and identifying new funding sources to facilitate the development of international education.

McQuaid explained that Board of Regents Policy: *International Education* has been rewritten in its entirety to more clearly and comprehensively affirm the Board's commitment to foster international education and engagement and to reflect a more comprehensive strategy and thorough integration of the University's international efforts. Proposed amendments also include a new title to signify the ever-increasing internationalization of all campuses of the University and three guiding principles to inform the institution's efforts in this area (materials in the docket).

In response to a question from Regent Baraga, McQuaid advised that the intent of proposed language relating to the enrollment of international students is to ensure a healthy mix on campus of students from abroad. This is accomplished not through a quota system, but by recruiting both in places where the University's brand is well known and in places where it is not. Once an international student applies, the Office of International Programs is not involved in subsequent decisions regarding admissions, which are purely merit-based.
Regent Simmons, noting that the proposed policy reflects a new focus and a new set of goals for international education at the University, requested a post-implementation review in one or two years so that the committee may consider how well the policy is serving the institution’s new directions in this area.

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

INTERNATIONAL EDUCATION UPDATE:
GOALS & STRATEGIES

Associate Vice President McQuaid identified the units comprising the Office of International Programs and their importance to the process of internationalizing the University as detailed in the docket and associated materials on file in the Board Office. Efforts to achieve the established goal of 50% of undergraduates completing an international experience already has boosted the University’s international education rank nationally to 6th among research institutions and 4th among peer institutions. The University also leads all other U.S. institutions in the number of students spending a semester abroad, but to become truly internationalized, the institution must consider the international aspects of everything it does.

McQuaid reported that today’s students are interested in a different kind of international experience, seeking education beyond traditional study abroad locales and education beyond the classroom through internships and research opportunities. Among the goals and strategies of the Office of International Programs are the following:

• to counter the perception among students and faculty that study abroad delays graduation;
• to demonstrate to faculty ways in which it is possible to incorporate study abroad experiences into degree curricula;
• to increase the share of undergraduate international students on the University’s campuses to 5%; and
• to engage faculty through international academic initiatives.

McQuaid acknowledged the work of the International University Task Force (Task Force), a part of the strategic positioning process, and the International Working Group (Working Group), its successor. To move from the recommendations of the Task Force to an action plan, the Working Group, a committee of nine individuals with substantial international experience from across campuses and disciplines, has recommended the following:

• the pursuit of international academic initiatives that focus the University’s efforts, inspire research, and generate positive energy at home and abroad;
• new responsibilities for the Office of International Programs to strategically position the University internationally and to tactically coordinate and integrate the University’s internationalization efforts; and
• more systematic consideration of risk and liability issues as the University’s international engagement grows.

Follow-up on the recommendations of the Working Group is now the responsibility of the Office of International Programs, which will rely on several small groups and the International Programs Council to consider best policies and practices and to serve as a vehicle for communicating with academic and administrative units.
In response to a number of questions from the committee, McQuaid indicated that there is no optimal time for a student to spend abroad, but engagement during the experience, processing of that experience while abroad, and reflection upon the experience after returning to the University are all critical determinants of the benefits a student will derive. The semester cost of a University study abroad program ranges from $500 - $5,000 plus transportation. Learning abroad scholarships are available and students are still eligible for financial aid when participating in an international education experience. For incoming international students, some colleges offer scholarships to exceptional undergraduate students, while the University offers global excellence scholarships that reduce the non-resident tuition rate.

CONSENT REPORT

A motion was made and seconded, and the committee unanimously recommended approval of the following academic program changes, as described in the Consent Report:

- **New Academic Programs**
  - Crookston Campus—Create B.S. Degree in Criminal Justice
  - Crookston Campus—Create Minor in Criminal Justice
  - College of Continuing Education (Twin Cities Campus)—Create Certificate in Teaching English as Second Language
  - College of Continuing Education (Twin Cities Campus)—Create Certificate in Aging Studies
  - Medical School—Create Hepato-Pancreato-Biliary Fellowship Program
  - Medical School—Create Minimally Invasive Laparoscopic Fellowship Program
  - Medical School—Create UMMC Hospice and Palliative Medicine Fellowship Program

- **Discontinued Academic Programs**
  - Crookston Campus—Discontinue A.S. Degree in Business General
  - Crookston Campus—Discontinue A.A.S. Degree in Dietetic Technician
  - Crookston Campus—Discontinue A.A.S. Degree in Hotel, Restaurant, and Institutional Management
  - Crookston Campus—Discontinue A.A.S. Degree in Marketing and Management

- **Changed Academic Programs**
  - College of Education and Human Development (Twin Cities Campus)—Discontinue Subplans in B.S. Degree in Sports Management
  - School of Public Health (Twin Cities Campus) — Change Name of Certificate in Food Safety and Biosecurity to Food Protection
  - College of Liberal Arts (Twin Cities Campus)—Add New Tracks to B.A. Degree in Religious Studies
INFORMATION ITEMS

There were no information items this month.

The meeting adjourned at 3:35 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, May 8, 2008 at 2:15 p.m. in the East Committee Room, 600 McNamara Alumni Center.

Regents present: John Frobenius, presiding; Clyde Allen, Dallas Bohnsack, Venora Hung, Dean Johnson, and David Metzen.

Staff present: Chancellors Charles Casey, Jacqueline Johnson, and Stephen Lehmkuhle; Senior Vice President and Provost Thomas Sullivan; Vice Presidents Carol Carrier and Timothy Mulcahy; and Executive Director Ann Cieslak.

Student Representatives present: Adam Engelman and Catherine Wang.

ANNUAL PROMOTION AND/OR TENURE RECOMMENDATIONS

Vice President Carrier invited Senior Vice President and Provost Sullivan and Vice Provost Arlene Carney to present the list of faculty members being recommended for promotion and/or tenure, as detailed in the revised docket and associated materials on file in the Board Office.

Sullivan reviewed the process for granting promotion and tenure and highlighted several statistics about the slate of candidates:

- 171 faculty members submitted dossiers for promotional consideration;
- 170 faculty members are recommended for promotion and/or tenure;
- 102 men and 68 women are recommended; and
- 18.7 percent of faculty members recommended are faculty of color.

Sullivan reviewed seven years of assistant professor cohort data that demonstrates the University's tenure success rate is in line with peer institutions with similar data available.

In response to questions from the committee, Sullivan explained that, within a faculty cohort, there is a percentage of women who choose to temporarily stop the tenure clock for family responsibilities, which delays their tenure decision and is reflected in the data presented.

In response to a question from Regent Metzen, Sullivan clarified the tenure process used for hiring tenured faculty from another institution. Metzen suggested the process be reviewed to ensure compliance with the Board’s policy regarding the granting of tenure.
A motion was made and seconded, and the committee voted unanimously to recommend approval of the annual promotion and/or tenure recommendations, as presented in the revised docket materials.

CONTINUOUS APPOINTMENTS: ANNUAL RECOMMENDATIONS

Senior Vice President and Provost Sullivan recommended two academic professional staff members for continuous appointment status and described the process for granting a continuous appointment for academic professional staff members.

A motion was made and seconded, and the committee voted unanimously to recommend approval of the continuous appointment recommendations, as presented in the docket and associated materials on file in the Board Office.

FACULTY COMPENSATION: COMPARISONS & ANALYSIS

Vice President Carrier invited Senior Vice President and Provost Sullivan, Allen Levine, Dean of the College of Food, Agricultural, & Natural Resource Sciences (CFANS), and Richard Howard, Director of Institutional Research and Reporting, to join her in presenting a comparison and analysis of faculty compensation, as included in the docket and associated materials distributed at the meeting and on file in the Board Office.

Levine described the process for annual reviews to determine faculty compensation within CFANS. He stated that CFANS departments have autonomy to develop processes for determining their faculty compensation, but the process must include comprehensive reviews of teaching, research, and outreach or extension and must be approved by the college. All recommendations are reviewed and discussed at the college level. He noted merit increases have been a useful tool in recognizing exceptional work.

Howard presented Twin Cities and Morris campus compensation and salary rankings. Over the last five years the University's ranking has remained stable, making some progress relative to the comparison group. Among the report's conclusions were the following:

• Faculty salaries at the Twin Cities campus have remained unchanged relative to average faculty salaries of the comparison group.
• Average faculty compensation at the Twin Cities campus ranks favorably with the comparison group.
• Faculty compensation and salary rankings at the Morris campus remained constant relative to its comparison group with the exception of improvement in the assistant professor average compensation.
• Total faculty compensation at the Crookston campus ranks among the highest, despite lower rankings for salary relative to its comparison group.
• Duluth faculty salaries and compensation across all ranks are in the lower third of its comparison group.

Howard described future salary and compensation strategies, including (1) the use of targeted merit program dollars to recruit and retain the best and brightest faculty and staff and (2) making resources available in areas central to the University's goal of becoming one of the top three public research universities in the world.
In response to questions from the committee, Levine noted that before hiring a new faculty member his staff identifies faculty salaries for similar positions at other institutions. Sullivan stressed the value of the three-year special compensation pool, ending this year, that has allowed the University to reward talented and extraordinary faculty. He noted that some University faculty recruited by other institutions chose to stay because of the opportunity for exceptional merit salary adjustments. He also reaffirmed that faculty and staff salaries remain the number one priority with regard to strategic planning and budgets.

CONSENT REPORT

Vice President Carrier presented the Consent Report, as detailed in the document materials, including the following:

- Retirement Incentive Option; and
- Civil Service Rule Changes.

In response to a question from Regent Frobentius, Carrier clarified that, due to a change in Governmental Accounting Standards Board reporting that requires identification of post-retirement health care liabilities and risk, there are separate pools of data for retirees and current employees.

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

INFORMATION ITEMS

Vice President Carrier referred the committee to the Information Items contained in the docket materials.

The meeting adjourned at 3:50 p.m.

Ann D. Cieslak
Executive Director and
Corporate Secretary

193 Faculty, Staff & Student Affairs Committee
May 8, 2008
A meeting of the Board of Regents of the University of Minnesota was held on Thursday, May 8, 2008 at 4:00 p.m. in the Boardroom, 600 McNamara Alumni Center.

Regents present: Patricia Simmons, presiding; Clyde Allen, Anthony Baraga, Dallas Bohnsack, Maureen Cisneros, Linda Cohen, John Frobenius, Venora Hung, Steven Hunter, Dean Johnson, and David Metzen.

Staff present: President Robert Bruininks; Chancellor Kathryn Martin; Senior Vice President Robert Jones; Vice Presidents Carol Carrier and Kathleen O’Brien; and Executive Director Ann Cieslak.

RECOGNITION OF DISTINGUISHED McKNIGHT UNIVERSITY PROFESSOR AWARDS

Recognition was given to the 2008 Distinguished McKnight University Professorship award recipients. This award honors and rewards the highest-achieving faculty at the University of Minnesota who recently attained full professor status. The recipients are:

- Judith Berman
  Genetics, Cell Biology & Development

- Jeffrey Derby
  Chemical Engineering & Materials Science

- Sachin Sapatnekar
  Electrical and Computer Engineering

- Andreas Stein
  Chemistry

ACADEMY OF DISTINGUISHED TEACHERS

Recognition was given to the 2008 recipients of the following awards:

- Horace T. Morse-University of Minnesota Alumni Association Award for Outstanding Contributions To Undergraduate Education
This award recognizes excellence in contributing directly and indirectly to student learning through teaching, research, and creative activities; advising; academic program development; and educational leadership.

Todd Arnold  
Fisheries, Wildlife and Conservation Biology

Janet Schrunk Ericksen  
English, Morris campus

Leon Hsu  
Postsecondary Teaching and Learning

Timothy Johnson  
Political Science

Terry Jones  
Astronomy

Kristopher McNeill  
Chemistry

Barrie McQuarrie  
Mathematics, Morris campus

Kristen Nelson  
Forest Resources

**Outstanding Contributions to Postbaccalaureate, Graduate & Professional Education Award**

This award recognizes faculty members for excellence in instruction; instructional program development; intellectual distinction; advising and mentoring; and involvement of students in research, scholarship, and professional development.

Massoud Amin  
Electrical and Computer Engineering

Richard Brundage  
Experimental and Clinical Pharmacology

Cesare Casarino  
Cultural Studies and Comparative Literature

Douglas Foster  
Animal Science

John Freeman  
Political Science
JOHN TATE AWARDS FOR EXCELLENCE IN UNDERGRADUATE ADVISING

Recognition was given to the 2007-08 recipients of the John Tate Award for Excellence in Undergraduate Advising. The Tate Award serves to recognize and reward high quality academic advising. It calls attention to the contribution academic advising provides in helping students formulate and achieve intellectual, career, and personal goals. The 2007-08 recipients are:

Randal Barnes
Civil Engineering

Gary Cooper
Applied Economics

Carles Habstritt
Agriculture, Crookston campus

Holly Hatch-Surisook
Department of Psychology

OUTSTANDING COMMUNITY SERVICE AWARDS

Recognition was given to a number of individuals from the University community for their significant contributions to improving the quality of life and the well being of society. The 2007-08 recipients are:

Barbara Frey
Law School

Prentiss Cox
Law School

Maria Pabon
Educational Psychology

Mary Page
Community Member, Regional Sustainable Development Partnerships

Dennis Donovan
Humphrey Institute of Public Affairs
JOSIE R. JOHNSON AWARD FOR HUMAN RIGHTS AND SOCIAL JUSTICE

Recognition was given to the recipient of the Josie R. Johnson Award for Human Rights and Social Justice. The award was established in honor of Dr. Josie R. Johnson in recognition of her lifelong contributions to human rights and social justice. The award honors University of Minnesota faculty, staff, and students who, through their principles and practices, exemplify a standard of excellence in creating respectful and inclusive living, learning, and working environments. The 2008 recipients are:

Ananya Chatterjea
Theatre Arts and Dance

Ross Neely
Graduate Student, Carlson School of Management

PRESIDENT’S AWARD FOR OUTSTANDING SERVICE

Recognition was given to the recipients of the President’s Award for Outstanding Service. The award recognizes exceptional service to the University, its schools, colleges, departments, and service units by any active or retired member of the faculty or staff. Such service goes well beyond the regular duties of a faculty or a staff member, and demonstrates unusual commitment to the University community. The 2007-08 recipients are:

Kenneth Gilbertson
Health, Physical Education and Recreation
Duluth Campus

Laurel Hirt
Career and Community Learning Center

Gilbert Huie
Civil Engineering

David Johnson
College of Education and Human Development

Steve Johnson
University of Minnesota Police Department

Mary Hastings Kenyon
Academic Health Center Communications

Andrew Phelan
Environmental Health and Safety

Martin Sampson
Political Science

G. Edward Schuh
Humphrey Institute of Public Affairs
Rajiv Vaidyanathan  
Labovitz School of Business and Economics  
Duluth campus  

Warren Warwick  
Pediatrics  

Vice President Carrier noted the passing of Regents Professor Emeritus G. Edward Schuh on May 4, 2008. Deborah Cran, Chief of Staff, Office of the Senior Vice President for System Academic Administration, was present on behalf of Professor Schuh’s family.  

The meeting adjourned at 4:30 p.m.  

ANN D. CIESLAK  
Executive Director and  
Corporate Secretary  

Board of Regents  
May 8, 2008
A meeting of the Board of Regents of the University of Minnesota was held on Friday, May 9, 2008, at 9:00 a.m. in the Boardroom, 600 McNamara Alumni Center.

Regents present: Patricia Simmons, presiding; Clyde Allen, Anthony Baraga, Dallas Bohnsack, Maureen Cisneros, Linda Cohen, John Frobenius, Venora Hung, Steven Hunter, Dean Johnson, David Larson, and David Metzen.

Staff Present: President Robert Bruininks; Chancellors Charles Casey; Jacqueline Johnson, and Stephen Lehmkuhle; Senior Vice President and Provost Thomas Sullivan; Senior Vice President Robert Jones; Vice Presidents Kathryn Brown, Carol Carrier, Steve Cawley, Karen Himle, Timothy Mulcahy, Kathleen O’Brien, and Richard Pfutzenreuter; General Counsel Mark Rotenberg; Executive Director Ann Cieslak; and Associate Vice Presidents Terry Bock, Gail Klatt, Robert Kvavik, Stuart Mason, Donna Peterson, and Michael Volna.

RECOGNITIONS

Recognition was given to Professor Douglas N. Arnold, McKnight Presidential Professor of Mathematics.

Recognition was given to the 2007-08 Student Representatives to the Board of Regents:

Adam Engelman
Twin Cities (MSA)

Jim Irrgang
Crookston

Meghan Keil
Duluth

Nathan Olson
Twin Cities (MSA)

Nathan Swanson
Morris

Mark Torma
Twin Cities (GAPSA)

Catherine Wang
Twin Cities (MSA)
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 – April 10, 2008
Educational Planning & Policy Committee – April 10, 2008
Facilities Committee – April 10, 2008
Faculty, Staff & Student Affairs Committee – April 10, 2008
Finance & Operations Committee – April 10, 2008
Litigation Review Committee – April 10, 2008
Board of Regents Work Session – April 10, 2008
Board of Regents – April 11, 2008

REPORT OF THE PRESIDENT

President Bruininks discussed affordability and accessibility of higher education with respect to availability of loans for students at all levels. He highlighted several federal loan programs, noting a number of trends in federal funding and their potential impacts on University students.

The President also commented on federal funding in research. More than 20 percent of the University's total budget comes from competitive grants and contracts, and the University is currently ranked 9th in research expenditures among public universities. He also stressed the importance of research funding in strengthening the University's comparative advantage and achieving its strategic positioning goals.

The President reported on the ongoing importance of private support to the University. He noted the success of the Promise of Tomorrow Scholarship drive, with over $230 million raised to date, and emphasized that leveraging assets, private support, strong state appropriations, and revenues generated by University activities will continue to play a critical role in ensuring the long-term future of the University.

REPORT OF THE CHAIR

Chair Simmons stated that a number of Regents attended the Association of Governing Boards (AGB) conference in Boston in April 2008. She indicated the AGB conference is the only national conference specifically for regents and trustees to enhance their understanding of the issues facing higher education and best practices for governing. Regent Hung commented briefly on topics of four preconference workshops she attended.

Chair Simmons announced the appointment of the Presidential Performance Review Committee comprised of Chair Simmons, Vice Chair Allen, and Regent Johnson. The committee will meet in closed session several times before the June Board meeting when a final report on the President’s performance will be given.

Chair Simmons reported that the Board will hold a public forum on Wednesday, May 21, 2008 in the Boardroom to receive comments on the President’s Recommended Annual Operating Budget FY2009. The Board will act on the operating budget at its June 2008 meeting. She added that the Board will hold its annual meeting on June 13, 2008, during which it will approve the calendar of meetings for 2008-09.
Chair Simmons congratulated graduates from all of the University's campuses. She applauded their work and wished them well. She also expressed appreciation to the faculty and staff who have helped the graduates succeed and to members of the Board of Regents for their participation in the 26 ceremonies held to confer degrees.

**RECEIVE AND FILE REPORTS**

Chair Simmons noted the receipt and filing of the Annual Review of President’s Delegations.

**REPORT OF THE ALL-UNIVERSITY HONORS COMMITTEE**

Chair Simmons indicated that the Report of the All-University Honors Committee was forwarded to the Board from President Bruininks on April 21, 2008.

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.

**GIFTS**

Assistant Vice President Judy Kirk presented the list of gifts to the University of Minnesota, the University of Minnesota Foundation, the Arboretum Foundation, and the Minnesota Medical Foundation through March 31, 2008.

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

**REPORT OF THE NOMINATING COMMITTEE: UMMCF BOARD OF TRUSTEES**

Regent Frobenius, Chair of the Nominating Committee for the University of Minnesota Medical Center Fairview (UMMCF) Board of Trustees presented the report of the committee and the following resolution for approval:

RESOLVED, that on the recommendation of the Board of Regents Nominating Committee for the University of Minnesota Medical Center Fairview (UMMCF) Board of Trustees, the following appointments are hereby approved:

Barbara S. Daniels  Reappointed for a three-year term expiring May 2011

Connie Delaney  Appointed for a three-year term expiring May 2011

A motion was made and seconded, and the Board of Regents voted unanimously to approve the resolution.
REPORT OF THE STUDENT REPRESENTATIVES
TO THE BOARD OF REGENTS

Meghan Keil, Chair of the Student Representatives to the Board of Regents, presented their semi-annual report. The report reflected the student perspective on issues and concerns facing University students and identified issues explored by Student Representatives. The report addressed enhanced communication with University students and updates on activities of University student associations.

President Bruininks complimented the Student Representatives on their report. He commented on the continued need to enhance communication across all campuses with students and the general public.

Regent Cisneros commended the Student Representatives for their report. She encouraged students to continue to pursue ideas and options to further effective communication between the older and younger generations and to present ideas to the administration and the Board of Regents.

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

PRESIDENT’S RECOMMENDED ANNUAL
CAPITAL IMPROVEMENT BUDGET 2009

President Bruininks introduced the item. He reported that a recently conducted assessment of University units indentified three areas of challenges facing the institution: investments in faculty, staff, and students; capital investment and facilities renewal and maintenance; and the growing cost of technology and its application to daily life. He noted that the Annual Capital Improvement Budget (Budget) is reflective of these and other priorities established by the Six-Year Capital Improvement Plan approved annually by the Board of Regents. The President introduced Vice Presidents O’Brien and Pfutzenreuter and Associate Vice President Kvavik to present the Budget (detailed in the docket and associated materials on file in the Board Office).

O’Brien reported that the Budget is the first year of the Six-Year Capital Improvement Plan and authorizes projects totaling $289,376,000 to begin design or construction during the next fiscal year. She highlighted a number of system-wide and individual projects, both new construction and repair and renewal.

In response to a question from Regent Hunter, O’Brien stated that campus buildings are built to State standards that are comparable to Leadership in Energy and Environmental Design (LEED) certification. The University is seeking LEED certification on some buildings, but the application process can cost $50,000-$150,000, depending on the building and the level of complexity.

The Budget will be on the agenda for action at the June 2008 Board meeting.

SIX-YEAR CAPITAL IMPROVEMENT PLAN: 2009-2014

Vice Presidents O’Brien and Pfutzenreuter and Associate Vice President Kvavik presented the Six-Year Capital Improvement Plan (Plan) for FY2009-2014 as included in the docket and associated materials on file in the Board Office. The Plan is the system-wide, all funds capital improvement plan that establishes the next capital request to be
presented to the State of Minnesota for consideration; sets priorities and direction for continued capital and academic planning efforts; defines the boundaries of additional University debt; and identifies University financial responsibility for payment.

O’Brien summarized the Plan’s components and the process by which capital projects are proposed, reviewed, recommended, and approved. She noted the principles that guide the development of the Plan.

Kvavik described a number of representative projects that align with the University’s strategic goals. He observed there is an emphasis on creating premier teaching and learning environments, expanding living and learning spaces, and creating additional recreational sports and student life spaces.

Pfutzenreuter referred to the financial summary. He reported that the Plan totals nearly $1.2 billion, the State share approximately $608 million and the University's responsibility approximately $561 million. He also reviewed the projected debt service assumptions.

In response to a question from Regent Johnson, O’Brien indicated that the University is comparable to its peer institutions in expenditures for laboratory space, but costs are increased due to increased technological expectations. Chair Simmons noted that facilities built for science, research, and laboratory-based education must be built for current and future scientific developments.

Regent Frobenius acknowledged the State’s commitment to biomedical research and facilities and the long-term benefit of this commitment to the University and State.

The Plan will return for action at the June 2008 Board meeting.

**PRESIDENT’S RECOMMENDED ANNUAL OPERATING BUDGET FY2009**

President Bruininks presented the President’s Recommended Annual Operating Budget FY2009 (Budget) as detailed in the docket and associated materials presented at the meeting an on file in the Board Office.

Bruininks provided an overview of the revenue sources. As in past years, the budget recommendations for the biennium were built on a model of shared responsibility between the State of Minnesota, University administrative and support units, and students. The overall framework of the budget is consistent with the principles outlined in the biennial budget request approved by the Board of Regents at its November 2006 meeting and is aligned with the goals of the University’s strategic positioning priorities. The recommended budget continues to emphasize the University’s primary goal of becoming one of the top three public research universities in the world as its core focus, with an equivalent standard of excellence for its coordinate campuses and other statewide resources.

Bruininks remarked that the FY2008-09 budget contemplates total resources of $76,800,000, compared to $112,434,780 in FY2007-08. The budget will provide funds for items that are considered essential or required in addition to investments that advance the University's strategic positioning goals.

Bruininks reviewed proposed tuition and fee increases for both undergraduate and graduate students. For FY2009, the administration recommends an overall increase in tuition and fees of 7.5% for most students. He discussed the cost of attendance and summarized the financial framework for the budget. He stressed the institution's continuing commitment to affordable education and discussed cost of
attendance and various forms of financial assistance available to students based on family income and expected family contributions.

Bruininks reported that the budget presented for review is based on a current law appropriation. Legislators are currently in session, working to develop a plan to address a projected State budget shortfall. The University has prepared contingency plans to address: the current law budget without reductions; 2) the Governor’s recommended reduction of $17 million in the University's FY2008-09 appropriations; and 3) the Legislative proposal of a $5 - $10 million reduction in the University's FY2008-09 appropriation. Bruininks briefly discussed a number of contingency options based on the outcome of the legislative session and State appropriations to the University. The final operating budget, adjusted for the legislative outcome, will be presented to the Board for action at its June 2008 meeting.

Senior Vice President and Provost Sullivan discussed within the financial framework three categories of prioritized expenditures: core, essential, and postponed expenditures. He provided examples of how budget principles were applied while developing the budget to honor previous commitments; to minimize the impact on students of the changes in state appropriations; and to honor prior ongoing commitments made as part of the strategic planning process.

In response to questions from Regent Larson, President Bruininks explained that tuition and fees revenue comes from a variety of sources, with portions paid by scholarships, grants, and other forms of financial aid. Continued increases in privately supported scholarships have helped to lower tuition for many students. In response to a comment from Regent Metzen, the administration agreed provide a chart illustrating trends in federal and state appropriations and how those appropriations are affected by changing demographics.

The President’s Recommended Annual Operating Budget will return for action at the June 2008 meeting of the Board of Regents.

REPORT OF THE FACULTY, STAFF & STUDENT AFFAIRS

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

a) Approval of the revised Consent Report for the Faculty, Staff & Student Affairs Committee as presented to the committee and described in the May 8, 2008 minutes.

b) Approval of the promotion and/or tenure recommendations as presented in the revised docket materials, effective with the beginning dates of their terms of appointment in 2008-2009.

c) Approval of continuous appointment status along with promotion for staff in the academic professional series as presented in the docket materials, effective with the beginning of the 2008-2009 appointment period.

The Board of Regents voted unanimously to approve the recommendations of the Faculty, Staff & Student Affairs Committee.
Frobenius reported that the committee also received a report on faculty compensation comparisons and analysis and reviewed a number of information items included in the docket materials.

**REPORT OF THE FINANCE & OPERATIONS COMMITTEE**

Regent Hunter, 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 May 8, 2008 minutes.

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

Hunter reported that the committee also discussed issues related to the President's Recommended Annual Operating Budget and the President's Annual and Six-Year Capital Improvement Budgets and received an update on the implementation of the Enterprise Financial System. On a 5 to 1 vote, 5 in favor and 1 opposed, the Committee recommends that the administration restudy the Student Capital Enhancement Fee, exploring all options, including whether this is the best means of funding the proposed capital projects and the timing of its implementation.

**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 and Policy Committee as presented to the committee and described in the May 8, 2008 minutes.

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

Larson reported that the committee also reviewed amendments to Board of Regents Policy: *International Education*; and received an update on the University's international education initiatives.

**REPORT OF THE FACILITIES COMMITTEE**

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

a) Approval of the Consent Report for the Facilities Committee as presented to the committee and described in the May 8, 2008 minutes.

The Board of Regents voted unanimously to approve the recommendation of the Facilities Committee.
Metzen reported that the committee also discussed issues related to the President's Recommended Annual and Six-Year Capital Improvement Budgets and a number of information items presented in the docket materials.

**REPORT OF THE AUDIT COMMITTEE**

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

a) Approval of the External Audit Plan as presented to the committee and described in the May 7, 2008 minutes.

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

Cohen reported that the committee also received a report on the impact of the Enterprise Financial System implementation and new accounting pronouncements on the University's internal control environments; received an internal audit update; and discussed the information items contained 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.

The meeting adjourned at 12:07 p.m.

[Signature]

ANN D. CIESLAK
Executive Director and Corporate Secretary

Board of Regents
May 9, 2008
A meeting of the Board of Regents was held on Wednesday, May 21, 2008 at 10:30 a.m. in the Boardroom, 600 McNamara Alumni Center.

Regents present: Patricia Simmons, presiding; Maureen Cisneros, Linda Cohen, Venora Hung, Steven Hunter, and David Metzen. Clyde Allen, Dallas Bohnsack, John Frobenius, and David Larson participated by telephone.

Staff present: President Robert Bruininks; Senior Vice President and Provost Thomas Sullivan; Senior Vice President Robert Jones; Vice Presidents Kathryn Brown, Karen Himle, and Richard Pfutzenreuter; and Executive Director Ann Cieslak.

Regent Simmons welcomed those in attendance to the Board of Regents Public Forum on the President’s Recommended Annual Operating Budget FY2009. She noted that the University of Minnesota Crookston, Duluth, Morris, and Rochester campuses were connected to the meeting via interactive television. She reviewed the procedures to be followed for the meeting and stated that the Board of Regents intends to vote on the proposed budget at the June 13, 2008 Board meeting.

The following individuals were then called forward:

**Gary Balas – Professor, Aerospace Engineering and Mechanics; Chair, Faculty Consultative Committee**
Professor Balas spoke on behalf of the Faculty Consultative Committee and expressed support for the proposed FY09 operating budget. He expressed appreciation for continued investment in strategic positioning initiatives and the Founders Free Tuition Scholarship Program.

**Gail Dubrow – Dean, Graduate School**
Dean Dubrow emphasized the importance of continued investment in graduate fellowships. She noted that the University usually only offers 1- to 3-year graduate fellowships, which makes it challenging to compete with institutions offering 5-year packages. Dubrow maintained that increased fellowship funding would be a greater help to graduate student recruiting than lower tuition rates.

**Ryan Kennedy – University Student**
Mr. Kennedy expressed concern over resident tuition rates, which he stated had doubled since 2000. He commented that the University’s goal of becoming a top three public research university is worthy, but that the goal should not result in high tuition rates that alienate undergraduate students.

**John Finnegan – Dean, School of Public Health**
Dean Finnegan commented on the importance of the competitive compensation pool, which has helped reduce turnover in the School of Public Health to nearly zero in the past year. He also expressed appreciation for the budgetary focus on interdisciplinary programs.
Don Dame – Citizen
Mr. Dame urged the University to reduce tuition costs by reducing administrative costs and cited the University Police Department as a specific unit that should be reduced in size.

Dan Dahlberg – Professor, Physics & Astronomy; Chair, Senate Research Committee
Professor Dahlberg cited the importance of long-term investment in research. He commented that a one- or two-year funding cut can result in a tremendous loss of progress for many University researchers.

Wayne Sigler – Director, Undergraduate Admissions
Dr. Sigler commented on the intense competition to attract college students, adding that Minnesota high school students have many options because they are especially talented and high performing. He stated that applications for admission have increased annually since the University moved from a formulaic approach to a more thorough review of applicants in 2003.

Emma Olson – President, Minnesota Student Association
Ms. Olson spoke in support of the student capital enhancement fee because it will involve student input in implementing the program, provide a foundation for student life projects, and significantly enhance the quality of life for University students.

Robert McMaster – Vice Provost & Dean, Undergraduate Education
Dean McMaster cited the importance of several programs in the proposed budget, including the Baccalaureate Writing Initiative, the University Honors Program, Welcome Week, and the Undergraduate Research Opportunities Program.

William Gleason – Associate Professor, Laboratory Medicine & Pathology
Professor Gleason commented on the problems associated with student debt and stated that University students have the highest average debt load of all Big Ten institutions. He expressed concern with the University's goal of becoming a top three public research university because it neglects the importance of undergraduate education.

Tom Fisher – Dean, College of Design; Chair, Twin Cities Deans Council
Dean Fisher spoke on behalf of the Twin Cities Deans Council and commented on the need for continued investment in the University's core functions of teaching, research, and outreach. He added that non-core functions might need to be reduced and that cuts in these areas should be implemented locally by colleges.

Mark Nagel – President-Elect, Minnesota Student Association
Mr. Nagel expressed concern regarding the proposed tuition increase. He stated that because of the increasing student debt load, the University might be nearing a breaking point where students will not view the University as a worthy investment.

Kristi Kremers – President-Elect, Graduate and Professional Student Assembly
Ms. Kremers discussed the proposed tuition rates for the upcoming year and expressed concern specifically about the 9.5 percent increase in tuition for the Law School. She commented on the student capital enhancement fee and urged the University to include it as part of tuition so that it would be covered under graduate assistantship packages.

Paul Boswell – Graduate Student
Mr. Boswell expressed appreciation for the ability to pursue his Ph.D. with the assistance of a doctoral dissertation fellowship and emphasized the importance of his fellowship to his advisor, colleagues, and the Department of Chemistry.
Craig Swan – Former Vice Provost & Dean, Undergraduate Education
Dean Swan underscored the importance of continued investments in undergraduate education. He stated that while the University must attempt to control the growth of tuition increases, the preservation of quality programs remains paramount.

Kristina Hefty – University Student; Member, Recreational Sports Advisory Board
Ms. Hefty spoke in favor of the student capital enhancement fee by stating that expansion of the University's recreation center will help alleviate the problem of obesity. She cited lack of space as the primary reason why University students currently do not use recreational facilities.

Peter Battaglia – Graduate Student
Mr. Battaglia commented on the importance of receiving a graduate fellowship. He stated that the fellowship offer significantly enhanced his decision to attend the University and his ability to complete his doctoral program in a short time frame.

Phyllis Walker - AFSCME
Ms. Walker spoke on behalf of University AFSCME workers and expressed concern that two AFSCME strikes have occurred in the past five years. She stated that the pay of AFSCME members has fallen behind peers in other parts of the public sector and urged the University to provide increased compensation for union employees in order to avoid future labor strikes.

Robert Elde – Dean, College of Biological Sciences
Dean Elde spoke in support of the proposed FY09 operating budget and commented that during his tenure as Dean he has yet to hear a single complaint about tuition. He stated that a well-funded and strong Department of Biology will assist the University in competing in the emerging bio-economy.

Gerald Fischer – President, University of Minnesota Foundation
Mr. Fischer commented on behalf of donors to the University and spoke in support of the proposed FY09 operating budget. He stated that private support will continue to increase only when accompanied by strong state support and University investment.

Geoff Hart – President, Council of Graduate Students
Mr. Hart expressed concern about the student capital enhancement fee and urged the University to make it either a component of tuition so that it is covered by graduate assistantships or to lower it for graduate students.

James Parente – Interim Dean, College of Liberal Arts
Mr. Parente commented on the importance of the competitive compensation pool. He noted that the College of Liberal Arts has seen more retention cases in recent years and that the University must continue to invest in faculty compensation to avoid further retention challenges.

Meggan Craft – Graduate Student
Ms. Craft stated that holding a doctoral dissertation fellowship has allowed her to pursue her research full-time, complete her doctoral degree in five years, publish several articles, and attain multiple job offers. She noted that she was offered entrance to several graduate schools, but came to the University because of the reputation of her department and the offer of a graduate fellowship.

Judith Martin – Professor, Geography; Chair, Faculty Committee on Finance & Planning
Professor Martin spoke in favor of the proposed FY09 operating budget and commented that the University's response to the funding challenges of the past five years has been remarkable. She noted that the University has barely recovered from the state funding
cuts of FY2003-2004 and that the current budget proposal is an appropriate mix of internal reallocations, strategic investments, and modest tuition increases.

The meeting adjourned at 11:50 a.m.

ANN D. CIESLAK
Executive Director and
Corporate Secretary