

**UNIVERSITY OF MINNESOTA  
BOARD OF REGENTS**

**Minutes of the Board of Regents Meetings  
and Committee Meetings**

**May 12-13, 2011**

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**UNIVERSITY OF MINNESOTA**

**BOARD OF REGENTS**

**Finance & Operations Committee**

**May 12, 2011**

A meeting of the Finance & Operations Committee of the Board of Regents was held on Thursday, May 12, 2011 at 9:45 a.m. in the East Committee Room, 600 McNamara Alumni Center.

Regents present: John Frobenius, presiding; Clyde Allen, Richard Beeson, Venora Hung, Patricia Simmons, and Steve Sviggum.

Staff present: Chancellor Charles Casey; Vice Presidents Steve Cawley, Aaron Friedman, Timothy Mulcahy, and Richard Pfutzenreuter; Executive Director Ann Cieslak; and Associate Vice Presidents Terry Bock, Stuart Mason, Beth Nunnally, and Michael Volna.

Student Representatives present: Matt Privratsky and Chantal Wilson.

**BOARD OF REGENTS POLICY: ENDOWMENT FUND**

Vice President Pfutzenreuter introduced Associate Vice President Mason to present amendments to Board of Regents Policy: *Endowment Fund*, as detailed in the docket and associated materials distributed at the meeting and on file in the Board Office. Mason reported that the amendments stem from discussions with the Investment Advisory Committee (IAC) regarding governance of investment decisions and the responsibilities of the Board of Regents, the IAC, and the administration. He explained the following policy amendments:

- new language for investment objectives;
- significantly expanded requirements for reporting to the Board;
- addition of an annual comprehensive review of the investment program, liquidity restraints, and asset allocation and rebalancing protocols; and
- refined risk considerations.

Mason observed that the policy amendments, in concert with the proposed new Board of Regents Policy: *Investment Functions*, delegate to the administration the responsibility for the hiring and termination of investment managers and the establishment of asset allocation guidelines. A lengthy discussion ensued regarding the delegations, with general approval among the committee for the delegation of manager hirings.

Regent Frobenius expressed support for the delegation of asset allocation guidelines and observed that the responsibility for asset class strategy should be held by professionals with investment expertise. He added that the policy amendments strengthen the reporting requirements, thereby enhancing the Board's oversight and monitoring role.

Regent Beeson observed that the Board is the ultimate fiduciary for the University and that the setting of asset allocation guidelines is an important component of that responsibility. Regent Simmons noted that the amendments make the policies stronger, particularly the focus on reporting, but stated her position that the Board's commitment to the public requires approval of asset allocation guidelines by the Board.

In response to a question from Regent Allen, Mason reported that some of the University's peer institutions have asset allocation at the Board level and some delegate it to the administrative level. Frobenius reported that there will be further consideration of the asset allocation guidelines before the policy amendments return to the committee for action at a future meeting.

#### **BOARD OF REGENTS POLICY: INVESTMENT FUNCTIONS**

Vice President Pfutzenreuter introduced Associate Vice President Mason to present proposed Board of Regents Policy: *Investment Functions*, as detailed in the docket and associated materials distributed at the meeting and on file in the Board Office. Mason reported that the proposed policy would supersede Board of Regents Policy: *Investment Transactions*. He observed that the title change is due to the policy dealing with content beyond transactional information. Mason explained the following differences between the existing and proposed policies:

- new guiding principles and a standard of care statement;
- delegations of authority to the administration for asset allocation ranges and engagement of investment managers; and
- addition of reporting requirements and investment program requirements.

Regent Frobenius expressed appreciation for the administration's work on the proposed policy and the proposed amendments to Board of Regents Policy: *Endowment Fund*. He observed that further consideration will be given to the delegation of asset allocation guidelines before the policies return to the committee for action at a future meeting.

#### **ISSUES RELATED TO: FINANCING MEDICAL EDUCATION AND FLOW OF FUNDS**

Regent Frobenius introduced Vice President Friedman to present information on the financing of medical education in the Academic Health Center (AHC), as detailed in the docket and associated materials distributed at the meeting and on file in the Board Office. Friedman explained that the report would focus on the AHC financial profile, with particular attention paid to the Medical School, the various costs of education at the Medical School and the financial relationship between the Medical School, University of Minnesota Physicians (UMP), and Fairview Health Services (FHS). Highlights of the presentation included:

- The Medical School accounted for 38 percent of the AHC FY2010 budget, with no other individual college accounting for more than eight percent.
- Sponsored programs accounted for the highest percentage of FY2010 Medical School funding at 34 percent, while state funding accounted for 15 percent.
- Excluding small deficits in 2006 and 2008, Medical School revenues have exceeded expenses every year since 2004.
- Medical School direct expenditures break down with 55 percent going to research, 37 percent to education, and eight percent to public service.

Friedman explained that the Medical School receives money from the State of Minnesota both through the higher education allotment and for Medical Education and Research Costs (MERC) through the human services allotment. He reported that the University received \$36 million in MERC funding in 2010 and that current bills in the Minnesota Legislature reduce the funding between 25 and 100 percent. Friedman explained that affiliation agreements exist between the University, UMP, and FHS, and that the University has a series of additional agreements with FHS related to land, facilities, and utilities.

In response to a question from Student Representative Privratsky, Friedman reported that although the Medical School is ranked 28<sup>th</sup> in funding from the National Institute of Health, he anticipates that a strategic focus on clinical translational research could move the University into the top 20. In response to a question from Regent Sviggum, Friedman observed that despite a low percentage of overall funding coming from the state, the bulk of Medical School funding is earmarked for certain expenses, thereby increasing the importance of flexible state funding.

#### **ISSUES RELATED TO: PRESIDENT'S RECOMMENDED FY2012 ANNUAL CAPITAL IMPROVEMENT BUDGET**

Vice President Pfutzenreuter led the discussion of Issues Related to the President's Recommended FY 2012 Annual Capital Improvement Budget, as detailed in the docket and associated materials distributed at the meeting and on file in the Board Office. He described the capital improvement process and distinguished between the Capital Improvement Budget (Year 1) and the Capital Improvement Plan (Years 2-6). He reminded the committee that to be included in the budget, all projects must have cash on hand or an approved financing plan for purposes of moving to construction.

Pfutzenreuter reported that the FY 2012 Capital Improvement Plan totals \$221.6 million, with an anticipated \$109.7 million coming from the State of Minnesota and \$11.9 million coming from University sources. The funding sources for the University-supported portion are: \$37.5 million in institutional debt; \$27.2 million from local unit funds; \$27.4 million from self-supporting units such as Parking and Transportation or Housing and Residential Life; \$11.7 million in grants and gifts; and \$8.1 million in central University funds.

In response to a question from Regent Hung, Pfutzenreuter explained that the University is responsible for \$12.5 million in laboratory mitigation funding as part of the Central Corridor Light Rail Transit project and that the additional \$12.5 million is a joint bonding request to the state from the University and the Metropolitan Council. He

added that the University will have to fund the laboratory mitigations in full if no state bonding bill is approved.

### **FINANCIAL OVERSIGHT: FINANCIAL METRICS & PEER COMPARISONS**

Due to time constraints, the presentation was moved to a future committee meeting.

### **CONSENT REPORT**

Vice President Pfutzenreuter presented the Consent Report, which included the following:

#### **Purchase of Goods and Services \$1,000,000 and Over:**

- To Collier Computing, Inc. for an estimated \$2,710,000 to purchase an Hitachi Data Systems storage array including installation services and three years of maintenance/support for all components from May 15, 2011, through May 14, 2014, for the Office of Information Technology.
- To Computer Concepts & Services, Inc. for an additional \$400,000 for the purchase of essential analysis and programming services during the period of May 31, 2011, through May 31, 2012, for the University of Minnesota Veterinary Diagnostic Laboratory (VDL).
- To Medica for the estimated annual amount of \$9,769,560 for administering multiple self-funded UPlan medical plan options for the two-year period of January 1, 2012, through December 31, 2013, through the University of Minnesota Office of Human Resources Employee Benefits.
- To Metropolitan Life Insurance Company (MetLife) for an estimated \$4,482,000 for the first two-year contract period, from September 1, 2011, through August 31, 2013, of a six-year award to provide a fully insured Voluntary Student Dental Plan.
- To Staywell for the estimated amount of \$2,653,174 for administration of health improvement and disease and data management services for the two-year period of January 1, 2012, through December 31, 2013, through the University of Minnesota Office of Human Resources Employee Benefits.

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

### **INFORMATION ITEMS**

Vice President Pfutzenreuter referred committee members to the Information Items, including:

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

The meeting adjourned at 3:33 p.m.



**ANN D. CIESLAK**  
**Executive Director and**  
**Corporate Secretary**

**UNIVERSITY OF MINNESOTA**

**BOARD OF REGENTS**

**Faculty, Staff & Student Affairs Committee**

**May 12, 2011**

A meeting of the Faculty, Staff & Student Affairs Committee of the Board of Regents was held on Thursday, May 12, 2011 at 9:45 a.m. in the West Committee Room, 600 McNamara Alumni Center.

Regents present: Dean Johnson, presiding; Laura Brod, Linda Cohen, David Larson, David McMillan, and Maureen Ramirez.

Staff present: Chancellors Lendley Black and Stephen Lehmkuhle; Senior Vice President Robert Jones; Vice President Carol Carrier; and Executive Director Ann Cieslak.

Student Representatives present: Chelsey Doepner and Abdul Omari.

**BOARD OF REGENTS POLICY: *STUDENT EDUCATION RECORDS***

Vice President Carrier invited Vice Provost and Dean of Undergraduate Education Robert McMaster, to present for action amendments to Board of Regents Policy: *Student Education Records*, as detailed in the docket and associated materials distributed at the meeting and on file in the Board Office. Carrier noted the amendments had been reviewed at the March 2011 committee meeting.

A motion was made and seconded and the committee voted unanimously to recommend adoption of proposed amendments to Board of Regents Policy: *Student Education Records*.

**ANNUAL PROMOTION AND/OR TENURE RECOMMENDATIONS**

Vice President Carrier invited Senior Vice President and Provost Sullivan and Arlene Carney, Vice Provost, to present candidates for promotion and/or tenure, as detailed in the docket and associated materials distributed at the meeting and on file in the Board Office.

Sullivan provided a detailed report on the process for granting promotion and tenure, and he highlighted the following candidate statistics:

- 160 faculty members are recommended for promotion and/or tenure system-wide:
- 93 men and 67 women are recommended; and
- 24 percent of faculty members recommended are faculty of color.

He added that two faculty members were not recommended for tenure, and another faculty member was recommended to stay in their current rank. One faculty member's promotion and tenure review is still pending.

Sullivan discussed the success rate of the current assistant professor cohort and provided additional context that demonstrates the rigor of the review process. The overall cohort tenure success rate is 58 percent, about the same as peer institutions.

A lengthy discussion ensued. In response to questions from the committee, Sullivan detailed a typical faculty search at the University, emphasizing the competitiveness for faculty positions.

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 docket materials.

#### **CONTINUOUS APPOINTMENTS: ANNUAL RECOMMENDATIONS**

Vice President Carrier invited Senior Vice President and Provost Sullivan and Arlene Carney, Vice Provost, to present the annual recommendations for continuous appointments, as detailed in the docket and associated materials distributed at the meeting and on file in the Board Office. Sullivan noted that fewer than 4 percent of academic professionals are on continuous appointments, and that approximately one half of all continuous appointments are in the University libraries. Of the eight recommendations this year, two are men and six are women, and one is a person of color.

A motion was made and seconded, and the committee voted unanimously to recommend approval of the Continuous Appointment: Annual Recommendations, as presented in the docket materials.

#### **BOARD OF REGENTS POLICY: FACULTY TENURE**

Vice President Carrier invited Senior Vice President and Provost Sullivan and Arlene Carney, Vice Provost, to present for review amendments to Board of Regents Policy: *Faculty Tenure*, as detailed in the docket and associated materials distributed at the meeting and on file in the Board Office.

Carney clarified that the proposed amendments create definitional consistency across policies at the University, provide specific family-friendly language and time-to-tenure extension limitations, and modify the voting procedures for tenure and promotion across units.

Carney observed that the amendments maintain the rigor of the 2007 revisions, clarify appointments and the relation of tenure and promotion at different ranks, improve the family friendliness of the tenure policy, and confirm the language contained in Board of Regents Policy: *Academic Freedom and Responsibility*.

In response to questions from the committee, Sullivan responded that there has been no written link between faculty and student academic freedom; however, the Academic Freedom and Responsibility Committee of the Faculty Senate is reviewing the issue and will present a white paper on their findings to the Faculty Consultative Committee in summer 2011. Carney clarified the University's tenure policy impact on union faculty on the Duluth and Crookston campuses.

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

## **FACULTY COMPENSATION: TRENDS AND BENCHMARKS**

Vice President Carrier invited Senior Vice President and Provost Sullivan, and Senior Vice President Jones, to present a report on faculty compensation, as detailed in the docket and associated materials distributed at the meeting and on file in the Board Office.

Sullivan explained that the Association of American University Professors study includes salary and fringe benefits for full-time tenured and tenure-track faculty, but excludes Medical School and nine-month faculty. He discussed concerns regarding the Twin Cities salary standings relative to the University's peers, and noted that the consequence of flat or modest salary adjustments has resulted in the comparison group moving slightly ahead on total compensation. Proposed changes in the University's benefits structure would further impact total faculty compensation.

Jones reviewed the Duluth campus compensation and salary rankings, noting that the campus has been steadily moving toward the bottom of its peer group for salary and total compensation. The Morris campus is situated in the bottom third for salary and in the upper third of peer institutions for total compensation. Among peer institutions, the Crookston campus is consistently ranked at the top of its peer group in total compensation and near the top for salary. Jones noted that the Rochester campus, with ten faculty members, has not yet identified an appropriate peer group for comparison purposes.

In response to a question from Regent Larson, Sullivan explained that all faculty salary reviews are limited to merit and market factors, and he agreed that there is a generational difference in valuing the salary component of total compensation. Sullivan stressed the importance of having a mix of entry-level and senior faculty within a department, and acknowledged that it is difficult to hire new faculty at market rates during challenging economic times, as salary compression becomes an issue.

In response to a question from Regent Brod, Sullivan reported that benefits are set system-wide, but that salaries are more tailored to each campus. Jones added that most prospective system-wide faculty are interested in the total compensation package. Sullivan addressed strategies to retain or improve the University's rankings, noting that priorities must be determined within the constraints of revenue, reallocations, and budget cuts.

## **CONSENT REPORT**

Vice President Carrier presented for action the Consent Report, which included the following items:

- Conferral of tenure for faculty member who was recently hired at the University of Minnesota.

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, which included:

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

The meeting adjourned at 11:42 a.m.



**ANN D. CIESLAK**  
**Executive Director and**  
**Corporate Secretary**

**UNIVERSITY OF MINNESOTA**

**BOARD OF REGENTS**

**Facilities Committee**

**May 12, 2011**

A meeting of the Facilities Committee of the Board of Regents was held on Thursday, May 12, 2011 at 1:30 p.m. in the West Committee Room, 600 McNamara Alumni Center.

Regents present: Venora Hung, presiding; Clyde Allen, John Frobenius, Dean Johnson, David McMillan, and Steve Sviggum.

Staff present: Chancellor Charles Casey; Vice Presidents Timothy Mulcahy, and Kathleen O'Brien; Executive Director Ann Cieslak; and Associate Vice Presidents Michael Berthelsen and Michael Perkins.

Student Representatives present: Chelsey Doepner and Lauren Snively.

**REAL ESTATE TRANSACTIONS**

**A. Agreement with Manchester Grand Hyatt Hotel, San Diego,  
for Continuing Medical Education's 2012 World Symposium,  
February 5-12, 2012**

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 appropriate administrative officers are authorized to execute the appropriate documents providing for the following real estate transaction:

Agreement with Manchester Grand Hyatt Hotel, San Diego, for Continuing Medical Education's 2012 World Symposium, February 5-12, 2012

Location and description: Use of Manchester Grand Hyatt Hotel conference facilities, function and exhibition space, guest rooms, and food and beverages; San Diego, California

Basis for Request: Continuing Medical Education's seventh annual World Symposium with a focus on Lysosomal diseases

Detail of transaction: Registration fees will cover symposium costs, including: \$392,234 for sleeping rooms; \$100,000 for food and beverages; and \$298,528 for facility-related costs.

O'Brien noted this real estate transaction was reviewed at the March 2011 committee meeting.

The committee unanimously recommended approval of the Agreement with Manchester Grand Hyatt Hotel, San Diego, for Continuing Medical Education's 2012 World Symposium, February 5-12, 2012.

## **REAL ESTATE TRANSACTIONS**

### **A. Agreements for University Facilities and Services for J Robinson Wrestling Camp, June 26 – July 29, 2011 (Twin Cities Campus)**

The committee reviewed agreements for University Facilities and Services for J Robinson Wrestling Camp, June 26 – July 29, 2011, Twin Cities campus, as detailed in the docket materials. Susan Carlson Weinberg, Director of Real Estate, reviewed details of the agreement that includes four separate camps during the period June 26 to July 29, 2011.

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

### **B. Acquisition of 350 Acres in Lake County, Wilderness Research Center, from University of Minnesota Foundation (Twin Cities Campus)**

The committee reviewed agreements for the Acquisition of 350 Acres in Lake County, Wilderness Research Center, from University of Minnesota Foundation (UMF), Twin Cities campus, as detailed in the docket materials. Susan Carlson Weinberg, Director of Real Estate, described details of the agreement including the \$1 purchase from UMF and the continued use of the property for ecological and forestry research and education consistent with the Gift Agreement.

In response to a question from Regent Frobenius, Robert Stein, Associate Dean of the College of Continuing Education, stated that the Hubachek Wilderness Research Foundation Endowment Fund and the Hubachek Wilderness Research Center Operating Fund will continue to provide for the use, upkeep, and programming at the property as it has done in the past.

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

### **C. 99 Year Lease for University of Minnesota Hormel Institute (Twin Cities Campus)**

The committee reviewed an agreement for a 99 Year Lease for University of Minnesota Hormel Institute (Institute), Twin Cities campus, as detailed in the docket and associated materials distributed at the meeting and on file in the Board Office. Vice President Mulcahy and Susan Carlson Weinberg, Director of Real Estate, presented details of the agreement.

Carlson Weinberg explained the University would convey by quit claim deed its interest in the Institute building at 801 16<sup>th</sup> Avenue NE, Austin, MN, to the Hormel Foundation (Foundation). The Foundation will lease to the University 21,678 square

feet of research laboratory and office space, commencing July 1, 2011, and continuing for 99 years. Conveyance of the University's interest in the building to the Foundation includes a waiver of any base rent obligation during the final 2 years of the lease. Carlson Weinberg indicated that funds provided by the Foundation and resources available to the Institute (including Indirect Cost Recovery funds) would cover all University costs related to the lease.

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

## **SCHEMATIC DESIGNS**

### **A. Lind Hall First Floor Remodeling Project, Twin Cities Campus**

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

The schematic plans for Lind Hall First Floor Remodeling Project, 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 noted that the Lind Hall remodeling schematic plans were being submitted for both review and action, as detailed in the docket and associated materials distributed at the meeting and on file in the Board Office.

Associate Vice President Perkins and Dean Steven Crouch reviewed the rationale for the renovation, including:

- Create a facility that supports recruitment and student services;
- Address building code deficiencies, life safety, and accessibility requirements; and
- Optimize use of existing space.

In response to questions from the committee, Perkins noted that Higher Education Asset Preservation and Replacement (HEAPR) funds would be used for some of the renovation. He added that the College of Science and Engineering would fund the programmatic renovations, which allows HEAPR funds to be used for other projects. Perkins clarified that the University Student Welcome Center in the Science Teaching and Student Services is a University-wide center, but he stressed that college-specific welcome centers are important tools in recruiting and supporting students.

The committee voted unanimously to recommend approval of schematic designs for the Lind Hall First Floor Remodeling Project.

## **SPACE UTILIZATION INITIATIVE: REPORT ON DECOMMISSION, DEMOLITION AND/OR DECONSTRUCTION OF SEVERAL TWIN CITIES CAMPUS BUILDINGS**

Vice President O'Brien introduced Brian Swanson, Budget Officer, to present a report on the Space Utilization initiative, as detailed in the docket and associated materials distributed at the meeting and on file in the Board Office.

Swanson observed that the space utilization effort seeks to: change the perception on campus that space is a free good; reduce the demand for space through incentives; take advantage of new work place technologies; and shrink the inventory by removing high cost, obsolete buildings and off-campus leases. He outlined the criteria used to determine the decommissioning of buildings, including:

- Significant facility condition deficiencies;
- Cost to renovate is near to or exceeds the cost to replace the facility;
- Current facility does not allow efficient space utilization;
- Not of major historical significance for the University; and
- Does not provide flexibility of use.

Swanson reported that Phase I of the Space Initiative was completed and included the demolition of four buildings totaling 91,000 gross square feet. The savings from Phase I resulted in an annual operating cost saving of \$192,000 and \$6 million in 10-year Facility Condition Assessment needs. Phase II proposes the demolition and recycling of several facilities, and the decommissioning of Eddy Hall for adaptive reuse at a later date.

In response to questions from the committee, O'Brien clarified that Eddy Hall provides a sound footprint for academic use, and that the cost to maintain the building while decommissioned is minimal.

**RESOLUTION: ENVIRONMENTAL ASSESSMENT WORKSHEET  
FOR NORRIS HALL DECONSTRUCTION AND DEMOLITION**

Vice President O'Brien invited Associate General Counsel Ken Larson to discuss the Environmental Assessment Worksheet (EAW) related to the Norris Hall building demolition, as detailed in the docket materials. O'Brien noted that the item was being presented for both review and action.

Larson explained the project does not meet the thresholds for a mandatory EAW, but the administration elected to prepare a discretionary EAW to more fully inform the public and the Board of Regents (Board). The Board is the responsible governmental unit for the University and approval by the Board indicates agreement with the conclusions contained in the EAW. Larson provided a summary of the findings and conclusions.

The committee voted unanimously to recommend approval of the Resolution: Environmental Assessment Worksheet – Norris Hall.

**RESOLUTION: ENVIRONMENTAL ASSESSMENT WORKSHEET  
FOR VETERINARY ANATOMY BUILDING  
DECONSTRUCTION AND DEMOLITION**

Vice President O'Brien invited Associate General Counsel Ken Larson to discuss the Environmental Assessment Worksheet (EAW) related to the Veterinary Anatomy Building demolition, as detailed in the docket materials. O'Brien noted that the item was being presented for both review and action.

Larson explained the project does not meet the thresholds for a mandatory EAW, but the administration elected to prepare a discretionary EAW to more fully inform the

public and the Board of Regents (Board). The Board is the responsible governmental unit for the University and approval by the Board indicates agreement with the conclusions contained in the EAW. Larson provided a summary of the findings and conclusions.

The committee voted unanimously to recommend approval of the Resolution: Environmental Assessment Worksheet – Veterinary Anatomy Building.

**RESOLUTION: ENVIRONMENTAL ASSESSMENT WORKSHEET  
FOR WESBROOK HALL  
DECONSTRUCTION AND DEMOLITION**

Vice President O'Brien invited Associate General Counsel Ken Larson to discuss the Environmental Assessment Worksheet (EAW) related to the Wesbrook Hall building demolition, as detailed in the docket materials. O'Brien noted that the item was being presented for both review and action.

Larson explained the project does not meet the thresholds for a mandatory EAW, but the administration elected to prepare a discretionary EAW to more fully inform the public and the Board of Regents (Board). The Board is the responsible governmental unit for the University and approval by the Board indicates agreement with the conclusions contained in the EAW. Larson provided a summary of the findings and conclusions.

The committee voted unanimously to recommend approval of the Resolution: Environmental Assessment Worksheet – Wesbrook Hall.

**RESOLUTION: NORRIS HALL DECONSTRUCTION AND DEMOLITION**

Vice President O'Brien invited Orlyn Miller, Director, Capital Planning & Project Management, to present the Resolution and provide information on the project, as detailed in the docket and associated materials distributed at the meeting and on file in the Board Office.

Miller reported that the project includes: archival documentation of the structure and building history; abatement of hazardous materials; recycling more than 75 percent of demolition materials; restoration of utility services to adjacent buildings; and landscape restoration. Total project cost is \$1.6 million, paid with University Restoration and Rehabilitation funds. Building removal will take place in summer 2011, with site restoration by October 2011. Annual operating cost savings is estimated at \$187,415.

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

**RESOLUTION: VETERINARY ANATOMY BUILDING  
DECONSTRUCTION AND DEMOLITION**

Vice President O'Brien invited Orlyn Miller, Director, Capital Planning & Project Management, to present the Resolution and provide information on the project, as detailed in the docket and associated materials distributed at the meeting and on file in the Board Office.

Miller reported that the project includes: archival documentation of the structure and building history; abatement of hazardous materials; recycling more than 75 percent of demolition materials; restoration of utility services to adjacent buildings; and landscape restoration. Total project cost is \$649,997, paid with University Restoration and Rehabilitation funds. Building removal will take place in summer 2011, with site restoration by October 2011. Annual operating cost savings is estimated at \$3,900.

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

#### **RESOLUTION: WESBROOK HALL DECONSTRUCTION AND DEMOLITION**

Vice President O'Brien invited Orlyn Miller, Director, Capital Planning & Project Management, to present the Resolution and provide information on the project, as detailed in the docket and associated materials distributed at the meeting and on file in the Board Office.

Miller reported that the project includes: archival documentation of the structure and building history; abatement of hazardous materials; recycling more than 75 percent of demolition materials; restoration of utility services to adjacent buildings; and landscape restoration. Total project cost is \$470,150, paid with University Restoration and Rehabilitation funds. Building removal will take place in summer 2011, with site restoration by October 2011. Annual operating cost savings is estimated at \$204,089.

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

#### **CENTRAL CORRIDOR LIGHT RAIL TRANSIT PROJECT UPDATE**

Vice President O'Brien invited Bob Baker, Executive Director of Parking and Transportation Services, and Leslie Krueger, Chief of Staff, University Services, to present an update on the Central Corridor Light Rail Transit (CCLRT) project, as detailed in the docket and associated materials distributed at the meeting and on file in the Board Office.

Baker reviewed the CCLRT project and design, including planning and implementation specific to the Washington Avenue mall and the West Bank, East Bank, and Stadium Village stations. The University will focus on regularly updating signage that will provide pedestrian, bicycle, transit, vehicular, and service and delivery access plans. Baker reiterated the University's commitment to mitigate the impact of closing Washington Avenue to vehicular traffic (other than emergency vehicle and public transit).

Krueger detailed the University's extensive communication plan, including key messages that highlight: traffic and pedestrian disruptions; safety; official updates; and information on how to best access campus and the surrounding areas. She reported that both the University and the Metropolitan Council are prepared to mitigate the vibration and electromagnetic impact on the surrounding areas.

## CONSENT REPORT

Regent McMillan recused himself from the first item due to a potential conflict of interest. The committee voted unanimously to recommend approval of the Consent Report:

- Perpetual Conservation Easement Covering 26 Acres at Fens Research Facility for Wetland Band V, Duluth Campus.
- Five-year Lease to Midwestern Higher Education Commission for 3,237 Square Feet at West Bank Office Building, Twin Cities Campus.

## INFORMATION ITEMS

There were no information items this month.

The meeting adjourned at 3:39 p.m.



**ANN D. CIESLAK**  
**Executive Director and**  
**Corporate Secretary**

**UNIVERSITY OF MINNESOTA**

**BOARD OF REGENTS**

**Educational Planning & Policy Committee**

**May 12, 2011**

A meeting of the Educational Planning & Policy Committee of the Board of Regents was held on Thursday, May 12, 2011 at 1:30 p.m. in the East Committee Room, 600 McNamara Alumni Center.

Regents present: Patricia Simmons, presiding; Richard Beeson, Laura Brod, David Larson, and Maureen Ramirez.

Staff present: Chancellors Charles Casey, and Stephen Lehmkuhle; Senior Vice President & Provost E. Thomas Sullivan; Vice Presidents R. Timothy Mulcahy, and Richard Pfutzenreuter, and Executive Director Ann Cieslak.

Student Representatives present: Chantal Wilson and Paul Strain.

**BOARD OF REGENTS POLICY: ACADEMIC FREEDOM AND RESPONSIBILITY**

Senior Vice President & Provost Sullivan presented for action amendments to Board of Regents Policy: *Academic Freedom and Responsibility*, as detailed in the docket materials. He explained that the policy was being revised to clarify the original intent of a 2009 amendment. Sullivan noted that the clarifying amendments had been reviewed at the March 2011 committee meeting.

A motion was made and seconded, and the committee voted unanimously to recommend adoption of proposed amendments to Board of Regents Policy: *Academic Freedom and Responsibility*.

**BOARD OF REGENTS POLICY: TUITION AND FEES**

Vice President Pfutzenreuter and Julie Tonneson, Budget Director, presented for review amendments to Board of Regents Policy: *Tuition and Fees*, as detailed in the docket and associated materials distributed at the meeting and on file in the Board Office. The policy defines and governs three different types of fees: administrative fees, course fees, and academic fees. Tonneson noted that the Office of Budget and Finance began a thorough review of student fees in Fall 2009.

Pfutzenreuter and Tonneson explained that the policy revisions being brought forward for consideration focus on academic fees, which generated approximately \$23 million in revenue in FY 2010. These changes clarify the use and application of campus/collegiate fees and allow a specialized fee for durable goods.

In response to a question from Regent Larson, Senior Vice President & Provost Sullivan stated that conversations are underway to consider how campus/collegiate fees will be utilized in the future.

In response to a question from Regent Brod, Pfutzenreuter and Tonneson reported that due to the timing of the budget cycle students do not know final fee amounts when they register for classes, nor do they know final tuition rates. They acknowledged that further discussion is needed regarding ways to make fees more transparent and predictable for students.

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

### **HORMEL INSTITUTE RESEARCH AGREEMENTS**

Due to a potential conflict of interest, Regent Simmons recused herself for this agenda item and left the meeting.

Vice President Mulcahy presented for review a set of agreements related to the establishment and operation of the University of Minnesota Hormel Institute and the Mayo Clinic Hormel Institute. A single Executive Director having a joint employment relationship with the University and Mayo Clinic will manage both research institutes within parameters outlined in the Collaboration Agreement and the Operating Agreement. The University of Minnesota Hormel Institute located in Austin, Minnesota houses 12 faculty and 130 staff and dates back to a 1942 agreement between the University and the Hormel Foundation. A collaborative research agreement with Mayo Clinic was signed in 2006. The new agreements would supersede all previous agreements between the University of Minnesota, Mayo Clinic, and the Hormel Foundation.

In response to questions from Regents Brod and Larson, Mulcahy emphasized the tremendous support provided by the Hormel Foundation to make the Hormel Institute successful, as well as the opportunity these agreements present to foster collaboration between Minnesota's two major research enterprises.

In response to a question from Regent Beeson, Mulcahy clarified that any net income generated by intellectual property derived from joint research projects at the Hormel Institute would be shared equally between the University and Mayo Clinic.

### **UPDATE: UNDERGRADUATE WRITING INITIATIVES**

Regent Simmons returned to the meeting.

Senior Vice President & Provost Sullivan invited Robert McMaster, Vice Provost & Dean of Undergraduate Education, to present an update on undergraduate writing initiatives. McMaster noted that the University's recent writing initiatives stem from the 2007 report entitled *Transforming the U for the 21<sup>st</sup> Century: Strategic Positioning Report to the Board of Regents*. The goal is to ensure that all graduates are able to communicate effectively in writing.

Undergraduate writing is enhanced through a first year writing course as well as a requirement to take four additional writing intensive courses. This is intended to provide a solid foundation in academic writing as well as introduce students to research

practices, writing processes and genres, and writing as a knowledge-making activity. Courses designated as writing intensive must meet a University-wide set of criteria. Student writing support is provided through the Center for Writing, the SMART Learning Commons, and a Student Writing Guide provided to all students.

McMaster also highlighted the Writing-Enriched Curriculum (WEC) Project, which was launched in 2007 with support from the Bush Foundation. The project seeks to infuse writing into undergraduate curricula through an intensive review, development, and implementation process. To date, twenty-eight academic units have been engaged in this effort, ranging from political science and history to theatre arts & dance and construction management.

In response to questions from Regents Beeson and Ramirez, McMaster explained that the need for additional writing courses must be balanced with the cost of adding new sections. Investments continue to be made to expand the WEC Project, but expansion will be slowed as resources become more scarce.

### **CONSENT REPORT**

Regent Simmons noted that the Board had received a number of communications in opposition to the discontinuation of the Humanities in the West minor in the College of Liberal Arts (CLA). She reported on her visit with a lecturer in the minor as well as with the CLA Dean. Regent Simmons expressed her support for the recommendation and her belief that it was grounded in data and resulted from a sound process.

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**

- College of Liberal Arts (Twin Cities Campus)—Create minor in Public Health
- Medical School (Twin Cities Campus)—Create Ophthalmic Plastic and Reconstructive Surgery Fellowship
- College of Biological Sciences (Twin Cities Campus)—Create minor in Pharmacology
- Swenson College of Science and Engineering (Duluth Campus)—Create M.S. degree in Civil Engineering
- Labovitz School of Business and Economics (Duluth Campus)—Create B.B.A. degree in Marketing Analytics
- Morris Campus—Create B.A. degree in German Studies
- Morris Campus—Create minor in German Studies
- Morris Campus—Create B.A. degree in Sport Management
- Morris Campus—Create minor in Sport Management

- **Changed Academic Programs**

- College of Science and Engineering (Twin Cities Campus)—Change name of Bachelor of Geological Engineering (B.Geo.E) degree to Bachelor of Geoenvironmental Engineering degree and create Geomechanics Engineering, Geoenvironmental Engineering, and Geofluids Engineering subplans

- Law School (Twin Cities Campus)—Create Environmental and Energy Law track within the J.D. and LL.M. degrees
  - College of Continuing Education (Twin Cities Campus)—Discontinue Multidisciplinary Studies track within the B.A. and B.S. degrees in the Inter-College Program
  - Duluth campus—Change names of tracks within Master of Advocacy and Political Leadership (M.A.P.L.) degree to Public Sector track and Nonprofit Advocacy track
  - Crookston Campus—Deliver via distance the existing B.S. degree in Information Technology Management
  - Crookston Campus—Deliver via distance the existing B.S. degree in Health Management
- **Discontinued Academic Programs**
    - College of Liberal Arts (Twin Cities Campus)—Discontinue B.A. degree in Classical and Near Eastern Archaeology
    - College of Liberal Arts (Twin Cities Campus)—Discontinue B.A. degree in Ancient Mediterranean Studies
    - College of Liberal Arts (Twin Cities Campus)—Discontinue Humanities in the West minor
    - Morris campus—Discontinue B.A. degree in European Studies
    - Morris campus—Discontinue B.A. degree in German
    - Morris campus—Discontinue minor in German

#### **INFORMATION ITEMS**

There were no information items this month.

The meeting adjourned at 3:24 p.m.



**ANN D. CIESLAK**  
**Executive Director and**  
**Corporate Secretary**

**UNIVERSITY OF MINNESOTA**

**BOARD OF REGENTS**

**May 12, 2011**

A meeting of the Board of Regents of the University of Minnesota was held on Thursday, May 12, 2011 at 3:47 p.m. in the Boardroom, 600 McNamara Alumni Center.

Regents present: Clyde Allen, presiding; Richard Beeson, Laura Brod, John Frobenius, Venora Hung, Dean Johnson, David Larson, David McMillan, Maureen Ramirez, Patricia Simmons, and Steve Sviggum.

Staff present: President Robert Bruininks; Chancellors Charles Casey and Stephen Lehmkuhle; Senior Vice President and Provost Thomas Sullivan; Vice Presidents Kathryn Brown, Carol Carrier, Timothy Mulcahy, Kathleen O'Brien, and Richard Pfitzenreuter; Executive Director Ann Cieslak; and Associate Vice President Phil Esten.

**RECOGNITIONS**

**RECOGNITION OF DISTINGUISHED McKNIGHT UNIVERSITY  
PROFESSOR AWARDS**

Recognition was given to the 2011 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:

Sarif Benjaafar  
Mechanical Engineering

Mark Distefano  
Department of Chemistry

Marc Hirschmann  
Geology and Geophysics

Deniz Ones  
Department of Psychology

**ACADEMY OF DISTINGUISHED TEACHERS**

Recognition was given to the 2011 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.

Christopher Cramer  
Department of Chemistry

Kirsten Fischer  
Department of History

Jeanne Higbee  
Postsecondary Teaching and Learning

Gary Jahn  
German, Scandinavian and Dutch

Soo-Yin Lim Thompson  
Liberal Arts and Education, Crookston

Susan Mantell  
Mechanical Engineering

Michelle Page  
Education, Morris

**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.

Melissa Avery  
Nursing

Janet Dubinsky  
Neuroscience

Edward Goetz  
Humphrey School of Public Affairs

Ralph Holzenthal  
Entomology

Anatoly Liberman  
Continuing Education Learning Life Programs

Raymond Newman  
Fisheries, Wildlife and Conservation Biology

Margaret Root Kustritz  
Veterinary Medicine Student Affairs

Ann Van Heest  
Orthopaedic Surgery

### **JOHN TATE AWARD FOR EXCELLENCE IN UNDERGRADUATE ADVISING**

Recognition was given to the 2011 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 2010-11 recipients are:

Sarah Corrigan  
College of Biological Sciences Student Services

Amy Kampsen  
Student Professional Services

Maggie Kubak  
St. Paul Campus Career Center

Rebecca Rassier  
College of Liberal Arts Individualized Degree Programs

### **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 2011 recipients are:

Lesa M. Covington Clarkson  
Curriculum and Instruction

Mustafa Jumale  
African American and African Studies Honors major and  
Sociology Honors major

### **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 2011 recipients are:

Robert Blair  
Fisheries, Wildlife and Conservation Biology

Richard Poppele  
Neuroscience, and the University District Alliance

Merrie Benasutti  
Humphrey School of Public Affairs

Edward Ratner  
Internal Medicine

The meeting adjourned at 4:13 p.m.



**ANN D. CIESLAK**  
**Executive Director and**  
**Corporate Secretary**

**UNIVERSITY OF MINNESOTA**

**BOARD OF REGENTS**

**May 13, 2011**

A meeting of the Board of Regents of the University of Minnesota was held on Friday, May 13, 2011 at 9:00 a.m. in the Boardroom, 600 McNamara Alumni Center.

Regents present: Clyde Allen, presiding; Richard Beeson, Laura Brod, Linda Cohen, John Frobenius, Venora Hung, David Larson, David McMillan, Maureen Ramirez, and Steve Sviggum. Patricia Simmons participated by phone.

Staff present: President Robert Bruininks; Chancellors Charles Casey and Stephen Lehmkuhle; Senior Vice President and Provost Thomas Sullivan; Senior Vice President Robert Jones; Vice Presidents Kathryn Brown, Carol Carrier, Steve Cawley, Timothy Mulcahy, Kathleen O'Brien, Richard Pfitzenreuter, and Steven Rosenstone; General Counsel Mark Rotenberg; Executive Director Ann Cieslak; and Associate Vice Presidents Terry Bock and Michael Volna.

**RECOGNITIONS**

Recognition was given to:

Kathryn Brown, Vice President and Chief of Staff, for her service to President Bruininks. Brown will begin her appointment as Vice President for Human Resources effective June 1, 2011.

Carol Carrier, Vice President for Human Resources. Carrier will resign her position as Vice President effective May 31, 2011 and return to her faculty position in the College of Education and Human Development.

Steve Cawley, Vice President and Chief Information Officer. Cawley resigned from the University to assume the position of Vice President for Information Technology and Chief Information Officer for the University of Miami, Carol Gables, effective June 1, 2011.

Steven J. Rosenstone, Vice President for Scholarly and Cultural Affairs. Rosenstone resigned from the University to assume an appointment as Chancellor of the Minnesota State Colleges and Universities System, effective August 1, 2011.

## **STUDENT REPRESENTATIVES TO THE BOARD OF REGENTS**

Chelsey Doepner  
Duluth

Matt McGeachy  
Twin Cities (GAPSA)

Abdul Omari  
Twin Cities (GAPSA)

Matt Privratsky  
Morris

Lauren Snively  
Crookston

Paul Strain  
Twin Cities (MSA)

Chantal Wilson  
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 – March 10, 2011  
Litigation Review Committee – March 10, 2011  
Facilities Committee – March 10, 2011  
Educational Planning & Policy Committee – March 10, 2011  
Finance & Operations Committee – March 10, 2011  
Faculty, Staff & Student Affairs Committee – March 10, 2011  
Board of Regents – March 10, 2011  
Board of Regents Work Session – March 10, 2011  
Board of Regents – March 11, 2011  
Ad Hoc Group – March 22, 2011  
Ad Hoc Group – March 30-31, 2011  
Board of Regents – March 31, 2011

## **REPORT OF THE PRESIDENT**

President Bruininks reported on a number of recent events and achievements at coordinate campuses. He noted the recent conferral of an Honorary Doctor of Humane Letters to His Holiness the Dalai Lama during a recent visit to Minnesota and the Twin Cities campus.

Bruininks announced the receipt of grants totaling over \$13 million to the University of Minnesota to support disease treatment and bio-fuel production. He also

noted that the College of Science and Engineering Solar Vehicle Project won first place in the 2011 Formula Sun Grand Prize in Indianapolis.

Bruininks congratulated all 2011 graduates for their achievements, and wished them success in their future endeavors. He expressed gratitude to members of the Board of Regents for participating in more than 20 commencement ceremonies system-wide.

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

### **REPORT OF THE CHAIR**

Chair Allen announced the appointment of the Nominating Committee to develop a slate of candidates to serve as officers to the Board of Regents in 2011-2013. The committee will be chaired by Regent Frobenius and includes Regents Hung and McMillan.

Allen announced that the next Board of Regents meeting will be held on June 9-10, 2011 on the Twin Cities campus.

On behalf of the Board of Regents, Chair Allen congratulated graduates of the University of Minnesota.

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

### **RECEIVE AND FILE REPORTS**

Chair Allen noted the receipt and filing of the Annual Review of President's Delegations.

### **CONSENT REPORT**

Chair Allen presented the Consent Report, as described in the docket materials, including:

- Report of the All-University Honors Committee recommendation forwarded in a letter from President Bruininks dated May 2, 2011; and
- Summary of Gifts through February 28, 2011.

A motion was made and seconded, and the Board of Regents voted unanimously to approve the Consent Report with Regent Beeson voting no on the Use of the University's name.

### **REPORT OF THE STUDENT REPRESENTATIVES TO THE BOARD OF REGENTS**

Matthew Privratsky, 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 included items from

each student assembly detailing goals, accomplishments, and obstacles. Privratsky addressed the areas of the increase of applications to the University of Minnesota; financing undergraduate education; student debt; the long-term employment outlook for graduates; and facilities management and its effect on student organizations.

President Bruininks corrected a recent report that student financial aid has been cut. Rather, there is a deliberate strategy to protect student aid. While scholarship availability is changing, current students will receive as much support as they have in the past.

### **PRESIDENT'S RECOMMENDED FY2012 ANNUAL CAPITAL IMPROVEMENT BUDGET**

President Bruininks presented the FY2012 Annual Capital Improvement Budget (Budget). The Budget authorizes projects totaling \$221.6 to begin design or construction during the next fiscal year. He introduced Vice Presidents O'Brien and Pfutzenreuter to provide details of the Budget as described in the docket and associated materials distributed at the meeting and on file in the Board Office. Bruininks reported that the Budget reflects a capital planning framework to ensure student success and is developed around strategic goals of extraordinary education, breakthrough research, and world-class faculty and staff.

O'Brien reported that the Budget represents the first year of the Six-Year Capital Improvement Plan and authorizes projects that have funding in place to proceed with design and/or construction. She noted that each of the projects in the Budget have a value greater than \$500,000 and that a final Budget will be determined by the outcome of the current legislative session. O'Brien highlighted a number of projects included in the Budget.

Pfutzenreuter reported that the \$221.6 million Budget includes \$153.2 million in projects that are part of the request to the state legislature. He described the major sources of funding for the Budget and how matching funds, grants and gifts, and University and state of Minnesota debt will finance several of the projects.

In response to questions from Regent Brod, Pfutzenreuter explained that the University has a robust and active debt management plan, and is advised by a debt management committee. He added that the University capital investments and debt have decreased since the economic downturn began in 2008. O'Brien noted that 55 percent of capital investments are made in restoration and renewal of buildings while 45 percent is invested in new construction.

In response to comments by Regent Frobenius regarding access to campus for medical services, O'Brien reported that substantial planning and preparation have taken place and continues during the recently begun construction of the Central Corridor Light Rail Transit line. She stressed that the University and CCLRT partners work daily to ensure accessibility to the campus for visitors. President Bruininks noted that the University is looking at a range of financing options for construction of a new ambulatory care clinic, but funding continues to be a challenge.

In response to a comment from Regent Beeson, O'Brien indicated that the proposal for additional housing on the Twin Cities campus comes forward following a careful study of housing needs and enrollment projections. In addition, the Twin Cities

Master Plan adopted by the Board of Regents envisioned housing being built on the proposed site.

The President's Recommended FY2012 Annual Capital Improvement Budget will return for action at the June 2011 Board of Regents meeting.

### **FY2012 BUDGET PREVIEW**

President Bruininks stated that the purpose of this discussion is to provide an overview of legislation actions regarding the University's FY2012-13 biennial appropriations and additional context and preliminary information regarding short- and long-term budget development for the institution.

Bruininks reported that legislative actions have resulted in a wide range of possible funding outcomes for the biennial state general fund appropriations to the University. He indicated that, despite uncertainty surrounding the University's state general fund appropriations, responsible budget planning by the institution is critical. Bruininks referred Regents to the goals and principles that guide budget planning, (included in the docket and associated materials distributed at the meeting and on file in the Board Office.)

Bruininks reviewed proposed appropriations for the coming fiscal year, including the current University appropriation, forecast base, and legislative recommendations. He also summarized historical state appropriations, and allocation of state resources. Bruininks reviewed the budget challenge for FY2012. He discussed the largest cost drivers for the institution, and how in planning the FY2012 budget, the administration sought to meet approximately two-thirds of the challenge with reductions, reallocations, and productivity gains. He stated that all academic and support units of the University are required to think about what to expand, maintain, and reduce or consolidate, and how to best leverage resources.

Bruininks indicated that salary and fringe benefits compose approximately 60 percent of the University budget, and large reductions in state appropriations will involve making adjustments in this area. He described trends in fringe benefits costs, and pointed out that, despite rising benefits costs, the fringe benefit program at the University remains competitive. Bruininks described proposed modifications in employee health care, academic retirement plan contributions for new employees, facilities and energy initiatives, and changes in the area of information technology, and the projected savings from those measures.

Matt Pravratsky, Chair of the Student Representative to the Board of Regents, offered the student perspective on the budget preview. He observed that, although reductions and reallocations increase efficiency, faculty and staff feel the stress of maintaining high quality programs with fewer resources. He cautioned that the higher education market is competitive, and increased efficiency should not result in poor quality.

In response to questions from Regents, Bruininks indicated that in general, 60 percent of positions vacated by employees choosing the Retirement Incentive Option (RIO) program are not filled. He added that the RIO has been a useful tool to restructure the workforce, as it allows reductions in selected areas to be planned. Pfutzenreuter added that positions that are refilled following a RIO are done so with employees typically earning less than higher-salaried, long-term employees.

## **RECOMMENDATIONS OF BLUE RIBBON COMMITTEES SYSTEM-WIDE**

Chair Allen introduced Senior Vice President and Provost Sullivan and Senior Vice President Jones to present highlights from the reports of Blue Ribbon Committees system-wide, as detailed in the docket materials. These committees were launched in September 2009 to analyze and recommend priorities for continued and new University investments, as well as cost saving strategies. This effort marked the latest phase of the strategic positioning initiative approved by the Board of Regents in 2005.

Sullivan explained that the committees were asked to consider and make recommendations in four categories:

- size and scope;
- revenue generation;
- cost containment; and
- investments.

Sullivan and Jones outlined a number of specific recommendations from individual Blue Ribbon Committee reports to illustrate the work done by these groups (materials on file in the Board Office.)

Regent McMillan commented that, if changes are made that effect rural medicine and the supply of physicians, the impact would be significant. He hopes that the administration will urge state government and rural health providers to consider the long-term implications of reductions.

Due to time constraints, Chair Allen suggested this item return to the Board for further discussion at the next meeting of the Board of Regents.

## **RECOGNITION OF NCAA CHAMPIONS**

Recognition was given to student-athletes and coaching staff for capturing 2010-2011 NCAA championships:

Women's diving, Twin Cities campus: Jillian Tyler, Haley Spencer and coaches Kelly Cremer and Terry Nieszer;

Coach Bob Nielson and the University of Minnesota Duluth men's football student-athletes; and

Coach Scott Sandelin and the University of Minnesota Duluth men's hockey student-athletes.

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

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

- a) Approval of the Consent Report of the Educational Planning & Policy Committee as presented to the committee and described in the May 12, 2011 committee minutes.
- b) Adoption of amendments to Board of Regents Policy: *Academic Freedom and Responsibility*, as follows:

### **Academic Freedom and Responsibility**

#### SECTION I. GUIDING PRINCIPLES.

The Board of Regents (Board) of the University of Minnesota (University) reaffirms the principles of academic freedom and responsibility. These are rooted in the belief that the mind is ennobled by the pursuit of understanding and the search for truth, and the state well served when instruction is available to all at an institution dedicated to the advancement of learning. These principles are also refreshed by the recollection that there is *commune vinculum omnibus artibus*, a common bond through all the arts.

#### SECTION II. ACADEMIC FREEDOM.

Academic freedom is the freedom, without institutional discipline or restraint, to discuss all relevant matters in the classroom, to explore all avenues of scholarship, research, and creative expression, and to speak or write on matters of public concern as well as on matters related to professional duties and the functioning of the University.

#### SECTION III. ACADEMIC RESPONSIBILITY.

Academic responsibility implies the faithful performance of professional duties and obligations, the recognition of the demands of the scholarly enterprise, and the candor to make it clear that when one is speaking on matters of public interest, one is not speaking for the institution.

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

Ramirez reported that the committee also reviewed amendments to Board of Regents Policy: *Tuition and Fees*; reviewed Hormel Institute Research agreements; and received an update on undergraduate writing initiatives.

### **REPORT OF THE FACILITIES COMMITTEE**

Regent Hung, 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 12, 2011 committee minutes. Regent McMillan recused himself from the vote on this item due to the potential for a conflict of interest.
- b) Approval of the following real estate transactions as presented to the committee and described in the May 12, 2011 committee minutes:
  - 1) Agreement with Manchester Grand Hyatt Hotel, San Diego, for Continuing Medical Education's 2012 World Symposium, February 5-12, 2012 (Twin Cities campus).
- c) Approval of schematic plans for the following project as presented to the committee and described in the May 12, 2011 committee minutes.
  - 1) Lind Hall First Floor Remodeling Project.
- d) Approval of a Resolution Regarding Need for an Environmental Impact Statement for the Deconstruction and Demolition of Norris Hall, as follows:

WHEREAS, the Board of Regents' resolution of February 12, 2010, established that the Board of Regents of the University of Minnesota shall perform the responsibilities of a Responsible Governmental Unit as described in the Minnesota Environmental Policy Act, Minn. Stat. Ch. 116D, and accompanying Minnesota Rules, in connection with all University historic resources projects; and

WHEREAS, Norris Hall on the Minneapolis campus of the University is a contributing element to the National Register of Historic Places University Old Campus Historic District; and

WHEREAS, in order to consider the demolition of Norris Hall (the "Norris Demolition Project" or "Project") it was determined that an Environmental Assessment Worksheet for the Project should first be prepared and reviewed as described in the Minnesota Environmental Policy Act and accompanying Minnesota Rules; and

WHEREAS, the Board of Regents has reserved to itself authority to take final action on all environmental reviews of historic resources initiated by the administration for which the University is the responsible governmental unit; and

WHEREAS, the Board of Regents has reviewed the Environmental Assessment Worksheet prepared for the Project and found that said document complies with the requirements set forth in the Minnesota Environmental Policy Act and accompanying Minnesota Rules and has also reviewed the comments received on the Environmental Assessment Worksheet; and

WHEREAS, the Board of Regents has reviewed proposed Findings of Fact and Conclusions of Law prepared by the University's administrative staff with respect to the Project; and

WHEREAS, based on the foregoing the Board of Regents concludes that the Project does not have the potential for significant environmental effects.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Regents issues a Negative Declaration with respect to the Norris Hall Demolition Project, declaring that an Environmental Impact Statement need not be prepared for said Project, and that the Board of Regents hereby adopts the Findings of Fact and Conclusions of Law, and directs the President or his delegates to provide copies this Resolution, the Findings of Fact and Conclusions of Law, and the University's responses to comments on the Environmental Assessment Worksheet for the Project, to all persons designated by Minn. R. 4410.1700, subp. 5, within the period set forth in said rule.

- e) Approval of a Resolution Regarding Need for an Environmental Impact Statement for the Deconstruction and Demolition of Veterinary Anatomy Building, as follows:

WHEREAS, the Board of Regents' resolution of February 12, 2010, established that the Board of Regents of the University of Minnesota shall perform the responsibilities of a Responsible Governmental Unit as described in the Minnesota Environmental Policy Act, Minn. Stat. Ch. 116D, and accompanying Minnesota Rules, in connection with all University historic resources projects; and

WHEREAS, Veterinary Anatomy Building on the Saint Paul campus of the University is eligible for listing on the National Register of Historic Places; and

WHEREAS, in order to consider the demolition of Veterinary Anatomy Building (the "Veterinary Anatomy Demolition Project" or "Project") it was determined that an Environmental Assessment Worksheet for the Project should first be prepared and reviewed as described in the Minnesota Environmental Policy Act and accompanying Minnesota Rules; and

WHEREAS, the Board of Regents has reserved to itself authority to take final action on all environmental reviews of historic resources initiated by the administration for which the University is the responsible governmental unit; and

WHEREAS, the Board of Regents has reviewed the Environmental Assessment Worksheet prepared for the Project and found that said document complies with the requirements set forth in the Minnesota Environmental Policy Act and accompanying Minnesota Rules and has also reviewed the comments received on the Environmental Assessment Worksheet; and

WHEREAS, the Board of Regents has reviewed proposed Findings of Fact and Conclusions of Law prepared by the University's administrative staff with respect to the Project; and

WHEREAS, based on the foregoing the Board of Regents concludes that the Project does not have the potential for significant environmental effects.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Regents issues a Negative Declaration with respect to the Veterinary Anatomy Building Demolition Project, declaring that an Environmental Impact Statement need not be prepared for said Project, and that the Board of Regents hereby adopts the Findings of Fact and Conclusions of Law, and directs the President or his delegates to provide copies this Resolution, the Findings of Fact and Conclusions of Law, and the University's responses to comments on the Environmental Assessment Worksheet for the Project, to all persons designated by Minn. R. 4410.1700, subp. 5, within the period set forth in said rule.

- f) Approval of a Resolution Regarding Need for an Environmental Impact Statement for the Deconstruction and Demolition of Wesbrook Hall, as follows:

WHEREAS, the Board of Regents' resolution of February 12, 2010, established that the Board of Regents of the University of Minnesota shall perform the responsibilities of a Responsible Governmental Unit as described in the Minnesota Environmental Policy Act, Minn. Stat. Ch. 116D, and accompanying Minnesota Rules, in connection with all University historic resources projects; and

WHEREAS, Wesbrook Hall on the Minneapolis campus of the University is a contributing element to the National Register of Historic Places University Old Campus Historic District; and

WHEREAS, in order to consider the demolition of Wesbrook Hall (the "Wesbrook Demolition Project" or "Project") it was determined that an Environmental Assessment Worksheet for the Project should first be prepared and reviewed as described in the Minnesota Environmental Policy Act and accompanying Minnesota Rules; and

WHEREAS, the Board of Regents has reserved to itself authority to take final action on all environmental reviews of historic resources initiated by the administration for which the University is the responsible governmental unit; and

WHEREAS, the Board of Regents has reviewed the Environmental Assessment Worksheet prepared for the Project and found that said document complies with the requirements set forth in the Minnesota Environmental Policy Act and accompanying Minnesota Rules and has also reviewed the comments received on the Environmental Assessment Worksheet; and

WHEREAS, the Board of Regents has reviewed proposed Findings of Fact and Conclusions of Law prepared by the University's administrative staff with respect to the Project; and

WHEREAS, based on the foregoing the Board of Regents concludes that the Project does not have the potential for significant environmental effects.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Regents issues a Negative Declaration with respect to the Westbrook Hall Demolition Project, declaring that an Environmental Impact Statement need not be prepared for said Project, and that the Board of Regents hereby adopts the Findings of Fact and Conclusions of Law, and directs the President or his delegates to provide copies this Resolution, the Findings of Fact and Conclusions of Law, and the University's responses to comments on the Environmental Assessment Worksheet for the Project, to all persons designated by Minn. R. 4410.1700, subp. 5, within the period set forth in said rule.

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

Hung reported that the committee also received a report on the decommission, demolition, and/or deconstruction of several Twin Cities campus buildings as part of the space utilization initiative; reviewed resolutions related to the deconstruction and demolition of Norris Hall, the Veterinary Anatomy Building, and Westbrook Hall; reviewed the following real estate transactions: 1) facilities and services agreement with J Robinson Wrestling Camp, Twin Cities campus; 2) Acquisition of 350 acres in Lake County for Wilderness Research Center from University of Minnesota Foundation; 3) 99-year lease for University of Minnesota Hormel Institute, Twin Cities campus; and received an update on the Central Corridor Light Rail Project.

#### **REPORT OF THE FACULTY, STAFF & STUDENT AFFAIRS COMMITTEE**

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

- a) Approval of the Consent Report for the Faculty, Staff & Student Affairs Committee as presented to the committee and described in the May 12, 2011 committee minutes.
- b) Adoption of Amendments to Board of Regents Policy: Student Education Records, as follows:

#### **Student Education Records**

##### SECTION I. SCOPE.

This policy governs information maintained by the University of Minnesota (University) in the performance of its functions as an educational institution regarding enrolled or prospective students.

## SECTION II. GUIDING PRINCIPLE.

The University shall maintain the privacy of student education records. Student education records shall be disclosed only to the student, to persons within the University with a legitimate educational interest, to persons authorized by the student to receive the student's education records, and to persons authorized to receive education records without the student's consent.

## SECTION III. DEFINITIONS.

Subd. 1. Directory Information. *Directory information* shall mean the student's name, address, electronic (e-mail) address, telephone number, dates of enrollment, enrollment status (full-time, part-time, not enrolled, withdrew, and date withdrawn), major, adviser, college, class, academic awards and honors received, and, upon graduation, the degree awarded.

Subd. 2. Legitimate Educational Interest. *Legitimate educational interest* shall mean an interest in reviewing student education records for the purpose of performing an appropriate University research, educational, or administrative function.

Subd. 3. Student Education Records. *Student education records* shall mean any record maintained by the University that contains personally identifiable information about a student, regardless of its format or method of storage. Student education records shall not include law enforcement records maintained separately from education records, University employment records, and medical or psychological counseling records, all of which are protected according to provisions of state and federal law and University policy.

Subd. 4. School Official. *School official* shall mean a person employed by the University in an administrative, supervisory, academic, research, or support staff position (including law enforcement unit personnel and health staff); a person or company with whom the University has contracted to perform an institutional service or function in accordance with law; a person serving on the Board of Regents; or a student serving on a University committee or otherwise assisting another school official in performing institutional tasks.

## SECTION IV. ACCESS TO STUDENT RECORDS.

Subd. 1. Access to Directory Information. Directory information shall be publicly available and may be disclosed to any person without the student's consent unless the student has suppressed or prohibited disclosure of the information. Students

shall be given the opportunity to suppress their directory information during the term of their enrollment.

Subd. 2. Access to Private Student Education Records. Student education records other than publicly available directory information are private and shall not be disclosed except as appropriate and to the extent permissible under federal and state laws as follows:

(a) to the student;

(b) to school officials with a legitimate educational interest in the information;

(c) to persons specifically authorized by the student in writing to receive the information;

(d) to other educational institutions in which the student seeks to enroll or is already enrolled so long as the disclosure is for purposes related to the student's enrollment or transfer;

(e) to other organizations conducting educational research studies, provided the studies are conducted in a manner that does not permit identification of students and the information will be destroyed when no longer needed for the specific purpose;

(f) to persons in compliance with a court order or lawfully issued subpoena, provided that a reasonable attempt is made to notify the student where required prior to release;

(g) to appropriate members of the court system when legal action against the University is initiated by the student and the disclosure is part of the University's defense;

(h) to appropriate persons in connection with an emergency if knowledge of the information is necessary to protect the health or safety of the student or other individuals;

(i) to accrediting organizations and state or federal education authorities using information for auditing, evaluating, or enforcing legal requirements of educational programs, provided the data is protected to prohibit the identification of students and all personally identifiable information is destroyed when no longer needed;

(j) to appropriate persons or agencies in connection with a student's application for or receipt of financial aid to determine eligibility, amount, or conditions of financial aid and to enforce the terms and conditions of the aid;

(k) to parents of a dependent student as defined under the Internal Revenue Code;

(l) the final results of a disciplinary proceeding, regardless of outcome, to the victim of an alleged perpetrator of a crime of violence or a nonforcible sex offense;

(m) findings from a disciplinary proceeding that a student has violated an institutional rule or policy in connection with a crime of violence or nonforcible sex offense; and

(n) disclosures concerning sex offenders and other persons required to register as offenders under federal law.

#### SECTION V. ADMINISTRATIVE PROCEDURES.

The University shall maintain administrative procedures that fulfill its legal obligations regarding student education records, including, but not limited to, notice of rights to students, access to education records, recordkeeping requirements, the right to request amendment of education records, and hearing rights.

- c) Approval of annual promotion and/or tenure recommendations as presented in the docket materials, effective with the beginning dates of their terms of appointments in 2011-12.
- d) 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 2011-12 appointment period.

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

Cohen reported that the committee also reviewed amendments to Board of Regents Policy: *Faculty Tenure*; discussed faculty compensation trends and benchmarks; and reviewed a number of information items included in the docket materials.

#### **REPORT OF THE FINANCE & OPERATIONS COMMITTEE**

Regent Frobenius, 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 12, 2011 committee minutes.

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

Frobenius reported that the committee also reviewed amendments to Board of Regents Policy: *Endowment Fund* and Board of Regents Policy: *Investment Functions*; discussed issues related to financial medical education and flow of funds and the

President's Recommended FY2012 Annual Capital Improvement Budget; and reviewed a number of information items included in the docket materials. Due to time constraints the item on financial oversight: financial metrics and peer comparisons was delayed to a future meeting of the committee.

**REPORT OF THE AUDIT COMMITTEE**

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

**REPORT OF THE LITIGATION REVIEW COMMITTEE**

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

The meeting adjourned at 11:55 a.m.



**ANN D. CIESLAK**  
**Executive Director and**  
**Corporate Secretary**