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   V. Board of Regents Meeting - June 14, 2010
      A. Public Forum on the President’s Recommended FY2011 Annual Operating Budget
   VI. Board of Regents - June 22, 2010
      A. Approval of President’s Recommended FY2011 Annual Operating Budget
A meeting of the Audit Committee of the Board of Regents was held on Thursday, June 10, 2010 at 8:15 a.m. in the East Committee Room, 600 McNamara Alumni Center.

Regents present: Steven Hunter, presiding; Richard Beeson, Linda Cohen, John Frobenius, Maureen Ramirez, and Patricia Simmons.

Staff present: Chancellors Charles Casey and Stephen Lehmkuhle; Senior Vice President and Provost E. Thomas Sullivan; Vice Presidents Kathryn Brown, R. Timothy Mulcahy, and Richard Pfutzenreuter; and Associate Vice Presidents Gail Klatt and Michael Volna.

Student Representatives present: Matt McGeachy and Matt Privratsky.

APPETITE FOR RISK

Vice President Mulcahy outlined the efforts of the University's Risk Tolerance Working Group, which is comprised of senior administrators and faculty leaders. The group's objective is to transform the University's prevailing risk-averse culture to one that is more risk tolerant. The goal is to recalibrate the institution's risk tolerance to become more strategic in the application of risk mitigation efforts. In the future, the working group intends to bring forward a set of risk tolerance principles for consideration by the Board of Regents.

In response to a question from Regent Simmons, Mulcahy explained that regardless of the University's risk tolerance, compliance activities will need to be differentiated based on an evaluation of each situation. Since many compliance requirements are externally imposed by the state and federal government, it is important for the University to be clear and candid about its interests and the impact of regulations.

In response to a question from Regent Beeson, Mulcahy emphasized that University leadership will need to define and effectively communicate to employees an understandable message regarding changes in the institution's risk tolerance.

EXTERNAL AUDIT PLAN

Associate Vice President Volna introduced Kirsten Vosen, Lead Client Service Partner, and Judi Dockendorf, Audit Manager, from Deloitte, LLP, the University’s external auditor. Vosen presented Deloitte’s external audit plan for 2010, which will
concentrate on areas of potential risk in higher education. More specifically, the audit will focus on cash and cash equivalents, investments, receivables, long-term debt, tuition and fees, federal grants and contracts, auxiliary enterprises, information management, and federal grant compliance. Vosen also reviewed the timeline for various components of the audit as detailed in the docket and associated materials distributed at the meeting and on file in the Board Office.

In response to a question from Regent Simmons, Vosen explained that it is too soon to know how long the American Recovery and Reinvestment Act will impact audit work at the University. In part, it depends on how long it takes to spend the funds granted under this legislation.

In response to a question from Regent Frobenius, Vosen stated that Deloitte looks forward to having regular and open communications with the Board of Regents regarding its findings.

INTERNAL AUDIT UPDATE

Associate Vice President Klatt presented the Internal Audit Update, as detailed in the docket on file in the Board Office. Since the last update to the Audit Committee in February 2010, 29 percent of outstanding recommendations rated as "essential" were implemented by University departments, a percentage that is less than the expected implementation rate of 40 percent. Six units fully implemented all their remaining "essential" recommendations. Two audit reports containing seven recommendations rated as "essential" were issued in the last four months.

In response to a question from Regent Cohen, Klatt reported that her office is spending 57 percent more time on investigations than normal. It is not clear if this is a one-time increase or the beginning of a trend. These investigations have slowed down scheduled audit work.

INFORMATION ITEMS

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

- Semi-Annual Controller's Report.

The meeting adjourned at 9:30 a.m.

[Signature]
ANN D. CIESLAK
Executive Director and
Corporate Secretary

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Audit Committee
June 10, 2010
RESOLUTION TO CONDUCT NON-PUBLIC MEETING
OF THE LITIGATION REVIEW COMMITTEE

A motion was made and seconded that the following resolution be approved:

WHEREAS, based on advice of the General Counsel, the Board of Regents Litigation Review Committee has balanced the purposes served by the Open Meeting Law and by the attorney-client privilege, and determined that there is a need for absolute confidentiality to discuss litigation strategy in particular matters involving the University of Minnesota;

NOW, THEREFORE, BE IT RESOLVED, that in accordance with Minn. Stat. § 13D.01, Subd. 3 and 13D.05 Subd. 3(b), a non-public meeting of the Board of Regents Litigation Review Committee be held on Wednesday, June 10, 2010 at 8:30 a.m. in the William R. Peterson Conference Room, 600 McNamara Alumni Center, for the purpose of discussing attorney-client privileged matters including the following:

I. James R. Williams v. Orlando Henry “Tubby” Smith and the Board of Regents of the University of Minnesota;

II. Regents of the University of Minnesota v. Metropolitan Council;

III. Mayo Foundation and Regents of the University of Minnesota v. United States of America
The committee voted unanimously to approve the resolution. The public portion of the meeting adjourned at 8:34 a.m.

The non-public portion of the meeting adjourned at 9:39 a.m.

[Signature]

ANN D. CIESLAK
Executive Director and
Corporate Secretary

Litigation Review Committee
June 10, 2010
CERTIFICATION RESOLUTION RELATED TO:  
ISSUANCE OF DEBT FOR STATE-SUPPORTED BIOMEDICAL FACILITIES

Vice President Pfutzenreuter led the discussion of the Certification Resolution Related to Issuance of Debt for State-Supported Biomedical Facilities (Certification Resolution) as described in the docket materials. He recalled that in November 2009 the Board authorized the issuance and sale of up to $53.2 million in bonds to fund the Center for Magnetic Resonance Research (CMRR) under provisions of the Biomedical Science Research Funding Legislation (BSRF Legislation).

A planned issuance of bonds in March 2010 was delayed when the State of Minnesota was unable to provide some required information. The State’s next bond issue will provide the necessary information, allowing the University to issue the $53.2 million in Fall 2010. At the state’s request, an additional $94 million for construction of the Cancer/Cardiovascular Facility (Projects 2 and 3 of the Biomedical Facilities project) will be issued at the same time for a total of $147 million. A similar certification resolution for the additional $94 million will be brought to a future meeting of the committee.

The Certification Resolution, a requirement of the BSRF Legislation, certifies the maximum project cost; the University’s commitment to pay 25 percent of the cost without the use of tuition revenues; authorization for the University’s Treasurer to take all actions necessary to enable the Minnesota Commissioner of Management and Budget to make the required certification of the project; and the Treasurer’s authorization to certify the annual debt service of the bonds and the actual amount of the State’s annual payment to the University.
A motion was made and seconded, and the committee voted unanimously to recommend approval of the Certification Resolution Related to: Issuance of Debt for State-Supported Biomedical Facilities.

**ISSUES RELATED TO:**

**PRESIDENT’S RECOMMENDED FY 2011 ANNUAL OPERATING BUDGET**

Vice President Pfutzenreuter and Julie Tonneson, Budget Director, led the discussion of issues related to the President’s FY 2011 Annual Operating Budget as described in the docket and associated materials on file in the Board Office. Pfutzenreuter described the three parts of the four-year plan, including the FY 2009-10 Operating Budget Plan that was approved by the Board last year; the Recommended Operating Budget Plan for FY 2010-11; and the planning scenarios for FY 2012 and 2013.

Pfurstenreuter highlighted anticipated sources of funding and beginning and ending balances for FY 2010-11’s $3.4 billion budget. He also described trends in tuition and state funds since 1997; current and anticipated reductions in General Fund Appropriations over the current biennium; the role of funding available under the American Recovery & Reinvestment Act (ARRA); the budget challenges for FY 2010 and 2011; and the strategies that will be used to balance the budget in FY 2011.

Pfurstenreuter reviewed three alternative scenarios for FY 2012 and 2013, including funding at the base level of $591.1 million, funding with the same dollar reduction experienced in FY 2010-11, and funding with the same percentage reduction as in FY 2010-11.

With respect to tuition and fees, the FY 2010-11 plan calls for a 7.5% increase for residents and non-residents on most campuses and a variety of increases for graduate and professional students. ARRA funding and University funds will be used to buy down the undergraduate tuition increase, yielding no tuition increase for Pell- and Founders-eligible students and a 4.5% increase for all other resident undergraduates. On the Twin Cities campus, the total Cost of Attendance (COA), excluding financial aid, will increase by 5.2% between FY 2010 and 2011. COA increases of 5.9%, 5.6%, and 4.6% are expected on the University of Minnesota Crookston, University of Minnesota Duluth, and University of Minnesota Morris campuses, respectively.

In response to a question from Regent Beeson, Sullivan explained that it has been only two years since the University moved away from a fully loaded, non-resident tuition policy to the R+4,000 strategy under which non-residents pay the resident tuition rate plus $4,000. This strategy has resulted in a net increase in non-resident revenue, but it is reviewed annually as is the demand elasticity among non-resident students.

Regent Simmons suggested that the complexity of the University's offerings also suggest the need for a discussion of differential undergraduate tuition rates. Regent Allen recommended great caution in making that policy change in light of the negative consequences the University had sought to overcome when it implemented one tuition policy for all undergraduates.
Sullivan noted the appointment of an enrollment management committee, which will address the University’s scope and what should be the balance between undergraduate/professional enrollment. The committee has been asked to consider what tuition is appropriate for a particular undergraduate and graduate student base and the size/depth of financial aid needed at different tuition levels. A preliminary report is expected in early Fall 2010.

In response to a question from Student Representative Chorzempa, Pfutzenreuter commented that he has carefully avoided mentioning a specific increase in tuition because such references become a floor or a ceiling for tuition. It also is premature since it is more productive to focus on costs and get a better understanding of the institution’s goals. Many units are stressed, but in the face of ongoing reductions in state funding, it might be prudent to use state appropriations to support investments for which the University can make its most compelling case.

Regent Beeson requested that next year’s workplan include an extended discussion of compensation to provide a better understanding of the ratio of compensation to fringe benefits; the advisability of instituting caps on fringe benefits; and the appropriateness of retirement benefits. Regent Simmons endorsed his request, but suggested that this might be a discussion more appropriate for the Board rather than for a single committee.

**ISSUES RELATED TO: LIQUIDITY MEASURES**

Vice President Pfutzenreuter and Carole Fleck, Director of Debt Management, led the discussion of liquidity measures. Pfutzenreuter stated that the University’s Budget and Finance Office, the Debt Oversight Group, and the Debt Management Advisory Committee have had ongoing discussions regarding management of the University’s self-liquidity program and stand-by bond purchase agreements.

Fleck explained that under the University’s Variable Rate Demand Bond (VRDB) program, the University must be prepared to buy back any VRDBs presented for payment by bondholders if remarketing agents are unable to re-sell the bonds to another buyer (materials in the docket and associated handouts distributed at the meeting and on file in the Board Office). Existing support for the University’s VRDB debt includes two stand-by bond purchase agreements, one issued in 1999 for $116.9 million and one issued in 2001 for $121.55 million. The University also provides an additional $337.4 million in self-liquid debt that is supported by a $130 million hybrid bank line of credit required by Moody’s.

Fleck briefly discussed the University’s process for monthly compliance with the liquidity requirements of rating agencies. She identified the four factors used by Moody’s to rate internally supported variable rate debt and provided an example of the ratios prepared monthly. Although Moody’s does not specify a minimum or maximum for these ratios, the higher the ratio the better. Application of the recommended debt ratios shows that with or without existing lines of credit, the University is well within acceptable limits.

In response to a question from Allen, Fleck indicated that Moody's ratios are used to look at cash flows, especially before the University issues bonds or when the State of Minnesota delays payments. Recent budget difficulties also have required
greater attention to these ratios and the rating agencies have advised against additional variable rate debt as part of the University’s portfolio.

CONSENT REPORT

Vice President Pfuntenreuter presented the Consent Report, as detailed in the docket materials. Consent items including the following:

General Contingency:

• Expenditure of $858,162 by the Office of the General Counsel on outside legal fees and other transactional expenses requires Board approval.

Purchase of Goods and Services with a Value Greater than $1,000,000:

• Deloitte & Touche LLP for providing external audit services to the University for fiscal years 2010, 2011, 2012 and 2013, for an amount not to exceed $2,003,500.

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

INFORMATION ITEMS

Vice President Pfuntenreuter referred committee members to the Information Items contained in the docket materials:

• Quarterly Investment Advisory Committee Update; and
• Quarterly Asset Management Report.

Frobenius noted that the Quarterly Asset Management Report indicates a substantial discrepancy between the 5.6% one-year return on total assets and the 20% benchmark return. This outcome is primarily the result of an imbalance in the University’s asset allocations, a matter that the Investment Advisory Committee (IAC) has worked with staff in the Office of Investments & Banking to address. He added that the rebalancing effort will be a gradual process, but that the IAC supported the decision to address first the liquidity issue.

The meeting adjourned at 11:52 a.m.

ANN D. CIESLAK
Executive Director and
Corporate Secretary

Finance and Operations Committee
June 10, 2010
A meeting of the Faculty, Staff & Student Affairs Committee of the Board of Regents was held on Thursday, June 10, 2010 at 9:45 a.m. in the West Committee Room, 600 McNamara Alumni Center.

Regents present: Dean Johnson, presiding; Anthony Baraga, Dallas Bohnsack, Linda Cohen, David Larson, and Maureen Ramirez.

Staff present: President Robert Bruininks; Vice Presidents Kathryn Brown, Carol Carrier, and Timothy Mulcahy; and Associate Vice Presidents Gail Klatt and Kristin Lockhart.

Student Representatives present: Chelsey Doepner and Abdul Omari.

ANNUAL UPLAN REPORT: IMPACT OF FEDERAL AND STATE HEALTH CARE REFORM LEGISLATION ON UPLAN

Vice President Carrier introduced Fred Morrison, Professor of Law and member of the Benefits Advisory Committee and Health Care Administrative Work Group, Cal Ludeman, Commissioner of the Minnesota Department of Health, and Stephen Parente, Professor of Finance in the Carlson School of Management, to present information on the federal health care legislation and the resulting effects on the University's health insurance plan (UPlan), as detailed in the docket and associated materials distributed at the meeting and on file in the Board Office.

Morrison provided a detailed analysis of the federal health legislation, including the timetable for implementation, effects on consumers, and potential changes made to the UPlan to address the new federal guidelines. Highlights of the presentation included:

- Many issues are yet to be determined by the federal Department of Health and Human Services, the Internal Revenue Service, and individual states.
- Although some rules take effect in the next couple of years, the bulk of the plan begins in 2014 when everyone without health insurance will be required to buy into a health exchange and all large employers must provide insurance or pay a fee.
- A major plan component is the elimination of exclusions based on pre-existing conditions, which will not affect the University because the UPlan never included such an exclusion.
- The federal plan now allows for children to be covered by a parent’s plan up to age 26, which is estimated to cost the University an
additional $1.8 million per year.

Morrison explained that the area of greatest concern to the University is the 2018 implementation of the federal tax on high value plans, known as the “cadillac tax.” He reported that in order for the UPlan to avoid falling into this category, the University will need to employ several strategies, including:

- Limiting care to high quality, low cost providers;
- Aggressively promoting wellness;
- Shifting internal costs to other budgets;
- Using deductibles and higher copays; and
- Cutting or eliminating flexible spending accounts.

Morrison emphasized that increasing employee premiums will not help avoid the cadillac tax because total cost of the program is the important factor, regardless of who pays.

Ludeman expressed confidence in the University’s ability to deal with the challenges associated with the legislation, specifically referencing the identification of high-quality, low cost providers as a key strategy. He observed that compliance with the plan will be a challenge for both the UPlan and the State health plan, but added that effective service to plan participants should remain. Parente focused his comments on the fiscal effects of the legislation and noted that initial estimates of the plan providing budget deficit savings will most likely not be achieved and that the plan will increase the federal deficit.

In response to a question from Regent Larson, Ludeman explained that employers will most likely become much more restrictive in which providers are included in insurance plans. He added that the excellent health care infrastructure of the Twin Cities, the Mayo Clinic, and improving outstate options position Minnesota to adequately deal with the challenges of the legislation.

In response to a question from Student Representative Omari, Morrison reported that the legislation will not have a direct effect on student health care plans, but did predict that many students will drop out of the University-provided plans because of the increase in the parental plan eligibility to 26.

In response to a question from Regent Baraga, Ludeman reported that there are currently 480,000 Minnesotans without health insurance and he projected that a greater number will eventually participate in the state health care exchanges in 2014. Parente added that the federal legislation will force many employers to examine whether the cost of providing insurance outweighs the fees assessed for not providing it, which could dramatically alter the current norm of employer-provided health care.

**INTERCOLLEGIATE ATHLETICS REPORT**

Vice President Carrier introduced Vice President Brown and Athletic Director Joel Maturi to present the annual report on Intercollegiate Athletics (ICA), as detailed in the docket and associated materials distributed at the meeting and on file in the Board Office. Brown reported that during Director Maturi’s tenure the men’s and women’s athletics departments had merged into a single unit, a projected $31 million structural deficit had been eliminated, no major NCAA infractions have occurred, and student-athlete academic performance is trending upward.
Maturi provided detailed information to the committee on numerous areas of ICA, including academic performance, compliance, recent facility construction and future capital needs, athletic accomplishments, and departmental financial outlook. Highlights of the presentation included:

- ICA had a budget of $76.7 million in FY2010, which ranked 6th in the Big Ten Conference.
- The student-athlete graduation rate has increased from 54 percent in 2001-02 to 71 percent in 2008-09.
- Future capital projects include Phase 1 construction of a new baseball stadium and continued planning for a basketball practice facility.
- ICA currently ranks tenth out of 335 NCAA Division I institutions in the 2009-10 Director’s Cup, which recognizes athletic performance in all sports.

Maturi discussed the challenges associated with operating an athletics department, which has many characteristics of a for-profit entity, within the non-profit education environment of a higher education institution. He explained that these challenges have compelled many institutions into sponsoring fewer teams and focusing investment on the high-profile, revenue-producing sports of football and men’s basketball. Maturi reported that ICA sponsors 25 teams, which is the average number in the Big Ten conference, while the average numbers in the Southeast and Big XII conferences are 17 and 16, respectively.

In response to questions from Regents, Maturi reported that the timetable for expansion of the Big Ten was being accelerated due to the movement of teams from other conferences. He observed that any potential addition to the Big Ten will need to result in greater revenues for every conference member.

In response to a question from Regent Ramirez, Maturi explained that the graduation rates among student-athletes are higher among women than men, which is also true of the general student population.

**BOARD OF REGENTS POLICY: DISABILITY SERVICES**

Vice President Carrier introduced Associate Vice President Lockhart and Donna Johnson, Director of Disability Services, to present amendments to Board of Regents Policy: Disability Services.

Lockhart briefly explained that the policy was being expanded to include sections for guiding principles and implementation. She observed that the primary aspiration of the University in this area is to appropriately serve the community of students, staff, and guests with disabilities.

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

**BOARD OF REGENTS POLICY: EMPLOYEE RECRUITMENT AND RETENTION**

Vice President Carrier presented amendments to Board of Regents Policy: Employee Recruitment and Retention. She explained that the amendments provide
language clarification and ensure consistency with the University’s equal opportunity statement.

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

CONSENT REPORT

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

• Conferral of tenure for recently hired faculty.

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, including:

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

The meeting adjourned at 11:45 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, June 10, 2010 at 1:30 p.m. in the West Committee Room, 600 McNamara Alumni Center.

Regents present: Steven Hunter presiding; Clyde Allen, Anthony Baraga, Dallas Bohnsack, Venora Hung, and Dean Johnson.

Staff present: Chancellor Charles Casey; Vice Presidents Kathleen O’Brien, Charles Muscoplat, Richard Pfutzenreuter, and Steven Rosenstone; General Counsel Mark Rotenberg; and Associate Vice Presidents Michael Berthelsen, Terry Bock, Michael Perkins, and Donna Peterson.

Student Representatives present: Chelsey Doepner and Lauren Snively.

PUBLIC HEARING ON AMENDMENTS TO REGENTS OF THE UNIVERSITY OF MINNESOTA TRAFFIC REGULATION ORDINANCES

Regent Hunter opened the Public Hearing on Amendments to Regents of the University of Minnesota Traffic Regulation Ordinances. He invited Michael Ramolae, Assistant Director, Parking and Transportation Services, to present the proposed changes to the University of Minnesota Traffic Regulation Ordinances. Ramolae summarized the proposed amendments that introduce system-wide moped policies with specific moped provisions on the Twin Cities campus.

Hunter observed that the Board of Regents Office received no comments on the proposed amendments by mail, telephone, or email, and he invited all those who wished to comment at the public hearing to come forward. No one requested to speak regarding the proposed amendments.

A motion was made and seconded to close the public hearing. The motion was unanimously approved and the public hearing was closed at 1:40 p.m.

The regular Facilities Committee meeting resumed.

AMENDMENTS TO REGENTS OF THE UNIVERSITY OF MINNESOTA TRAFFIC REGULATION ORDINANCES

Vice President O’Brien invited Associate General Counsel Shelley Carthen Watson and Michael Ramolae, Assistant Director, Parking and Transportation Services, to present for action proposed amendments to the Regents of the University of Minnesota Traffic Regulations Ordinances as detailed in the docket and associated materials distributed at the meeting and on file in the Board Office.
In response to questions from the committee, Ramolae stated that changes to the ordinance will be broadly publicized, and that it is likely during the first month the policy goes into effect that officers will educate offenders rather than issue a ticket.

A motion was made and seconded and the committee voted unanimously to recommend approval of the Amendments to Regents of the University of Minnesota Traffic Regulation Ordinances.

RESOLUTION RELATED TO CAMPUS MASTER PLAN FOR THE UNIVERSITY OF MINNESOTA CROOKSTON

Vice President O’Brien invited Chancellor Casey and Orlyn Miller, Director, Capital Planning & Project Management, to present for action amendments to the University of Minnesota Crookston (UMC) Campus Master Plan (Plan), as detailed in the docket and associated materials distributed at the meeting and on file in the Board Office. O’Brien noted that the amendments had been reviewed at the May 2010 committee meeting.

Casey briefly outlined Plan changes and how they will help support the UMC vision, which includes: providing access to world-renowned teaching and research; serving as a regional hub for undergraduate education; enhanced technology applications in higher education; innovation, entrepreneurism and regional sustainability; leadership development; and global and diverse cultural experiences.

A motion was made and seconded and the committee voted unanimously to recommend approval of the Resolution Related to Campus Master Plan for the University of Minnesota Crookston.

SCHEMATIC PLANS

A. Biomedical Facilities Program – Cancer/Cardiovascular Projects, Twin Cities Campus

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

The schematic plans for the Biomedical Facilities Program – Cancer/Cardiovascular Projects, 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 schematic plans were being submitted for both review and action, and she invited Associate Vice President Terry Bock and Richard Johnson, Program Director for the Biomedical Discovery District (BDD), to present the schematic plans as detailed in the docket and associated materials distributed at the meeting and on file in the Board Office.

O’Brien described the vision for the four bioscience programs within the BDD, including the Center for Magnetic Resonance Research, which is currently under construction. Bock outlined the project rationale for the Cancer/Cardiovascular building, including:
• Maintain world leadership in cancer and cardiovascular research by attracting and retaining top research talent and providing technologically sophisticated research space;
• Provide increased space for researchers whose current facilities are limited;
• Enhance the programmatic synergies between academic programs; and
• Improve efficiencies through building consolidation.

Bock described the enthusiasm that the new buildings have engendered in the public and private sector. The Minnesota Medical Foundation is working with the BDD to identify private funding to help offset the University’s funding.

Johnson described the Cancer/Cardiovascular building as a gateway to the BDD, and he explained that the 280,000 square feet will be used to: 1) increased “wet lab” research space; 2) co-locate academic programs to enhance interdisciplinary research; 3) create a shared research commons area for research support facilities and instrumentation; and 4) provide public common areas.

In response to questions from the committee, Johnson stated the building will be certified State of Minnesota B3 Sustainable Building Guidelines. Bock explained that the estimated 44,000 square feet of lab space that will be vacated by existing faculty who move into the Cancer/Cardiovascular building would be renovated for other purposes. O’Brien stated that there is area for additional growth between the planned BDD buildings and Granary Road, which is the University’s northern boundary. Bock indicated the labs under construction would be open labs, which allow for economical future modifications to the space, should the need arise.

Johnson observed that the BDD is generating interest from private businesses and may spur private partnerships and buildings in the area adjacent to the BDD.

In response to a question from Regent Hung, Bock described the sources of revenue that would support the operating costs of the new building, including: 1) growth in research funding (indirect cost recovery); 2) prioritizing the programs with some reallocation of operating and maintenance funds; 3) technology commercialization funds; and 4) clinical enterprise.

The committee voted unanimously to recommend approval of schematic plans for the Biomedical Facilities Program – Cancer/Cardiovascular Projects, Twin Cities Campus.

**RESOLUTION TO AMEND PROJECT BOUNDARIES AND DISTRIBUTE DRAFT ENVIRONMENTAL IMPACT STATEMENT FOR THE UMORE PARK SAND AND GRAVEL RESOURCES PROJECT**

Vice President O’Brien invited Vice President Muscoplat and Associate General Counsel Kenneth Larson to present for review and action a Resolution to Amend Project Boundaries and Distribute the Draft Environmental Impact Statement (EIS) for the UMore Park Sand and Gravel Resources Project, as detailed in the docket and additional materials distributed at the meeting and on file in the Board Office.

Larson explained that the Board of Regents is the responsible governmental unit to oversee the environmental review process. He indicated that the draft EIS will likely be the final document that will return for approval unless there are significant questions raised during the public review of the document. The impact of the gravel mining on research taking place at UMore Park resulted in an amendment of the study.
The action requested today is to approve a change in the scope of the study that includes a change in the boundaries and to proceed with the next steps.

Muscoplat reviewed the new boundaries and described the 40-year plan for sand and gravel mining at UMore Park (Park). By changing the boundary area the research within the Park will be protected for at least 30 years. Muscoplat described other environmental issues in selected areas within the Park, including concrete, buried underground pipes, and chemical residue in the soil from World War II in selected areas. These will require an environmental impact study and delay mining in those areas to later in 40-year plan.

Muscoplat described the current use of land within the Park, indicating that the biggest financial impact of the mining will be the eventual loss of rental income from local farmers. However, he noted that income from the sand and gravel excavation is estimated at $5 million per year for the next 40 years.

In response to a question from Regent Bohnsack, Muscoplat explained that the excavation project will span 40 years, and he added that only 15 percent of the 5,000 acres currently set aside for research are used by faculty and graduate students. Future use of the land following excavation will foster research on wind energy, housing design, ground water heat pumps, geology studies, health care delivery, kinesiology, and local food and nutrition.

A motion was made and seconded and the committee voted unanimously to recommend approval of the Resolution Related to Amend Project Boundaries and Distribute Draft Environmental Impact Statement for the UMore Park Sand and Gravel Resources Project.

RESOLUTION TO NOMINATE THE NORTHROP MALL DISTRICT FOR THE NATIONAL REGISTER OF HISTORIC PLACES

Vice President O’Brien invited Orlyn Miller, Director, Capital Planning & Project Management, to present for review a Resolution to Nominate the Northrop Mall District (District) for the National Register of Historic Places (Register), as detailed in the docket and additional materials distributed at the meeting and on file in the Board Office.

Miller described Northrop Mall as one of the premiere campus spaces in the country that is intact to its original design. In 1997 Northrop Mall was designated as a Regents Campus Historical District. The Minnesota State Historical Preservation Office listed the District as eligible for the National Register of Historic Places in 2007, however there has been no official nomination. Miller clarified that buildings and landscapes eligible for the Register must be treated as if they were already on the Register. Listing in the Register would provide a formal recognition of the District’s historical, architectural, and archeological significance based on national standards.

Nomination for the Register supports the guiding principles of Board of Regents Policy: Historic Preservation and the Twin Cities Campus Master Plan. Miller noted that listing the District on the Register would have limited additional financial and operational impact since the University already treats eligible and listed properties the same. He commented that the official listing is largely symbolic and does not restrict the use of, or guarantee permanent protection to, the District.

In response to questions from the committee, Miller explained that the designation does not prohibit decommissioning of buildings in the District, if necessary.

This item will return for action at a future committee meeting.
REAL ESTATE TRANSACTION

A. Five-Year Lease for Soudan Underground Laboratory, Soudan Underground Mine State Park, St. Louis County, Minnesota

The committee reviewed a proposal for a Five-Year Lease for Soudan Underground Laboratory, Soudan Underground Mine State Park, St. Louis County, Minnesota.

Susan Carlson Weinberg, Director of Real Estate, summarized the location and description of the leased property, as detailed in the docket materials. She explained the research facilities have been rented by the University since 1980 and used by the Institute of Technology, the School of Physics and Astronomy, and its collaborators.

In response to questions from the committee, Weinberg clarified that the Minnesota Department of Natural Resources owns the mine and that the rent has increased every year. Professor Marvin Marshak, Physics and Astronomy, stated that the majority of the rent pays for electricity, and that much of the research currently housed in the mine would end by 2013.

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

CONSENT REPORT

There were no Consent items for approval.

INFORMATION ITEMS

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

- Final Project Review for the Folwell Hall Interior Renovation Project, Twin Cities Campus;
- Final Project Review for the Griggs Hall Addition Project, Duluth Campus; and
- Wind Energy Research Project, UMore Park.

The meeting adjourned at 3:07 p.m.

ANN D. CIESLAK
Executive Director and Corporate Secretary

Facilities Committee
June 10, 2010
A meeting of the Educational Planning and Policy Committee of the Board of Regents was held on Thursday, June 10, 2010 at 1:30 p.m. in the East Committee Room, 600 McNamara Alumni Center.

Regents present: Patricia Simmons, presiding; Richard Beeson, Linda Cohen, John Frobenius, and David Larson.

Staff present: Chancellor Stephen Lehmkuhle; Senior Vice President & Provost Thomas Sullivan; Vice Presidents Karen Himle and Timothy Mulcahy; and Associate Vice President Sharon Reich Paulsen.

Student Representatives present: Matt McGeachy and Paul Strain.

**BOARD OF REGENTS POLICY: UNIVERSITY OF MINNESOTA PRESS**

Senior Vice President & Provost Sullivan invited Vice President Mulcahy to lead the discussion of Board of Regents Policy: *University of Minnesota Press*. The policy was reviewed during the committee’s last meeting in May 2010. Proposed amendments more clearly distinguish the role of faculty review and external committees in advising the University of Minnesota Press (Press) and specify that Press activities are to be funded with Press revenues.

A motion was made and seconded, and the committee voted unanimously to recommend adoption of proposed amendments to Board of Regents Policy: *University of Minnesota Press*.

**FOCUS ON RESEARCH DISSEMINATION**

Vice President Mulcahy and Wendy Lougee, Dean and University Librarian, led the discussion of research dissemination. Mulcahy reviewed the many ways in which the University disseminates knowledge, but indicated that today’s discussion would focus on publication, the commercialization of intellectual property, and some significant new methods of disseminating information and making publications available.
Lougee explained that the landscape of publishing has undergone significant change in recent years so that the ways in which information is delivered, accessed, and used have all changed. A number of factors, including inflation in the price of journals, restrictions on the rights of authors, and emerging technologies for disseminating information, also have precipitated a new model for copyright that has evolved over the last 20 years. Over the same period, the Open Access movement began to take hold, making many research findings available online and free of copyright restrictions.

In response to these changes, the University has updated Board of Regents Policy: Copyright to give faculty full rights to their academic works while encouraging them to provide the broadest possible access; built the infrastructure essential to Open Access; and established relationships with departments, faculty, and faculty governance to guide the development of institutional policies.

Mulcahy reported that the commercialization of intellectual property represents a very small share of research disseminated, but that it has become a critical issue for public research universities. With the passage of the Bayh-Dole Act (Bayh-Dole) in 1980, universities were allowed to retain the rights to faculty inventions, but they were expected to promote their commercialization. The University’s ability to manage the natural tension between making research findings easily available while protecting proprietary information has been enhanced through this year’s changes to Board of Regents Policy: Openness in Research, which encourages public dissemination of research findings but allows for limited delays to protect related intellectual property.

Mulcahy observed that technology commercialization also is characterized by a changing landscape that includes increased pressure for revision or repeal of Bayh-Dole and increased accountability to federal research sponsors. It is unlikely that Bayh-Dole will be repealed, but federal research sponsors are requesting commercialization plans as a part of some grant applications and consideration is being given to the inclusion of technology transfer costs in grant budgets. At the state level, the perception of universities as economic engines has increased pressures to quicken the pace of technology transfers, to limit transfers to in-state businesses, and to emphasize job creation and start-up formation to the exclusion of licensing.

Mulcahy identified a number of trends that will affect research dissemination in the coming years, including the development of a culture of collaboration and support for global research teams; continued refinement of institutional and federal policies to facilitate access and collaboration; additional revisions to copyright law; and an enhanced role for the academy in the development of infrastructure and dissemination of research findings. Strategic challenges for the University include the implementation of appropriate policies, additional infrastructure investments, and compliance oversight.

In response to questions from the committee, Lougee noted that infrastructure investments are already under way, but that the infrastructure on which research dissemination relies currently is a patchwork of different strategies to address different problems. The real question to be addressed is how best to overlay the programmatic, policy, governance, economic, and accountability issues on top of the foundational network. Mulcahy commented that one outcome of the last few years has been the strong collaboration that has developed between the research office, the Office of Information Technology, and the University’s libraries. By working as a team, these units have been able to assess issues and assign responsibility/accountability as appropriate.
In response to a question from Regent Beeson, Lougee advised that there are issues of governance that must still be addressed, but that data coalitions are emerging across institutions. Mulcahy pointed out that in technology transfer, the interests of each institution are somewhat parochial so that collaboration arrangements are different. One challenge will be adjusting to an environment in which institutions are expected to share what in the past would have been treated as proprietary information for the benefit of one institution. Meeting the accountability standards of research funders is another challenge that could require periodic reviews of University policies and practices to ensure they provide the framework necessary for compliance.

Sullivan noted that one cost associated with new developments in research dissemination is the cost of regulation in such areas as data storage and management. Mulcahy acknowledged that the University has been forced to assume such costs, even if the activity is not central to mission, and that it will be a challenge to identify and separate them from the costs of core operations.

In response to a question from Student Representative McGeachy, Lougee explained that through its student learning outcomes, the University has already begun the process of building digital competency by helping students understand different types of information and by enriching classroom curricula and learning through digital media.

CONSENT REPORT

Chair Simmons removed the item Academic Unit Name Change from the Consent Report for separate consideration. 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**
  - Rochester Campus – Create B.S. degree in Health Professions
  - College of Liberal Arts (Duluth Campus) – Create minor and certificate in Geographic Information Science
  - Crookston Campus – Create minor in Hotel, Restaurant, and Tourism Management
  - Medical School – Create fellowship in Movement Disorders
  - School of Nursing (Twin Cities Campus) – Create certificate in Leadership in Health Information Technology for Health Professionals
  - School of Public Health (Twin Cities Campus) – Create certificate in Performance Improvement

- **Changed Academic Programs**
  - College of Education and Human Development (Twin Cities Campus) – Deliver M.Ed. degree in Leadership in Education in Singapore
- Law School (Twin Cities Campus) – Create Business Law concentration in LL.M. degree
- College of Liberal Arts (Duluth Campus) – Change name of minor in African American and African Studies to African and African American Studies
- Crookston Campus – Discontinue tracks in B.S. degree in Hotel, Restaurant, and Tourism Management
- Crookston Campus – Offer distance delivery of existing B.S. degree in Accounting

• **Academic Unit Name Change**

Simmons invited Associate Dean Greg Lindsey to discuss the name change proposed for the Humphrey Institute of Public Affairs (Humphrey Institute). Lindsey stated that the proliferation of institutes on the Twin Cities campus has left the Humphrey Institute as the only degree-granting institute on campus. Another motivating factor is that the Humphrey Institute is the only institute among the country’s Top 25 public affairs schools. He reported that the proposed name change originated with the Humphrey Institute’s Advisory Council and has been endorsed by the faculty and the Humphrey family.

A motion was made and seconded, and the committee unanimously recommended approval of the following Academic Unit Name Change, as described in the Consent Report.

- Hubert H. Humphrey Institute of Public Affairs – Change unit name to the Hubert H. Humphrey School of Public Affairs

Simmons expressed her support for the name change, but urged that every effort be made to more closely associate the Humphrey School with the University of Minnesota.

**INFORMATION ITEMS**

Senior Vice President & Provost Sullivan directed the committee’s attention to the Information Items, which included an update on Graduate School reform. He indicated that recommendations have been received from the last two working groups and that Henning Schroeder, vice provost for graduate education, will begin working with deans on implementation. Sullivan also reported that the $1 million in reform savings anticipated 16 months ago have been realized.

Sullivan identified the following two goals for the implementation phase:

1) To make graduate education programming and student support second to none among public institutions; and
2) To receive the recommendations of a newly chartered enrollment management committee regarding the University's scope, the relative size of its programs, and a number of related issues.

Simmons requested that Provost Sullivan return with a preliminary report in order to allow the committee to comment in advance of the final report. Sullivan stated that he expects to have an interim report by early Fall 2010.

The meeting adjourned at 3:20 p.m.

ANN D. CIESLAK
Executive Director and
Corporate Secretary
A meeting of the Board of Regents of the University of Minnesota was held on Thursday, June 10, 2010, at 3:45 p.m. in the Boardroom, 600 McNamara Alumni Center.

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

Staff present: Chancellors Charles Casey and Stephen Lehmkuhle; Vice Presidents Kathryn Brown, Carol Carrier, Steve Cawley, Karen Himle, Timothy Mulcahy, and Steven Rosenstone; General Counsel Mark Rotenberg; and Associate Vice President Donna Peterson.

Chair Clyde Allen reminded Regents of their first discussion of the presidential search process in May. Today the Board would be asked to appoint the Presidential Search Advisory Committee (PSAC) and arrive at consensus about the Charge to PSAC and the Desired Leadership Characteristics.

APPOINTMENT OF PRESIDENTIAL SEARCH ADVISORY COMMITTEE

Chair Allen presented the slate of PSAC members, and stated that the process of selecting PSAC members and refining leadership characteristics for the new president began several months ago. Chair Allen, Vice Chair Cohen, and Regent Simmons interviewed more than 60 internal and external leaders to identify advisory committee members and distill presidential leadership characteristics. PSAC Chair Regent Simmons expressed gratitude to the Board for their contributions to the process and stated that she looks forward to a successful search.

Chair Allen noted that many University and state constituencies desired to be represented on the advisory committee. He reminded the Board that the PSAC is designed to compliment the background of Board members, and he clarified that it will be the Board of Regents who will ultimately select the new president. A lengthy discussion ensued.

Some Board members expressed concern regarding the composition of the proposed PSAC. In response to questions from Regents Beeson and Larson, Regent Simmons observed that she has received rich input from business leaders, and she has been surprised and pleased by their eagerness to participate in the discussion for the good of the University and the state.

Vice Chair Cohen assured the Board that she, Chair Allen, and Regent Simmons have been diligent in meeting with stakeholders to discuss the process and to garner insights into the desired characteristics for the next president and will continue to do so.

Regent Hunter expressed support for the proposed slate and he suggested that it would largely be the candidates who would determine, through their interviews with the PSAC, who will ultimately be interviewed by the Board.
In response to a question from Regent Johnson, Chair Allen noted that University employees are deeply concerned about long-range and financial issues in addition to academics. Chair Allen also observed that at least two of the proposed committee members have extensive experience with finance.

Regent Beeson noted that most people, business leaders included, have not had experience hiring for this type of position.

Regent Larson indicated that he would support the proposed slate because of Regent Simmons’ commitment to continue to seek advice from business leaders.

Chair Allen stated that the PSAC and the Board must work in tandem during the search process. The PSAC is responsible to screen candidates on behalf of the Board and forward a sound list of candidates for consideration by the Board. The Board will then decide whom to interview and select as the next president of the University.

A motion was made and seconded, and the Board of Regents voted by a majority of 11 to 1 to approve the appointment of the Presidential Search Advisory Committee. Regent Johnson voted against the motion.

SEARCH ADVISORY COMMITTEE CHARGE AND PRESIDENTIAL CHARACTERISTICS

Chair Allen introduced the Presidential Search Advisory Committee Charge (Charge) and Presidential Characteristics documents. Discussion ensued.

Regent Simmons indicated it is critically important to have excellent leadership characteristics identified early in the process.

Acknowledging the need for additional reflection on the Charge and Presidential Characteristics documents, Vice Chair Cohen proposed that Regents submit for consideration additional comments and recommendations to Executive Director Cieslak by June 14, 2010. Regent Allen confirmed that the revised, final documents would be sent to the Board.

The work session adjourned at 4:58 p.m.

[Signature]

ANN D. CIESLAK
Executive Director and Corporate Secretary
A meeting of the Board of Regents of the University of Minnesota was held on Friday, June 11, 2010 at 9:00 a.m. in the Boardroom, 600 McNamara Alumni Center.

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

Staff present: President Robert Bruininks; Chancellors Charles Casey, Jacqueline Johnson and Stephen Lehmkuhle; Senior Vice President and Provost Thomas Sullivan; Senior Vice Presidents Frank Cerra and Robert Jones; Vice Presidents Kathryn Brown, Karen Himle, Timothy Mulcahy, Kathleen O’Brien, Richard Pfutzenreuter, and Steven Rosenstone; and Associate Vice Presidents Phil Esten, Gail Klatt, Donna Peterson and Michael Volna.

**ANNUAL MEETING**

Chair Allen called the Annual Meeting to order at 9:00 a.m.

**ESTABLISHMENT OF MEETING DATES**

A motion was made and seconded, and the Board of Regents voted unanimously to approve the following meeting schedule for 2010-2011:

- **July 7, 2010**
- **July 8-9, 2010**
- **August, 2010**
- **September 8, 2010**
- **October 7-8, 2010**
- **November 11-12, 2010**
- **December 9-10, 2010**
- **January, 2011**
- **February 10-11, 2011**
- **March 10-11, 2011**
- **April 7-8, 2011**
- **May 12-13, 2011**
- **June 9-10, 2011**

- One-Day Meeting
- Board of Regents Retreat
- No Meeting
- One-Day Meeting
- No Meeting
- Meeting Tentative

The annual meeting adjourned at 9:01 a.m.

The regular meeting of the Board of Regents was convened at 9:01 a.m.
MONTHLY MEETING

APPROVAL OF MINUTES

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

Board of Regents Meeting – May 14, 2010
Board of Regents Meeting – May 13, 2010
Finance & Operations Committee – May 13, 2010
Faculty, Staff & Student Affairs Committee – May 13, 2010
Facilities Committee – May 13, 2010
Educational Planning & Policy Committee – May 13, 2010
Board of Regents Work Session – May 13, 2010

REPORT OF THE PRESIDENT

President Bruininks reported that the University’s historic preservation efforts were recognized in May at the Minneapolis Heritage Preservation Awards. The recent exterior work on Northrop, the complete renovation of the Education Sciences Building, and work performed on the Mayo Meditation Chapel were recognized in a number of categories. He also reported that the University of Minnesota Twin Cities campus was one of 50 research universities to receive a 2010 Howard Hughes Medical Institute Research Universities award for undergraduate science education. The funds promote undergraduate science education and the improvement of the teaching of science.

Bruininks reported that mediation between the University and the Metropolitan Council continues in an effort to complete an agreement to allow the Central Corridor Light Rail (CCLRT) project to proceed while protecting the University’s research. He indicated that a number of issues need to be resolved before a comprehensive agreement is brought to the Board of Regents for consideration.

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

REPORT OF THE CHAIR

Chair Allen presented a Report of the President’s Performance Review by a committee composed of Regents Allen, Chair, Regent Linda Cohen, Vice Chair, and Regent David Larson. Allen reported that the University faced a challenging year, with continued decreased state funding, unallotments, and discussions concerning a large public works project. The challenges were balanced by a number of significant accomplishments, including the opening of TCF Bank Stadium, receipt of significant grants and gifts to the institution, and an outstanding entering class. Allen acknowledged Bruininks’ academic leadership, fiscal management, and relationships with internal and external constituents. He also recognized Bruininks’ success in raising scholarship funds, his efforts to keep tuition affordable, increasing enrollment on all campuses, and attention to graduation and retention rates. On behalf of the Board, Allen expressed appreciation to the President for his continued leadership.
A copy of the report of the Presidential Performance Review Committee is on file in the Board Office.

Chair Allen reported that a Public Forum on the President’s Recommended Annual Operating Budget for FY2011 will be held on Monday, June 14, 2010 at 11:30 a.m. The Board of Regents will meet on June 22, 2010 to approve the budget.

Allen reported that the Board will hold a one-day meeting on July 7, 2010, followed by the Board’s annual retreat July 8-9 at the Gainey Center in Owatonna, Minnesota.

**RECEIVE AND FILE REPORTS**

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

**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 28, 2010 to the Board of Regents;
- Summary of Gifts through April 30, 2010; and
- Summary of expenditures.

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

**APPOINTMENT OF REGENTS PROFESSORS**

President Bruininks reported that a recommendation from the Regents Professor Nominating Committee was forwarded to the Board in a letter dated May 28, 2010. He recommends approval of the nominations.

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

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

General Counsel Rotenberg reviewed Board of Regents Policy: *Code of Ethics*. Section VIII of the policy provides that each year the Board publicly reviews the requirements and procedures provided in the Board policy.

Rotenberg highlighted the guiding principles that Board members are obligated to follow: 1) Board members are responsible for the governance of the University and
must be accountable in the areas of financial disclosure, gifts, expenses, and conflicts of interest; 2) Board members are expected to put aside parochial interests, keeping the welfare of the entire University, not just a particular constituency, at all times paramount; and 3) Board members are to make the necessary commitment of time and diligence to fulfill their public governance responsibilities. Rotenberg defined conflicts of interest in the context of the policy. He described when conflicts of interest exist, how to manage them, and what is allowed if a Board member has a conflict of interest. Rotenberg stressed that conflicts of interest cannot be entirely avoided and should not be viewed as adversely reflecting on any individual Regent. This policy seeks to manage conflicts of interest when they arise.

REPORT OF THE FACULTY CONSULTATIVE COMMITTEE

Professor Marti Gonzales, Chair of the Faculty Consultative Committee (FCC), reported on the activities of the committee since its last report to the Board of Regents. Issues the FCC has been working on include: documenting and managing individual conflicts of interest; changes in policy related to the Office of Technology Commercialization; ensuring that sponsored project effort for externally funded researchers and scholars is in keeping with funding regulations, and initiating and continuing discussions of open access to ensure timely and free public access to research.

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

RECOGNITION: FACULTY CONSULTATIVE COMMITTEE
OUTGOING CHAIR

Recognition was given to Professor Marti Hope Gonzales for her service as chair of the Faculty Consultative Committee. Gonzales served as chair during the 2009-10 academic year.

ANNUAL UMAA REPORT

President Bruininks introduced the item. Associate Vice President Esten, UMAA National Board of Directors President Archie Givens, and President-elect Ertugrul Tuzcu highlighted the achievements of the UMAA during fiscal year 2010, including reaching a goal of 59,000 members and 16,200 life members to UMAA, celebrating the return of Gopher football to campus in the new TCF Bank Stadium, and welcoming Esten as new chief executive officer.

A copy of the 2009-10 UMAA report and the presentation are on file in the Board Office.

BOARD OF REGENTS POLICY: AWARDS, HONORS, AND RECOGNITION

Chair Allen invited Vice President Brown to present for action proposed amendments to Board of Regents Policy: Awards, Honors, and Recognition. Brown observed that a revised version of the policy was distributed at the meeting that included minor language changes in Article I, Section III.
A motion was made and seconded and the Board of Regents voted unanimously to adopt proposed amendments to Board of Regents Policy: Awards, Honors, and Recognition, as follows:

Awards, Honors, and Recognition

This policy describes University of Minnesota (University) awards granted to faculty (Article 2), awards administered by the All-University Honors Committee (Article 3), Regents Awards (Article 4), and Other University Awards (Article 5).

The awards, honors, and recognitions described in this policy shall be bestowed in accordance with the provisions of Board of Regents Policy: Equity, Diversity, Equal Opportunity, and Affirmative Action and Board of Regents Policy: Reservation and Delegation of Authority.

ARTICLE 1

INTRODUCTION

SECTION I. GUIDING PRINCIPLES.

The following principles shall guide the granting of awards, honors, and recognition at the University:

Subd. 1. Recognition of Excellence. The University recognizes excellence and achievement by conferring awards and honors on prominent local, state, national, and international persons who have achieved distinction in public service, enterprise, education, science, literature, and the arts.

Subd. 2. Employee Recruitment and Retention. Awards granted to employees contribute to the quality of the University in extremely significant ways, enabling the University to attract and retain a talented workforce and the very best scholars and researchers in particular fields.

SECTION II. CONFLICT OF INTEREST RELATING TO A REGENT.

When a Regent or former Regent is under consideration for an award (other than Regent Emeritus), a special committee, chaired and appointed by the chair of the University Senate All-University Honors Committee (Honors Committee), shall be convened to review and approve the award. The special committee shall include the chair of the Board of Regents (Board), or the vice chair if the recommended award recipient is the chair; the vice president for university relations; the senior vice president for academic affairs and provost; and the president of the University of Minnesota Foundation (Foundation). It shall have final approval.
SECTION III. RESTRICTIONS ON THE USE OF TITLE.

The use of the titles University, distinguished, or Regents Professor are authorized only by the Board.

ARTICLE 2

FACULTY AWARDS

SECTION I. REGENTS PROFESSOR.

The special title of Regents Professor is the highest recognition the University gives to a member of its faculty.

Subd. 1. Approval. The Board awards the title Regents Professor to selected members of the faculty, upon recommendation of the president.

Subd. 2. Management. The Office of the President manages this award process. The president appoints a Selection Advisory Committee (SAC) to review Regents professor nominations, consult with persons from other universities, and make recommendations to the president. Members of the SAC serve at the president’s pleasure, but consideration shall be given for some continuity of membership.

(a) Nomination. Any person or group may nominate a faculty member to receive the title of Regents Professor. Nominations are made to the president.

(b) Selection Criteria. Nominations shall be judged according to:

- the criteria used by the University to evaluate eligibility for the rank of full professor;
- the scope and quality of scholarly and/or artistic contributions;
- the quality of teaching; and
- contributions to the public good.

Only nominees whose academic distinction is clearly outstanding and whose distinction is clearly recognized by the academic community are recommended to the president.

(c) Review and Recommendations. The SAC shall review nominees and make recommendations to the president. It is the responsibility of the president to recommend awards to the Board.

(d) Restriction on Number of Recipients. The best guarantee of the significance of this award is careful restriction of the total number of recipients. Generally, not more than three persons shall be designated Regents Professor in any given year.

Subd. 3. Provisions.
(a) Title of Regents Professor. The title Regents Professor, once awarded, shall be held as long as the recipient retains a full-time, tenured appointment as a faculty member of the University. To be considered “full-time,” the recipient must hold at least a 66 percent time appointment or be on a sabbatical or other approved leave, including phased retirement. Upon retirement or reduction of the appointment to less than 66 percent time, the faculty member becomes Regents Professor Emeritus. The academic field of accomplishment shall continue to be a part of the title, as, for example, “Regents Professor of _____ (academic department or field).”

(b) Duties and Responsibilities. Designation as a Regents professor does not necessarily imply any changes in duties and responsibilities.

(c) Recognition. A person named as a Regents professor shall be suitably recognized in a public ceremony and shall receive from the University a medallion suitable for desk use and for use with academic costume.

(d) Annual Stipend. Regents professors shall receive annual stipends from a recognized University foundation during their tenure as faculty members. The stipend shall cease upon retirement or a reduction of appointment to less than 66 percent time, excluding phased retirement.

(e) Private Financial Support. The University welcomes private donor support of stipends for Regents professors. However, no endowment shall be accepted to underwrite creation of a Regents professorship in a given department or college.

(f) Salary. Appointment as a Regents professor shall not imply any particular salary level for the faculty member receiving such an honor. The salaries of Regents professors shall be determined independently and without reference to their receipt of an annual stipend from the Foundation.

(g) Budgetary Oversight. The president maintains oversight of budget items for Regents professors, but budget items shall be transferred to the college in which the recipient holds appointment.

SECTION II. MCKNIGHT AWARDS.

The following McKnight Award programs identify, recognize, and support the University’s most promising faculty at critical stages in their careers:

Subd. 1. McKnight Presidential Endowed Chairs. The McKnight Presidential Endowed Chair is one of the highest honors for faculty and reflects the college or campus priorities to recruit or retain highly distinguished, world-class scholars. Recipients are recognized for their academic and research accomplishments and their contributions to
advancing the University among its peers. The designation of McKnight Presidential Endowed Chair is held by recipients for a minimum of 7 years, with the option of renewal by the president.

(a) Approval. The president approves this award, upon recommendation of a committee convened by the senior vice president for academic affairs and provost.

(b) Management. The Office of the Senior Vice President for Academic Affairs and Provost manages this award process.

Subd. 2. Distinguished McKnight University Professorship. The Distinguished McKnight University Professorship recognizes outstanding mid-career faculty members who have recently achieved full professor status for their scholarly achievements; the potential for greater attainment in their field; the extent to which their achievements have brought distinction to the University; the quality of their teaching and advising; and their contributions to the wider community. Recipients hold the title Distinguished McKnight University Professor for as long as they remain at the University.

(a) Approval. The vice provost and dean of graduate education approves this award, upon recommendation of a selection committee appointed by the Office of the Senior Vice President for Academic Affairs and Provost.

(b) Management. The Office of the Senior Vice President for Academic Affairs and Provost manages this award process.

Subd. 3. McKnight Presidential Fellows. The McKnight Presidential Fellow Award recognizes recently promoted associate professors in recognition of their research, scholarship, and leadership in their fields. Recipients hold the designation of McKnight Presidential Fellow for 3 years.

(a) Approval. The president approves this award, upon the recommendations of the senior vice president for health sciences and senior vice president for academic affairs and provost.

(b) Management. The Office of the Senior Vice President for Academic Affairs and Provost manages this award process.

Subd. 4. McKnight Land-Grant Professorship. The McKnight Land-Grant Professorship recognizes junior scholars for their potential for important contributions to their field; the degree to which their past achievements and current ideas demonstrate originality, imagination, and innovation; their potential for attracting outstanding students; and the significance of their research and the clarity with which it is conveyed to the non-specialist. Recipients hold the designation of McKnight Land-Grant Professor for 2 years.

(a) Approval. The vice provost and dean of graduate education approves this award, upon recommendation of a selection committee
appointed by the Office of the Senior Vice President for Academic Affairs and Provost.

(b) Management. The Office of the Senior Vice President for Academic Affairs and Provost manages this award process.

SECTION III. HORACE T. MORSE UNIVERSITY OF MINNESOTA ALUMNI ASSOCIATION AWARD.

The Horace T. Morse University of Minnesota Alumni Association Award is granted to faculty members in recognition of outstanding contributions to undergraduate education.

Subd. 1. Approval. The University Senate Committee on Educational Policy (SCEP) approves this award, upon recommendation of a subcommittee of SCEP.

Subd. 2. Management. The Office of the Senior Vice President for Academic Affairs and Provost manages this award process.

SECTION IV. OUTSTANDING CONTRIBUTIONS TO GRADUATE AND PROFESSIONAL EDUCATION AWARD.

The Outstanding Contributions to Graduate and Professional Education Award is granted to faculty members in recognition of their outstanding contributions to post-baccalaureate graduate and professional education.

Subd. 1. Approval. SCEP approves this award, upon recommendation of a subcommittee of SCEP.

Subd. 2. Management. The Office of the Senior Vice President for Academic Affairs and Provost manages this award process.

ARTICLE 3

ALL-UNIVERSITY HONORS AND AWARDS

All-University honors and awards are recommended to the president and the Board by the Honors Committee. The Honors Committee establishes procedures for nominations and solicits, reviews, and recommends nominations for all-University honors and awards for the University system.

Subd. 1. Honorary Degrees. The award of honorary degrees by a university is an extension of its role as the unique institution in society devoted to the discovery, transmission, and preservation of knowledge. The honorary degree is the highest award granted by the University and constitutes recognition of distinctive achievement that has added materially to knowledge and to the betterment of society.

(a) Approval. The Board approves this award.
(b) Management. The Honors Committee manages this award process and submits recommendations to the president. The president recommends awards to the Board.

(c) Provisions.

(1) Selection Criteria and Degree Titles. An honorary degree may be awarded to an individual who has achieved acknowledged eminence in cultural affairs (Doctor of Humane Letters), public service (Doctor of Laws), or a field of knowledge and scholarship (Doctor of Science). The University honors qualified persons within the academic community and other arenas, such as public service or enterprise. Persons receiving honorary degrees need not have received their education at, or have been otherwise associated with, the University. Honorary degrees shall not be awarded solely to encourage or reward contributions to the University.

(2) Public Recognition. The awarding of honorary degrees is an event at which achievement is celebrated and given public recognition. It is customary to award several honorary degrees each year.

Subd. 2. Outstanding Achievement Awards. Outstanding Achievement Awards may be granted to former students of the University who have attained unusual distinction in their chosen fields, professions, or public service, and who have demonstrated outstanding achievement and leadership on a community, state, national, or international level. Education at the University should represent a significant portion of a candidate’s total education.

(a) Approval. The Board approves this award.

(b) Management. The Honors Committee manages this award process and submits recommendations to the president. The president recommends awards to the Board.

Subd. 3. Awards of Distinction. The Award of Distinction may be granted to individuals who are not or who have not been a student or employee of the University in recognition of distinction in their field, profession, and/or public or volunteer service.

(a) Approval. The Board approves this award.

(b) Management. The Honors Committee manages this award process and submits recommendations to the president. The president recommends awards to the Board.

Subd. 4. Alumni Service Awards. The Alumni Service Award may be granted to former students in recognition of volunteer service to the University; its schools, colleges, departments, or faculty; or to the University of Minnesota Twin Cities Alumni Association (Alumni
Association) or any of its constituent groups.

(a) Approval. The Board approves this award.

(b) Management. The Alumni Association manages this award process. Nominations are submitted to the executive director of the Alumni Association. After review by the Alumni Association's Alumni Honors Committee, a recommendation is forwarded to the Honors Committee, which then forwards a recommendation to the president. The president recommends awards to the Board.

ARTICLE 4

REGENTS AWARDS

Subd. 1. Regents Award. The Regents Award may be granted to individuals who have performed exceptionally valuable and meritorious service to the University or contributed to the building and development of the University through significant benefactions. Candidacy is not limited to graduates or former students of the University.

(a) Approval. The Regents Award Nominating Committee approves this award.

(b) Management. The Board Office manages this award process. A Regents Award Nominating Committee reviews nominations and selects recipients of the Regents Award. The committee shall include three members of the Board appointed by the chair of the Board, the president, the senior vice president for academic affairs and provost, and the chair of the Senate Consultative Committee. The president of the Foundation shall serve as an ex officio member.

Subd. 2. Certificate of Outstanding Merit. The Certificate of Outstanding Merit is given to an individual or group of individuals in the University in recognition of outstanding community service.

(a) Approval. The chair of the Board approves this award.

(b) Management. The Board Office manages this award process.

Subd. 3. Certificate of Recognition. The Certificate of Recognition recognizes significant achievement by members of the University community who have attained unusual distinction in a field of knowledge and scholarship.

(a) Approval. The chair of the Board approves this award.

(b) Management. The Board Office manages this award process.

Subd. 4. Distinguished International Service Award. The Distinguished International Service Award recognizes distinguished foreign dignitaries visiting the University.
(a) Approval. The chair of the Board approves this award.

(b) Management. The Board Office manages this award process.

Subd. 5. Regent Emeritus Title. Regents are awarded the title of Regent Emeritus upon their retirement from the Board.

Subd. 6. President Emeritus Title. The title of President Emeritus may be bestowed upon a president who has completed service as president of the University.

(a) Approval. The chair of the Board approves the awarding of the title of President Emeritus.

(b) Management. The Board Office manages this award process.

ARTICLE 5
OTHER UNIVERSITY AWARDS

Subd. 1. Josie R. Johnson Human Rights and Social Justice Award. The Josie R. Johnson Human Rights and Social Justice Award recognizes individuals who, through their principles and practices, exemplify a high standard of excellence in creating respectful and inclusive learning and working environments. Recipients must have made outstanding contributions to the promotion of human rights and social justice within the University community. At least one faculty or staff member and one student shall receive this award each year.

(a) Approval. The Josie R. Johnson Human Rights and Social Justice Award Selection Committee approves this award.

(b) Management. The Office of the Vice President for Equity and Diversity manages this award process.

Subd. 2. Outstanding Community Service Award. The Outstanding Community Service Award recognizes the outstanding contributions and accomplishments of faculty, staff, or community members who have made substantial, enduring contributions to the community and improved public life and the well being of society. Such contributions and accomplishments must result in long-term and lasting changes for the public good and demonstrate an unusual commitment to the University and the larger Minnesota community.

(a) Approval. The senior vice president for system academic administration approves this award, upon recommendation of a selection committee.

(b) Management. The Office of the Senior Vice President for System Academic Administration manages this award process.

Subd. 3. President’s Award for Outstanding Service. The
President’s Award for Outstanding Service recognizes exceptional service to the University and its schools, colleges, departments, and service units by any active or retired member of the faculty or staff. Such service must go well beyond the regular duties of a faculty or staff member and must demonstrate unusual commitment to the University community.

(a) Approval. The president approves this award, upon recommendation of the President’s Award for Outstanding Service Committee.

(b) Management. The Office of the President manages this award process.

Subd. 4. John Tate Awards for Excellence in Undergraduate Advising. The John Tate Awards for Excellence in Undergraduate Advising recognize and reward outstanding academic advising and call attention to the contributions that academic advising makes in helping students formulate and achieve intellectual, career, and personal goals.

(a) Approval. The vice provost for undergraduate education approves this award, upon recommendation of a committee appointed by the vice provost for undergraduate education.

(b) Management. The Office of the Senior Vice President for Academic Affairs and Provost manages this award process.

Subd. 5. McKnight Presidential Leadership Chairs. The McKnight Presidential Leadership Chair recognizes the contributions of University deans and executive officers for their extraordinary scholarly achievements and for their role as respected leaders and mentors. Recipients are chosen for their leadership qualities at the University, their ability to inspire others in their work, and their commitment to advancing the University’s priorities and establishing the University as a world-class institution of research and learning. The designation of McKnight Presidential Leadership Chair is held by recipients for a minimum of 5 years, with the option of renewal by the president.

(a) Approval. The president approves this award, in consultation with the senior vice presidents.

(b) Management. The Office of the President manages this award process.

Subd. 6. Certificate of Appreciation. The Certificate of Appreciation may be awarded to any person for contributions or services at the collegiate or all-University level.

(a) Approval. The relevant unit approves this award.

(b) Management. The relevant unit manages this award process.

Subd. 7. Teaching Awards. Some individual collegiate units recognize teaching excellence.
(a) Approval. Relevant collegiate units approve this award.

(b) Management. Relevant collegiate units manage this award process.

BOARD OF REGENTS POLICY: NAMINGS

Regent Allen invited Vice President Brown to present for action the proposed Board of Regents Policy: Namings.

Brown recalled that the Namings policy was reviewed at the May 2010 Board meeting, and indicated that revisions to the policy have been made to address concerns related to the naming of colleges, schools, academic programs, centers, or institutes for commercial entities. She explained that the new language ensures Board consultation when an academic commercial naming is considered.

Regent Simmons commented that Board consultation on academic commercial namings should be changed to Board approval. She moved adoption of the policy with this language amendment. The motion was seconded and the Board of Regents voted unanimously to adopt the amended Board of Regents Policy: Namings, as follows:

Namings

SECTION I. SCOPE.

This policy governs the namings of significant University of Minnesota (University) assets, including (1) honorary namings (Section IV); (2) namings associated with gifts or sponsorships (Section V); and (3) other namings (Section VI).

SECTION II. GUIDING PRINCIPLES.

(a) Naming for an individual or organization is an honor that forges a close link between the individual or organization and the University. As such, it is critically important that the integrity, history, behavior, and reputation of the named individual or organization be consistent with the academic mission and values of the University.

(b) The University shall ensure that namings preserve the long-standing traditions, values, culture, and prestige of the University.

(c) Namings as part of sponsorship agreements shall be consistent with the University’s reputation and core values and the highest standards for business and financial integrity.

(d) The University shall maintain a consistent, coordinated, and transparent approach to naming that reflects the University’s consultative and collaborative decision-making process, ensures the proper review and approval of all naming proposals, and preserves confidentiality consistent with applicable law.
(e) The University shall ensure coordination between: (1) the institution and recognized University foundations; and (2) fund-raising and academic units in order to maintain alignment of institutional and development priorities and compliance with University policies and procedures.

SECTION III. DEFINITIONS.

Subd. 1. Significant University Assets. Significant University assets shall mean tangible or intangible resources of the University that are of significant prominence or visibility. Assets include but are not limited to the following: colleges and schools; University-level academic programs, centers, and institutes; lectureships, fellowships, professorships, and chairs; and buildings, significant portions of buildings, grounds, physical structures, streets, and areas.

Subd. 2. Donor. Donor shall mean a person or entity transferring money or other property to the University or one of its recognized foundations in connection with a naming, whether or not the donor is the subject of the naming.

Subd. 3. Gift. Gift shall mean a transfer of, or promise to transfer, money or other property to the University without reciprocal benefit to the donor.

Subd. 4. Sponsor. Sponsor shall mean a person or entity entering into a sponsorship.

Subd. 5. Sponsorship. Sponsorship shall mean a contract involving the provision of funds or other support with the expectation of public acknowledgement or promotional opportunity.

Subd. 6. Street. Street shall mean any private road or driveway as defined in the Regents of the University of Minnesota Traffic Regulations Ordinances.

SECTION IV. HONORARY NAMINGS.

Significant University assets may be named in honor of an individual or a non-University entity to recognize service, dedication, or meritorious contributions to the institution when the naming is not associated with a gift or sponsorship.

Subd. 1. Naming of Colleges, Schools, and University-Level Academic Programs. These assets may be named in honor of an individual or non-University entity.

(a) Approval. The Board of Regents (Board) reserves to itself authority to name, rename, or revoke the honorary naming of these assets.

(b) Management. The Senate All-University Honors Committee (Honors Committee) manages the process and submits recommendations to the president, who recommends namings to the Board.
Subd. 2. Naming of Departmental Chairs. A departmental chair may be named in honor of an individual.

(a) Approval. The president or delegate approve this naming, with concurrence of departmental faculty.

(b) Management. The relevant unit manages this naming process.

Subd. 3. Naming of Buildings and Other Significant University Assets. Buildings and other significant University assets may be named in honor of an individual or non-University entity. A building may be named for a person still living who has left the service of the University.

(a) Approval. The Board reserves to itself authority to name, rename, or revoke the honorary naming of buildings and other significant University assets.

(b) Management. The Honors Committee manages the process and submits recommendations to the president, who recommends namings to the Board.

Subd. 4. Naming of Buildings for Past Presidents. The University may name buildings for past presidents. Consideration of a naming shall take place after a president’s association with the University has ended, usually between one and five years following service.

(a) Approval. The Board reserves to itself authority to name, rename, or revoke the naming of buildings for past presidents.

(b) Management. The chair of the Board convenes a committee with representatives from the Board, the Faculty Consultative Committee, and the Honors Committee to develop a recommendation. This recommendation shall be forwarded to the Honors Committee for information prior to submission to the Board for final action.

Subd. 5. Naming of Separate Building Parts. Separate building parts that are not significant University assets may be named in honor of an individual or a non-University entity. An independent committee of the relevant academic or administrative leadership and building occupants shall manage and approve these namings.

SECTION V. NAMINGS ASSOCIATED WITH GIFTS OR SPONSORSHIPS.

Significant University assets may be named for individuals or non-University entities to recognize significant gifts or as part of a sponsorship. Colleges, schools, academic programs, centers, or institutes are not usually named for commercial entities; if the name of a commercial entity is to be considered, board approval is required.

Subd. 1. Naming of Endowed Lectureships, Fellowships, Professorships, and Chairs. The University seeks and welcomes private financial support for endowed lectureships, fellowships, professorships,
and chairs, which provide scholars a continuous and reliable source of support to pursue their research and teaching. Awards established in these categories shall typically carry the name of the donor, of a person or institution designated by the donor, or of a person in whose name the University seeks funds to endow the award.

(a) Approval. The president or delegate approves the naming of a lectureship, fellowship, professorship, or chair.

(b) Management. The relevant department or college establishes and manages the process for lectureships, fellowships, professorships, and chairs. Proposals to establish one of these institutional awards shall specify the conditions of the naming, the activities to be supported by the gift or sponsorship, and the amount of the endowment or the annual level of funding.

(c) Candidates. The University shall have sole authority to appoint the holders of lectureships, fellowships, and chairs.

(d) Provisions.

(1) Restriction on Use of Title. Lectureships, fellowships, professorships, and chairs shall not include such terms as University, distinguished, or the title Regents Professor. These titles are conferred only by the Board.

(2) Level of Endowment.

(i) Endowment for Chairs. A permanent chair may be established when $2,000,000 or more has been placed in an endowment that provides in perpetuity the annual funds needed for support. Alternatively, a chair also may be established if a minimum of $200,000 per year of expendable funds is made available for at least ten years.

(ii) Endowment for Professorships. The combination of salary and endowment shall be sufficient to provide salary and fringe benefits for the recipient, staff support, travel, and other expenses. Professorships require a minimum of $1,000,000 in permanent endowment or a minimum of $100,000 per year of expendable funds for ten years.

(iii) Endowment for Faculty Fellows. Faculty fellows require a minimum of $500,000 in permanent endowment or a minimum of $50,000 per year of expendable funds for ten years.

(iv) Other Named Endowments and Awards. The titles of lectureships, scholarships, or other named awards may be used for gifts of less than $500,000 in permanent
endowment or $50,000 a year for ten years. A minimum award in this category would provide at least $1,000 per year for ten years.

Subd. 2. Naming of Colleges, Schools, Buildings, and Other Significant University Assets. These assets may be named to recognize gifts or as part of a sponsorship. No commitment regarding namings associated with gifts or sponsorships shall be made to a donor or sponsor prior to the applicable University review and approval.

(a) Consultation. Prior to entering into substantive discussions or making an oral or written commitment regarding a naming to a donor or sponsor, any individual acting on behalf of the University or a recognized University foundation shall (1) inform the donor or sponsor of this policy; (2) consult with the president to determine whether the naming opportunity requires the review and approval process outlined below; and (3) consult with the recognized University foundations as appropriate to determine whether the proposed naming meets the guidelines of the recognized University foundations.

(b) Review. A standing naming committee, with two representatives from the Honors Committee, representatives from the recognized University foundations, and relevant academic and administrative officers, shall review naming proposals and submit recommendations to the president. The president recommends namings to the Board.

(c) Approval. The Board reserves to itself authority to name, rename, or revoke the naming of colleges, schools, buildings, and other significant University assets.

(d) Management. For gifts, the recognized University foundations shall maintain guidelines to implement this policy in order to ensure consistency in the size of gifts relative to the significance of the asset being named. For sponsorships, the president or delegate shall ensure the consistency of the size of the sponsorship agreement relative to the overall significance of the asset to be named.

Subd. 3. Other Namings Associated with Gifts or Sponsorships. University assets not covered by the definition in Section III., Subd. 1., may be named to recognize gifts or as part of a sponsorship.

(a) Approval. The president or delegate shall approve the naming of these assets.

(b) Management. Recognized University foundations shall manage the process for the naming of these assets and maintain guidelines and criteria for these namings.

SECTION VI. OTHER NAMINGS.

This section shall govern the naming of significant University assets when the name is not in honor of an individual or non-University entity and the naming is not associated with a gift or sponsorship.
Subd. 1. Naming of Colleges and Schools. A college or school may be named to reflect the relevant academic discipline.

(a) Approval. The Board reserves to itself authority to name, rename, or revoke the naming of colleges and schools.

(b) Management. The president or delegate recommends namings of colleges and schools to the Board.

Subd. 2. Naming of Buildings, Significant Portions of Buildings, Grounds, Physical Structures, Areas, or Streets. These assets may be named to describe the academic or administrative purpose of the asset or to reflect a symbolic meaning appropriate for the asset.

(a) Approval. The Board reserves to itself authority to name, rename, or revoke the naming of buildings, significant portions or buildings, grounds, physical structures, areas, or streets.

(b) Management. The Honors Committee manages the process for the naming of buildings, significant portions of buildings, grounds, physical structures, areas, or streets and submits recommendations to the president. The president recommends namings to the Board.

(c) Working Titles. The president or delegate may provide a working title for buildings, significant portions of buildings, grounds, physical structures, areas, or streets during planning and construction and prior to official naming by the Board.

SECTION VII. RENAMINGS AND REVOCATION.

Subd. 1. Renamings. The University reserves the right to rename any named asset of the University. Renamings shall be consistent with the review and approval process for namings.

Subd. 2. Revocation. The University reserves the right to revoke a naming if for any reason it presents risk or harm to the reputation of the University, or if the intent of a gift or the terms of a sponsorship associated with the naming cannot be fulfilled. For all namings requiring Board approval, the Board reserves the right to revoke them. Other namings may be revoked by the president or delegate.

SECTION VIII. IMPLEMENTATION.

Subd. 1. Legal Review. All gift agreements or contracts involving a naming must be reviewed by the Office of the General Counsel prior to approval.

Subd. 2. Administration. The president or delegate shall establish and maintain administrative policies and procedures to implement this policy.
PRESIDENT’S RECOMMENDED FY2011 ANNUAL CAPITAL IMPROVEMENT BUDGET

President Bruininks presented for action the FY2011 Annual Capital Improvement Budget (Budget). The Budget authorizes projects totaling $406 million to begin design or construction during the next fiscal year. Bruininks noted that the Budget was reviewed at the May 2010 Board of Regents meeting. Bruininks pointed out that the administration has undertaken major reform initiatives in the area of capital investments, and has focused planning on renewal of buildings, more effective use of existing space, and a commitment to defer projects. 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.

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. O’Brien noted that the total Budget has changed slightly since May. She summarized the additions and adjustments.

In response to questions from Boardmembers, O’Brien indicated that a committee has been appointed to assess the potential impact to individual laboratories from the Central Corridor Light Rail Project (CCLRT). She discussed several laboratories and described some aspects of moving the facilities or other solutions as well as some identified funding sources for the costs of such actions.

In response to a question from Regent Frobenius, O’Brien clarified funding for the Northrop project. She indicated that funds included in the Budget are for the next steps of design and development, and that upon successful completion of private fundraising the project itself would return for a capital budget amendment within the next calendar year. President Bruininks noted that the funds have been raised and committed for this portion of the project, and without the design and development work the project would ultimately become more expensive. He pointed out that the project will require review and approval by the Board of Regents before proceeding.

A motion was made and seconded, and the Board of Regents voted unanimously to approve the Resolution Related to the FY2011 Capital Improvement Budget as follows:

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

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

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

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

NOW, THEREFORE, BE IT RESOLVED, that the Board of Regents approves the FY 2011 Capital Improvement Budget and reaffirms its prior year capital expenditure authorizations.

**PRESIDENT’S RECOMMENDED FY2011 ANNUAL OPERATING BUDGET**

President Bruininks presented the FY2011 Annual Operating Budget (Budget) as included in the docket and associated materials presented at the meeting and on file in the Board Office.

Bruininks reported that the state’s annual commitment to the University of Minnesota for FY2011 has dropped from $703 million to $591 million. The administration was able to be strategic and proactive in anticipation of the reduction and began work early on to manage the reductions, which will require difficult long-term academic and financial planning, restructuring, redesign of the business operations, and long-term targeted reductions. He reminded the Board that the state’s economic circumstances may create a state structural deficit in FY2012-13. While long-term planning is critical, it is equally important to monitor short-term issues as well.

Bruininks outlined four strategies upon which the Budget was developed:

- Maintain the University’s momentum, quality, and competitiveness;
- Increase productivity and maximize efficiency;
- Make the case for public investment; and
- Grow reliable sources of financial support.

Bruininks described the $152 million FY2011 budget challenge caused by state budget cuts, expenditure needs, and an extra pay period in FY2010. He described a number of initiatives developed to reduce costs, including targeted reductions for all academic and administrative support units, compensation planning, administrative restructuring, construction management and energy practices, and growth of non-state revenue.

Bruininks presented the all-funds $3.4 billion annual system-wide system budget, including revenue and expenditures, and restricted and nonrestricted funds. He stressed that state support is important to leverage grants and to support of research at the University, which are critical for the University. Bruininks presented a graph of state funding trends from 1997 to 2011, illustrating the deep reductions in state support. He noted the following: current funding levels are comparable to those in 2001; tuition revenue comprises approximately 21 percent of total revenues; state support provides approximately 17 percent, and grants and contracts are nearly at the state level as well.

Bruininks discussed how the federal stimulus funds have mitigated tuition increases for some students and have provided one-time critical investments to support the research and educational infrastructure.
Bruininks introduced Senior Vice President and Provost Sullivan and Senior Vice Presidents Cerra and Jones to provide examples of how reductions have been managed in each of their areas of responsibilities. Sullivan focused on where strategic decisions and cuts have been made in undergraduate education support. He pointed out that financial aid has not been, nor will it be reduced this year. Sullivan provided a number of examples in undergraduate and graduate enrollment, changes course section offerings, faculty and staff hiring, and other areas in academic units that have been impacted by budget reductions.

Cerra noted that the Academic Health Center focused on four areas to address in addressing the budget challenge: revenue enhancements, cost reductions, administrative efficiencies, and strategic targeted investments. He provided several examples from each of the four areas and how the reorganization efforts have resulted in cost savings and improved efficiencies within the AHC. He observed that in some areas services have decreased.

Jones focused on how the coordinate campuses and other system-wide and statewide academic units have managed significant budget challenges. He emphasized that in many cases, these units face greater challenges than units on the Twin Cities campus, as they are heavily dependent on state revenue in order to carry out their teaching, research, and outreach mission. In addition, many of these units provide direct services and outreach to citizens of the state. The administration continues to minimize the negative impact of the budget reductions on these constituents while making targeted investments to support key strategic priorities. He provided examples of reorganization efforts from each of the coordinate campuses and within the University Extension Service.

Chair Allen invited Matt Privratsky, Chair of the Student Representatives to the Board of Regents, to comment on the proposed Budget. Privratsky commended the administration and the Regents for working to mitigate tuition increases while preserving the quality of the institution.

Regent Beeson urged the administration to study nonresident tuition rates to ensure they are appropriate for the marketplace. He cautioned that it is critical to develop a strategic approach for compensation in order to recruit and retain talented faculty and staff.

In response to a question from Regent Hunter, Sullivan indicated that colleges are reviewing how deceased course sections will affect graduation rates and will provide an update of those studies at a future meeting of the Board of Regents.

The President’s Recommended FY2011 Annual Operating Budget will return for action at a future meeting of the Board of Regents.

USE OF THE NAME: UNIVERSITY OF MINNESOTA PHYSICIANS

Regent Simmons stated that she would recuse herself from the discussion due to a potential conflict of interest and left the meeting.

Chair Allen invited Senior Vice President Cerra, General Counsel Rotenberg and Leo Furcht, Chair of the Board, University of Minnesota Physicians (UMP) to lead the
discussion on the relationship between the University of Minnesota and UMP regarding use of the University’s name.

Rotenberg recalled that at its February 2010 meeting, the Board of Regents adopted amendments to Board of Regents Policy: *Reservation and Delegation of Authority (Reservation)*, dealing with the authority of the Board and the administration to place and remove University names and marks on physical property and intangible assets. During the discussion of those proposed amendments, questions arose about how adoption of the amendments would affect marketing of UMP activities and services.

Rotenberg directed the Board’s attention to correspondence (on file in the Board Office) illustrating the parameters of the University’s existing rights and obligations in this area. Rotenberg stated that the authority UMP has to use “University of Minnesota” and “U of M” appears in a Trading Name Agreement signed in July 1997 and extending through 2017, unless amended by both parties. Rotenberg described how UMP uses the names and marks in advertising, branding, and marketing medical services in Minnesota. He also described several provisions of the agreement and outlined four specific criteria that the University uses in determining whether or not the marks should continue to be used by UMP. Rotenberg also highlighted ways the University can control and protect its name and wordmarks.

Cerra summarized UMP’s current and historical uses of the University name, as detailed in the materials presented at the meeting and on file in the Board Office. In all applications, UMP adheres to the University brand standards. He noted that when UMP uses the University name, regular faculty of the University are present. He stressed that UMP is controlled by the regular faculty of the University and is governed by the rules of UMP, with final decisions made by the UMP board. In response to a question from Regent Cohen, Cerra indicated that there are a small number of non-faculty physicians in UMP, but those individuals are generally in the process of obtaining adjunct faculty appointments.

Furcht noted that UMP’s physicians are very concerned about maintaining the integrity of the University brand. The reputation of UMP is indelibly etched in the University brand, and it is essential to ensure a high quality patient experience.

Regent Simmons returned to the meeting.

**REPORT OF THE AUDIT COMMITTEE**

Regent Hunter, Chair of the committee, reported that the committee discussed the University’s tolerance for risk; received the external audit plan; received an internal audit update; and discussed a number of information items included in the docket materials.

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

Regent Simmons, Chair of the committee, reported that the committee voted unanimously to recommend:
a) Approval of the Consent Report for the Educational Planning & Policy Committee as presented to the committee and described in the June 10, 2010 committee minutes.

b) Approval of an academic program name change for the Humphrey Institute of Public Affairs to the Humphrey School of Public Affairs.

c) Adoption of proposed amendments to Board of Regents Policy: University of Minnesota Press, as follows.

**University of Minnesota Press**

Subd. 1. Scope. The University of Minnesota Press (University Press), a department of the University of Minnesota (University), is the University's scholarly publishing arm, and its publications shall include specialized, instructional, and general works.

Subd. 2. University Control. University Press programs shall be within the administrative and financial control of the University and the editorial control of a faculty committee.

Subd. 3. Director. The president or delegate shall appoint as chief administrative officer of the University Press a director who shall be responsible for editorial planning, acceptance of projects for publication, and financial and operational management.

Subd. 4. Committees. The president or delegate shall:

   (a) annually appoint a committee of the faculty to advise the director on editorial policy and planning and acceptance of projects for publication; and

   (b) appoint an external committee of researchers and practitioners to establish research priorities, review annual research, and review product development requests for the test publishing program of the University.

Subd. 5. Revenues. The University Press shall be supported by revenues from the sale of book, journal, test, and digital publications, licenses, and subsidiary rights.


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

Simmons reported that the committee also discussed research dissemination, and reviewed a number of information items included in the docket materials.
REPORT OF THE FACILITIES COMMITTEE

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

a) Approval of a Resolution Related to the Adoption of Amendments to the Regents of the University of Minnesota Traffic Regulation Ordinances, as follows:

WHEREAS, in accordance with Minnesota Statutes 1979, Chapter 169.965 and Chapter 137.12 the Regents of the University of Minnesota have adopted Traffic Regulation Ordinances; and

WHEREAS, the Regents of the University of Minnesota reserve the right to amended and update the Traffic Regulation Ordinances from time to time as recommended by the administration; and

WHEREAS, the administration is in the process of updating the Twin Cities Campus Parking and Transportation Policies, which requires the Traffic Regulation Ordinances be amended accordingly; and

WHEREAS, the Board of Regents reviewed the proposed amendments to the Traffic Regulation Ordinances at their meeting in May 2010; and

WHEREAS, having published the required public notices, the Regents of the University of Minnesota conducted a public hearing on the proposed amendments to the Regents of the University of Minnesota Traffic Regulation Ordinances on the 10th day of June, 2010, at 1:30 o’clock p.m., in the West Committee Room, on the 6th floor of the McNamara Alumni Center, located at 200 Oak Street Southeast, Minneapolis, Minnesota.

NOW, THEREFORE, BE IT RESOLVED, that as recommended by the administration, having informed the affected communities and conducted the public hearing, the amendments to the Regents of the University of Minnesota Traffic Ordinances, as detailed in the docket materials of the Facilities Committee on pages 3-16, are approved.

REGENTS OF THE UNIVERSITY OF MINNESOTA

TRAFFIC REGULATION ORDINANCES

2010

ORDINANCE NO. 1

THE REGENTS OF THE UNIVERSITY OF MINNESOTA, A CONSTITUTIONAL EDUCATIONAL CORPORATION (“UNIVERSITY OF MINNESOTA”), DOES ORDAIN:

ARTICLE I.

342 Board of Regents
June 11, 2010
Section 1. Pursuant to authority granted in Minnesota Statutes Chapters 137 and 169, the University of Minnesota is hereby authorized to employ peace officers of the University of Minnesota.

Section 2. Said peace officers shall have the powers of arrest to enforce the rules, regulations and ordinances adopted by the University of Minnesota and the Highway Traffic Regulations Act, all pursuant to Minnesota Statutes Chapters 137 and 169, as amended.

ARTICLE II.

SAVING CLAUSE

If any part or parts of this ordinance shall be held unconstitutional, such fact shall not affect the validity of the remaining parts of this ordinance. The University of Minnesota hereby declares it would have passed the remaining parts of this ordinance if it had known that such part or parts thereof would be declared unconstitutional.

ARTICLE III.

EFFECTIVE DATE

This ordinance and any amendments thereto shall be enforced and in effect upon the filing of the same with proof of publication thereof with the Secretary of State of the State of Minnesota.

ORDINANCE NO. 2

THE REGENTS OF THE UNIVERSITY OF MINNESOTA, A CONSTITUTIONAL EDUCATIONAL CORPORATION ("UNIVERSITY OF MINNESOTA"), DOES ORDAIN:

ARTICLE I.

APPLICATION

This ordinance and subsequent ordinances, unless expressly stated therein, shall apply to the regulation of traffic and parking upon parking facilities, highways, streets, private roads and roadways, as herein defined, situated on all properties owned, leased or occupied by the University of Minnesota.

Where not in conflict with the Regents of the University of Minnesota Traffic Regulation Ordinances, the Uniform Highway Traffic Regulations Act and Minnesota Statutes Chapters 137 and 169, as amended and revised, shall apply upon all properties and facilities owned, leased or occupied by the University of Minnesota.

ARTICLE II.
DEFINITIONS

The following words and phrases when used in this ordinance and subsequent ordinances, unless expressly stated therein, shall have the meanings respectively ascribed to them in this section:

Section 1. Street or Highway. "Street or Highway" means the entire width between curb or surface lines of any way or place when any part thereof is open to the use of the public for the purposes of vehicular traffic.

Section 2. Private Road or Driveway. "Private Road or Driveway" includes every street or highway not dedicated to the respective governmental subdivision and every way or place in University of Minnesota ownership used for vehicular travel by the owner and those having express or implied permission from the owner, but not other persons.

Section 3. Roadway. "Roadway" means that portion of a street or highway, private road or driveway or parking facility designed or ordinarily used for vehicular travel or the accommodation of stopped or parked vehicles.

Section 4. Parking. "Parking" refers to the standing of a vehicle upon a street or highway, private road or driveway or roadway, whether accompanied or unaccompanied by the operator thereof.

Section 5. Parking Facility. "Parking Facility" refers to those areas or structures located on University of Minnesota owned or leased property and authorized for the parking of vehicles, whether without charge or for a fee.

Section 6. Unless specifically defined herein, any term used in this ordinance and defined in Minnesota Statutes Section 169.01 has the meaning given it by that Section.

ARTICLE III.

TRAFFIC PROVISIONS

Section 1. Miscellaneous Provision. No vehicle shall be driven, operated or parked upon properties owned by or under the supervision and control of the University of Minnesota, except upon parking facilities, highways or streets, private roads or driveways and roadways, as defined in this ordinance, and then only subject to the provisions of the Ordinances of the Regents of the University of Minnesota, the Highway Traffic Regulation Act (Minnesota Statutes Chapter 169, as amended) or other lawful authority.

Section 2. Stopping. It shall be unlawful for any person to drive and operate, stop or park a vehicle upon any roadway so as to needlessly, unnecessarily and unwarrantedly block, obstruct or interfere with the orderly flow of traffic, vehicular and pedestrian. Proof that such traffic was blocked, obstructed or interfered with shall be prima facie evidence that such blocking, obstructing and interference was needless, unnecessary and unwarranted.
No vehicles shall stop on or in any crosswalk or driveway so as to interfere with the passage of pedestrians.

Section 3. Parking. (a) Parking is prohibited upon all properties owned, leased or occupied by the University of Minnesota which have not been designated a parking facility or as parking areas and appropriately marked as such, except that a vehicle may be temporarily parked for the purpose of loading or unloading where access to the premises is not otherwise available and in specially designated construction staging areas. A clear and safe path of travel for pedestrians must be maintained at all times.

(b) Except where signs designate angle parking, no person shall stand or park a vehicle other than parallel with the edge of the roadway, headed in the direction of traffic, with the curb-side wheels of the vehicle within twelve inches of the edge of the roadway and not closer than four feet to another vehicle parked at the curb; or not in compliance with the established signs and marking then evident.

(c) Except where signs designate angle parking upon any roadway not having a curb, each vehicle stopped or parked shall be stopped or parked parallel with and to the right of the paved or improved or main traveled part of the street or highway.

(d) No person shall park a vehicle for a longer period of time than is designated on traffic control devices marking such zone.

(e) No person shall stop, stand or park a vehicle, unless directed to do so by a police officer, on any roadway where the University of Minnesota has authorized a "No Parking Zone," or Bus Stop or Bus Zone and such zone is marked by sign or yellow curb.

(f) No person shall park a vehicle on any roadway except pursuant to the terms or conditions regulating parking on said properties as indicated on the parking meter instruction plates or upon signs erected in the area.

(1) If said vehicle shall remain in any such parking space beyond the parking time limit for such parking space and the parking meter shall have displayed the sign for illegal parking, such vehicle shall be considered as parked overtime and such overtime parking shall be a violation of this ordinance.

(2) No person shall deposit or cause to be deposited in any parking meter any slugs, devices or other substances as a substitute for a coin of the United States.

(3) No person shall damage, deface, tamper with, open or willfully break, destroy or impair the usefulness of any parking meter installed under the provisions of this ordinance.
(g) Official University Vehicle Zones.

Establishment.

(1) No person shall stand or park any vehicle, except an official University vehicle designated with a proper permit displayed from the rear view mirror of such vehicle in any area designated and posted as an official University vehicle zone, and then only in accordance with the conditions of the permit and the posted signs.

(h) Parking Facilities and Parking Areas. All parking in parking facilities and areas designated as parking areas shall be in conformity with posted signs and instructions and pavement markings, unless otherwise directed by lawful authority.

Section 4. Careless Driving. No person shall operate or halt any vehicle carelessly or recklessly upon a roadway in disregard of the rights or safety of others or in a manner so as to endanger or be likely to endanger any person or property.

Section 5. Speed Limits. No vehicle shall be driven or operated upon a roadway at a speed greater than twenty miles per hour, or less if otherwise posted.

Section 6. Special Hazards. Notwithstanding the speed limits set forth in Section 5 of this ordinance, no person shall drive a vehicle at a speed greater than is reasonable and prudent under the conditions, and having regard for the actual and potential hazards then existing. In every event, the speed shall be so restricted as may be necessary to avoid colliding with any person, vehicle or other conveyance on or entering the street, avenue or roadway in compliance with legal requirements and the duty of all persons to use due care.

Section 7. Obedience to Traffic Control Signs and Devices. No pedestrian, driver of a vehicle or person riding an animal or bicycle shall disobey the instructions of any official traffic control sign or device, unless at the time otherwise directed by a police officer or parking enforcement personnel.

Section 8. Towing. Any police officer or parking enforcement personnel are hereby empowered to cause to be removed and towed any unattended vehicle, including those determined to be abandoned, standing or parked in violation of the terms of this ordinance, the Uniform Traffic Regulation Act or other lawful authority. Where such vehicle is towed away and stored, such vehicle will not be returned to the owner thereof except upon satisfactory proof of ownership and upon payment of the reasonable cost for towage and storage of such vehicle.

ARTICLE IV.

PARKING ENFORCEMENT PERSONNEL

Section 1. The President or his/her designee is authorized to execute in the name of the Regents of the University of Minnesota a certificate of appointment
for persons designated as University Parking Enforcement Personnel, whose appointment, salary, wages and other terms and conditions of employment shall be pursuant to the University of Minnesota Civil Service Rules or applicable bargaining unit contract.

Section 2. Parking enforcement personnel shall have the authority to issue traffic tags for parking meter and other non-moving violations under the code and the state traffic laws, on property owned, leased or occupied by the University of Minnesota. Such tags shall have the same force and effect as though issued by a duly appointed qualified and acting peace officer.

ARTICLE V.

VIOLATIONS

Section 1. Prima facie violation. The presence of any motor vehicle on any street when standing or parked in violation of this ordinance is prima facie evidence that the registered owner of the vehicle committed or authorized the commission of the violation.

Section 2. Separate violations. Unless otherwise provided, each act of violation and every day on which a violation occurs or continues constitutes a separate offense.

Section 3. Penalties. Any person found violating any of the provisions of this ordinance upon conviction shall be guilty of a petty misdemeanor.

ARTICLE VI.

SAVING CLAUSE

If any part or parts of this ordinance shall be held unconstitutional, such fact shall not affect the validity of the remaining parts of this ordinance. The University of Minnesota hereby declares it would have passed the remaining parts of this ordinance if it had known that such part or parts thereof would be declared unconstitutional.

ARTICLE VII.

EFFECTIVE DATE

This ordinance shall be enforced and in effect upon the filing of the same with proof of publication thereof with the Secretary of State of the State of Minnesota.

ORDINANCE NO. 3
THE REGENTS OF THE UNIVERSITY OF MINNESOTA, A CONSTITUTIONAL EDUCATIONAL CORPORATION ("UNIVERSITY OF MINNESOTA"), DOES ORDAIN:

ARTICLE I.

This ordinance and subsequent ordinances, unless expressly stated therein, shall apply to the regulation of bicycles and bicycle traffic and parking upon all properties owned, leased or occupied by the University of Minnesota.

ARTICLE II.

DEFINITIONS

Unless specifically defined herein, any term used in this ordinance and defined in Minnesota Statutes, Section 169.01 has the meaning given it by that Section.

ARTICLE III.

DRIVING AND OPERATION OF BICYCLES

Section 1. Every person operating a bicycle upon properties owned, leased or occupied by the University of Minnesota shall have all the rights and duties applicable to the driver of a vehicle by this ordinance and Minnesota Statutes Chapters 137 and 169, except as to provisions of such ordinance or statutes which by their nature have no application.

Section 2. No person shall ride and propel a bicycle upon property owned, leased or occupied by the University of Minnesota except in a prudent and careful manner, with reasonable regard to the safety of the operator and other persons.

Section 3. No person shall operate a bicycle on sidewalks, crosswalks or pedestrian areas located on property owned, leased or occupied by the University of Minnesota except:

(a) in compliance with all posted signs governing or directing the operation or parking of bicycles, where applicable; and

(b) where bicycle lanes are designated by lane markings and signs or pavement markings.

Section 4. A person walking a bicycle on sidewalks or plazas on properties owned, leased or occupied by the University of Minnesota shall have all the rights and duties applicable to pedestrians.

ARTICLE IV.

PARKING AND STORAGE OF BICYCLES
Section 1. No person shall park a bicycle in any classroom, auditorium, laboratory or other place which blocks or limits access to building entrances, handicap or pedestrian ramps, stairways, hallways, doors, fire hydrants, fire lanes, bicycle lanes or sidewalks except where a bicycle rack extends into any of these areas.

Section 2. No person shall transport bicycles in University of Minnesota building elevators or operate bicycles in University of Minnesota buildings.

Section 3. No person shall chain or otherwise attach a bicycle to any tree or plant material or park a bicycle on any handicap or pedestrian ramp.

Section 4. Any police officer or agent of the chief law enforcement officer is hereby empowered to cause to be removed and stored in other areas on University of Minnesota premises or in a public garage any unattended bicycle standing or parked in violation of Sections 1 and 3 of this ordinance, the Uniform Traffic Regulation Act or other lawful authority.

Where such bicycle is removed and stored in other areas on the premises of the University of Minnesota or in such public garage, such bicycle will be held for 30 days and will not be returned to the owner thereof except upon satisfactory proof of ownership. Bicycles will be disposed of if not claimed within 30 days.

The presence of any bicycle on any street or other area when standing or parked in violation of this ordinance is prima facie evidence that the owner of the bicycle committed or authorized the commission of the violation.

ARTICLE V.

BICYCLE MONITORS

Section 1. The President or his/her designee is authorized in the name of the Regents of the University of Minnesota to appoint and train student employees designated as University of Minnesota bicycle monitors, whose salary, wages and other terms and conditions of employment shall be determined pursuant to the University of Minnesota Student Employment Rules.

Section 2. Bicycle monitors shall have the authority to patrol University of Minnesota property on University of Minnesota owned bicycles and to issue traffic tags for parking and/or moving violations committed by bicyclists or pedestrians under this code on property owned, leased or occupied by the University of Minnesota. Such tags shall have the same force and effect as though issued by a duly appointed qualified and acting peace officer.

ARTICLE VI.

VIOLATIONS

Section 1. Prima facie violations. The presence of any bicycle on any street when standing or parked in violation of this ordinance is prima facie evidence that the
registered owner of the bicycle committed or authorized the commission of the violation.

Section 2. Separate violations. Unless otherwise provided, each act of violation and every day on which a violation occurs or continues constitutes a separate offense.

Section 3. Penalties. Any person found violating any of the provisions of this ordinance upon conviction shall be guilty of a petty misdemeanor.

ARTICLE VII.

SAVING CLAUSE

If any part or parts of this ordinance shall be held unconstitutional, such fact shall not affect the validity of the remaining parts of this ordinance. The University of Minnesota hereby declares it would have passed the remaining parts of this ordinance if it had known that such part or parts thereof would be declared unconstitutional.

ARTICLE VIII.

EFFECTIVE DATE

This ordinance and any amendments thereto shall be enforced and in effect upon the filing of the same with proof of publication thereof with the Secretary of State of the State of Minnesota.

ORDINANCE NO. 4

THE REGENTS OF THE UNIVERSITY OF MINNESOTA, A CONSTITUTIONAL EDUCATIONAL CORPORATION ("UNIVERSITY OF MINNESOTA"), DOES ORDAIN:

ARTICLE I.

APPLICATION

This ordinance and subsequent ordinances unless expressly stated therein, shall apply to the regulation of skateboarding and roller skating upon all properties owned, leased or occupied by the University of Minnesota.

ARTICLE II.

DEFINITIONS

The following words and phrases when used in this ordinance have the meanings given them below:
Section 1. Skateboard. "Skateboard" means a device for riding upon, usually
while standing, consisting of a piece of wood or other composition mounted on
skate wheels, with or without motorized power.

Section 2. Roller Skate. "Roller skate" means a form of skate having small wheels
or rollers instead of a runner. The term shall also include devices commonly
known as in-line skates and roller skis.

Section 3. Unless specifically defined herein, any term used in this ordinance
and defined in Minnesota Statutes Section 169.01 has the meaning given it by
that Section.

ARTICLE III.

PROHIBITIONS

Section 1. Skateboarding. No person shall ride or operate a skateboard upon
properties owned, leased or occupied by the University of Minnesota, including
but not limited to buildings, mall and plaza areas, sidewalks, streets, alleys and
parking facilities where applicable.

Section 2. Roller Skating. No person shall ride or operate roller skates upon
properties owned, leased or occupied by the University of Minnesota, except in a
prudent and careful manner, with reasonable regard for the safety of the
operator and other persons.

ARTICLE IV.

VIOLATIONS

Section 1. Penalties. Any person found violating any of the provisions of this
ordinance upon conviction shall be guilty of a petty misdemeanor.

Section 2. Impoundment. Any police officer who observes a person violating this
Ordinance is authorized to seize the person's skateboard or roller skates and
impound them at the University of Minnesota Police Department for twenty-four
(24) hours.

ARTICLE V.

SAVING CLAUSE

If any part or parts of this ordinance shall be held unconstitutional, such fact
shall not affect the validity of the remaining parts of this ordinance. The
University of Minnesota hereby declares it would have passed the remaining
parts of this ordinance if it had known that such part or parts thereof would be
declared unconstitutional.

ARTICLE VI.
EFFECTIVE DATE

This ordinance and any amendments thereto shall be enforced and in effect upon the filing of the same with proof of publication thereof with the Secretary of State of the State of Minnesota.

ORDINANCE NO. 5

THE REGENTS OF THE UNIVERSITY OF MINNESOTA, A CONSTITUTIONAL EDUCATIONAL CORPORATION ("UNIVERSITY OF MINNESOTA"). DOES ORDAIN:

ARTICLE I.

APPLICATION

This ordinance shall apply to the regulation of traffic and parking upon the University Transitway.

ARTICLE II.

DEFINITIONS

The following words and phrases when used in this ordinance shall have the meanings respectively ascribed to them in this section:

Section 1. "University Transitway" means the University of Minnesota owned roadway connecting the Minneapolis and St. Paul campuses.

Section 2. "Emergency Vehicle" means public police and fire vehicles, and public and private ambulances.

Section 3. "Public Works, Maintenance and Service Vehicles" include public and private repair and construction vehicles and equipment; public and private street cleaning and snow removal vehicles and equipment; public and private water and sewer repair and construction vehicles and equipment; and public and private vehicles and equipment engaged in construction, service and repair of electric, gas, telephone or other public utility facility, all such vehicles only while engaged in the stated activities on the University Transitway or on property immediately adjacent where access is required from the University Transitway.

Section 4. "Public Carriers" include University of Minnesota contracted vehicles engaged in the mass transportation of persons by bus between Minneapolis and St. Paul campuses with intermediate stops at University of Minnesota designated locations.
Section 5. Unless specifically defined herein, any term used in this ordinance and defined in Minnesota Statutes Section 169.01 has the meaning given it by that Section.

ARTICLE III.

TRAFFIC PROVISION

Section 1. Limited Access. No motor vehicle or other vehicle shall travel on the University Transitway except emergency vehicles; public works, maintenance and service vehicles; and public carriers.

No limitation or prohibition shall apply to vehicles on a street intersecting or crossing such part of the University Transitway.

ARTICLE IV.

SPEED

Section 1. No person shall travel in excess of the posted speed limit. The President or his/her designee is authorized to determine the posted speed limit in consultation with appropriate University of Minnesota police, health and safety and appropriate engineering officials. Such speed limit shall not be in excess of 40 mph.

ARTICLE V.

PARKING

Section 1. Parking is prohibited on the University Transitway.

ARTICLE VI.

VIOLATIONS

Section 1. Prima facie violations. The presence of any vehicle on the University Transitway when standing or parked in violation of this ordinance is prima facie evidence that the registered owner of the vehicle committed or authorized the commission of the violation.

Section 2. Separate violations. Unless otherwise provided, each act of violation and every day on which a violation occurs or continues constitutes a separate offense.

Section 3. Penalties. Any person found violating any of the provisions of this ordinance upon conviction shall be guilty of a petty misdemeanor.

ARTICLE VII.

SAVING CLAUSE
If any part or parts of this ordinance shall be held unconstitutional, such fact shall not affect the validity of the remaining parts of this ordinance. The University of Minnesota hereby declares it would have passed the remaining parts of this ordinance if it had known that such part or parts thereof would be declared unconstitutional.

ARTICLE VIII.

EFFECTIVE DATE

This ordinance shall be enforced and in effect upon the filing of the same with proof of publication thereof with the Secretary of State of the State of Minnesota.

ORDINANCE NO. 6

THE REGENTS OF THE UNIVERSITY OF MINNESOTA, A CONSTITUTIONAL EDUCATIONAL CORPORATION ("UNIVERSITY OF MINNESOTA"), DOES ORDAIN:

ARTICLE I.

APPLICATION

This ordinance shall apply to the regulation of mopeds in their operation and parking upon parking facilities, highways, streets, private roads and roadways, as herein defined, situated on all properties owned, leased or occupied by the University of Minnesota.

ARTICLE II.

DEFINITIONS

The following words and phrases when used in this ordinance have the meanings given them below:

Section 1. Moped. "Moped" means a motorized bicycle that is propelled by an electric or a liquid fuel motor of a piston displacement capacity of 50 cubic centimeters or less, and a maximum of two brake horsepower, which is capable of a maximum speed of not more than 30 miles per hour on a flat surface with not more than one percent grade in any direction when the motor is engaged.

Section 2. Operate. "Operate" means to drive or be in actual physical control of a moped.

Section 3. "University Transitway" means the University of Minnesota owned roadway connecting the Minneapolis and St. Paul campuses.

ARTICLE III.

OPERATION OF MOPEDS
Section 1. General Provision. All mopeds shall be operated in accordance with Local, State, Federal, and University of Minnesota Twin Cities Campus permitting regulations.

Section 2. No person shall operate a moped upon property owned, leased or occupied by the University of Minnesota except in a prudent and careful manner, with reasonable regard to the safety of the operator and other persons.

Section 3. Current Registration. No person shall operate or park a moped upon property owned, leased or occupied by the University of Minnesota unless said moped is currently registered under the current owner with the State of Minnesota and displays a valid license plate.

Section 4. Pedestrian Areas. No person shall ride a moped on sidewalks, crosswalks, pedestrian walkways, service drives, or wheelchair ramps located on property owned, leased or occupied by the University of Minnesota, unless the area is specifically designated for use by motorized vehicles.

Section 5. Bicycle Paths or Lanes. No person shall operate a moped on a designated bicycle path or lane.

Section 6. Washington Avenue Pedestrian Bridge. No person shall ride a moped on the Washington Avenue Pedestrian Bridge. A person may, however, walk across the Washington Avenue Pedestrian Bridge with a moped.

Section 9. University Transitway. No person shall operate a moped on the University Transitway.

Section 10. Restricted Areas. No person shall operate a moped in any area that is restricted to emergency vehicles and buses.

Section 11. Helmets. No person under 18 shall operate a moped without a helmet.

Section 12. Eye Protection. No person shall operate a moped without eye protection.

Section 13. Standard Equipment. No person shall operate a moped that lacks any of the following in working order: headlight, taillight, horn, mirror, or stop lamp.

Section 15. Passengers. No person shall carry a passenger while operating a moped.

Section 16. Carrying Objects. No person shall operate a moped while carrying any object that prevents the person from keeping both hands upon the handlebars.

Section 17. Liability Insurance. No person shall operate a moped without liability insurance.
Section 18. Buildings and Building Elevators. No person shall transport a moped in University of Minnesota building elevators or operate a moped in University of Minnesota buildings.

Section 19. Pedestrians. All persons operating mopeds shall yield to pedestrians.

ARTICLE IV.

PARKING AND STORAGE OF MOPEDS

Section 1. Mopeds may park in any public parking facility and pay the posted rate.

Section 2. Designated Moped Parking. Moped permits are valid only in designated moped parking areas. Mopeds parked in any designated moped parking areas must display a valid moped parking permit.

Section 3. Surface Lots. Full-time staff or faculty with an active surface lot contract may park a moped in their assigned surface lot.

Section 4. Bicycle Racks and Parking Areas. No person shall park a moped at a bicycle rack or bicycle parking area on the University of Minnesota Twin Cities Campus.

Section 5. Attaching to Fixtures. No person shall park or lock a moped to a fixture outside of designated parking areas, including, but not limited to: a utility pole, bollards, tree, railing, sign post, or fence.

ARTICLE V.

VIOLATIONS

Section 1. Citations. Improperly parked or non-permitted mopeds may be cited by authorized University personnel.

Section 2. Current Registration and Permitting. Mopeds that do not display a current and valid plate, and a valid parking permit, as applicable, may be cited, towed and impounded.

Section 3. Prima facie violation. The presence of any moped on any part of the University of Minnesota Twin Cities Campus when standing or parked in violation of this ordinance is prima facie evidence that the registered owner of the moped committed or authorized the commission of the violation.

Section 4. Separate violations. Unless otherwise provided, each act of violation and every day on which a violation occurs or continues constitutes a separate offense.

Section 5. Penalties. Any person found violating any of the provisions of this ordinance upon conviction shall be guilty of a petty misdemeanor.
ARTICLE VI.

SAVING CLAUSE

If any part of parts of this ordinances shall be held unconstitutional, such fact shall not affect the validity of the remaining parts of this ordinance. The University of Minnesota hereby declares it would have passed the remaining parts of this ordinance if it had not known that such part or parts thereof would be declared unconstitutional.

ARTICLE VII.

EFFECTIVE DATE

This ordinance shall be enforced and in effect upon the filing of the same with proof of publication thereof with the Secretary of State of the State of Minnesota.

b) Approval of a Resolution related to the Campus Master Plan for the University of Minnesota Crookston, as follows.

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

The principle of creating and maintaining a distinctive and aspiring vision for the physical development of each campus;

The principle of enriching the experience of all who came to the campus;

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

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

and

WHEREAS, in spring 2008 Chancellor Casey charged a faculty, staff, and student steering committee to update the 2001 University of Minnesota, Crookston Campus Master Plan; and

WHEREAS, using internal resources and expertise supported by a professional planning consultant to update the Crookston Campus Master Plan resulted in the development of an update to the plan that reflects the consensus of the Campus community, supports the academic priorities of the Crookston Campus, and builds on the previous campus plan; and

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

WHEREAS, the plan recognizes the unique mission of the Crookston Campus as a regional hub in Northwestern Minnesota that provides applied career-oriented learning programs and connects its teaching, research and outreach activities to serve the public good; and

WHEREAS, the administration from the University of Minnesota has recommended the adoption of this Amendment to the Crookston Campus Master Plan;

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

c) Approval of schematic plans for the following project as presented to the committee and described in the June 10, 2010 committee minutes.

1. Biomedical Facilities Program – Cancer/Cardiovascular Projects, Twin Cities campus.

d) Approval of a Resolution to Amend Project Boundaries and Distribute the Draft Environmental Impact Statement for the UMore Park Sand and Gravel Resources Project, as follows:

WHEREAS, The Board of Regents is the responsible governmental unit for preparation of the environmental impact statement for the UMore Park Sand and Gravel Resources Project; and

WHEREAS, subsequent to the Board of Regents approval of the Scoping Decision Document identifying the alternatives and subject areas to be examined in depth in the environmental impact statement the Administration prepared a draft Environmental Impact Statement with respect to the Project; and

WHEREAS, in the course of preparing the draft Environmental Impact Statement the Administration concluded that it was appropriate to modify the study area to include an additional 120 acres of land located adjacent to the eastern boundary of the original study area and immediately north of Dakota County Road 46 (160th Street) extending to Akron Avenue and the draft Environmental Impact Statement covers the additional acreage; and

WHEREAS, the Board of Regents has the responsibility for determining whether the expansion of the study area is appropriate and whether the draft Environmental Impact Statement is ready for release and distribution;
NOW, THEREFORE, BE IT RESOLVED, that the boundary of the Project area subject to review is expanded to include an additional 120 acres as described above; and

BE IT FURTHER RESOLVED, that Administration shall distribute, publicize, hold a public informational meeting and accept comments regarding the draft Environmental Impact Statement in accordance with applicable law and take such other actions as are required to prepare a final Environmental Impact Statement.

Hunter reported that the committee also reviewed a resolution to nominate the Northrop Mall district for the National Register of Historic Places; discussed the following real estate transaction: 1) Five-year lease for Soudan Underground Laboratory, Soudan Underground Mine State Park, St. Louis County; and reviewed a number of information items contained in the docket materials.

REPORT OF THE FACULTY, STAFF & STUDENT AFFAIRS COMMITTEE

Regent Johnson, Chair of the committee, 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 June 10, 2010 committee minutes.

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

Johnson reported that the committee also received the annual UPlan report on the impact of federal and state health care reform legislation; received the annual report on intercollegiate athletics; and reviewed proposed amendments to Board of Regents Policy: Disability Services and to Board of Regents Policy: Employee Recruitment and Retention; and discussed a number of information items contained 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 June 10, 2010 committee minutes.

b) Approval of a Certification Resolution Related to: Issuance of Debt for State-Support Biomedical Facilities, as follows.

WHEREAS, in November 2008, pursuant to Minnesota Statutes, Sections 137.61 to 137.65 (Biomedical Science Research Funding Legislation), the Board of Regents of the University of Minnesota (Board)
authorized the issuance of Bonds in one or more series in the total
principal amount of up to $292,000,000 (November 2008 Authorization);

WHEREAS, in November 2009, pursuant to the November 2008
Authorization, the Board authorized the issuance and sale of Bonds up
to an aggregate principal amount of $53,200,000 (November 2009
Authorization) to fund the Center for Magnetic Resonance Research
(CMRR) under the Biomedical Science Research Funding Legislation;

WHEREAS, Section 137.64, Subd. 1 of the Biomedical Science
Research Funding Legislation provides that for each project approved by
the Board, (i) the Commissioner of Management and Budget of the State
of Minnesota (Commissioner) must certify that the Board has, by Board
resolution, approved the maximum project cost and complied with the
requirements of Section 137.63, Subd. 2; and (ii) the Board must certify
to the Commissioner the amount of the annual payments of principal
and interest required to service the bonds issued to fund such project
and the actual amount of the State’s annual payment to the University
under Section 137.64, Subd. 2 of the Biomedical Science Research
Funding Legislation; and

WHEREAS, Section 137.63, Subd. 2 requires that (i) the
University of Minnesota (University), either acting on its own or in
collaboration with another private or public entity, must pay at least 25
per cent of the project costs for each of the projects funded by the
Biomedical Science Research Funding Legislation and (ii) the Board must
not use tuition revenue to do so;

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

1. The maximum project cost for the CMRR, the first project
to be financed under the November 2009 Authorization, is
$53,200,000 and the University, either acting on its own or in
collaboration with another private or public entity, shall pay at least 25
per cent of the project cost for the CMRR.

2. The University shall not use tuition revenue to pay such
costs.

3. The Treasurer is authorized and directed to take all action
that may be necessary or appropriate to inform the Commissioner of
the directives stated in the paragraphs numbered 1 and 2 of this
resolution and thereby enable the Commissioner to make the
certification required by Section 137.64, Subd. 1, for the CMRR
project.

4. As soon as practicable after the Bonds to be issued under
the November 2009 Authorization have been sold and the
underwriter for such Bonds has reported to the University the
necessary information, the Treasurer is authorized and directed to
certify to the Commissioner, on behalf of the Board, the amount of
the annual payments of principal and interest required to service
such Bonds and the actual amount of the State's annual payment to the University under Section 137.64, Subd. 2 with respect to such Bonds.

5. This Certification Resolution ratifies and supplements the November 2009 Authorization. All specific authorizations contained in the November 2009 Authorization are hereby incorporated by reference.

Frobenius reported that the committee also discussed issues related to the President's Recommended FY2011 Annual Operating Budget; issues related to liquidity measures; and reviewed a number of information items contained in the docket materials.

REPORT OF THE LITIGATION REVIEW COMMITTEE

Regent Baraga, Chair of the committee, reported that the committee met in closed session on June 10, 2010 and no actions were taken.

The meeting adjourned at 12:15 p.m.

ANN D. CIESLAK
Executive Director and
Corporate Secretary

Board of Regents
June 11, 2010
A meeting of the Board of Regents of the University of Minnesota was held on Monday, June 14, 2010 at 11:30 a.m. in the Boardroom, 600 McNamara Alumni Center.

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

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

Regent Allen welcomed those in attendance to the Board of Regents Public Forum on the President’s Recommended Annual Operating Budget FY2011. He noted that the University of Minnesota Crookston, Duluth, Morris, and Rochester campuses were connected to the meeting via interactive television. Allen 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 22, 2010 Board meeting.

The following individuals were then called forward:

**Will Craig – Associate Director, Center for Urban and Regional Affairs; Vice-Chair, Council of Academic and Professional Administrators (CAPA)**

Mr. Craig commented that he had been at the University for over forty years and had never observed a financial situation this challenging. He reported that CAPA leadership supports the 1.5 percent salary reduction in the hope that current strategies will result in a better financial outlook.

**Mary Lou Middleton – AFSCME**

Ms. Middleton spoke in opposition to the proposed mandatory furlough plan for bargaining unit employees. She urged the administration to employ the furloughs only on a temporary basis due to the hardship it will place on many employees.

**Judith Martin – Professor, Geography**

Professor Martin observed that the financial outlook for the University seems to get worse every year. She advised the administration to examine all possible areas for cost reductions, including information technology, facilities, and personnel. Martin commended the University for increasing scholarship support at a greater rate than the increase in tuition.
Kelly Alghamdi Zimmerschied – AFSCME
Ms. Alghamdi Zimmerschied expressed disappointment in the transparency of the budget process. She observed that many employees are having an increasingly difficult time developing household budgets because of the salary reductions in recent years.

Phyllis Walker – AFSCME
Ms. Walker commented in favor of a voluntary furlough plan, pointing to the implementation of such programs in Hennepin County and the City of Minneapolis. She reported that a survey sent to all University employees demonstrated that a voluntary furlough plan would have been as successful as the mandatory plan included in the proposed budget.

Allison Davis-Blake – Dean, Carlson School of Management; Chair, Twin Cities Deans Council
Dean Davis-Blake spoke in favor of the compensation reduction component of the proposed budget. She commented that this compensation plan is necessary because of the current economic climate, but cautioned that future investment in faculty compensation will be necessary to remain competitive in the higher education marketplace.

Tamara Thompson – AFSCME
Ms. Thompson spoke in opposition to the replacement of bargaining unit positions with student employment. She urged the University to employ tactics other than decreases in bargaining unit positions, including cutbacks in upper level administrative posts.

Daniel Garry – Professor, Medicine
Dr. Garry spoke in support of increased funding in the biosciences. He observed that the Biomedical Discovery District will provide much needed facilities for researchers who are programmatically-funded, but lack physical space.

Amber Fox – University Staff
Ms. Fox noted that she had served on the University’s task force on the future finances. She noted that although most University employees were not planning on pay reductions, the compensation plan is a necessary component of the budget. Fox spoke in favor of the overall budget and commended the University for making hard decisions.

William Messing – Professor, Mathematics
Professor Messing observed that administrative mismanagement is the primary cause of the University’s financial problems. He commented that the University is operated too much like a corporation and should instead function as a community of scholars. Messing argued that faculty compensation should be greater than that of top administrators.

Ryan Kennedy – President-Elect, Graduate and Professional Student Assembly
Mr. Kennedy spoke in favor of greater student involvement in the development of the budget. He noted that students will share the burden of budget solutions through tuition increases and therefore should play a greater role in deliberations on the budget.

Cherrene Horazuk – AFSCME
Ms. Horazuk spoke in opposition to the proposed budget and urged greater cuts to upper level administrative positions. She observed that many bargaining unit employees have either lost their jobs or are struggling to make ends meet at the same time that there are over 250 positions at the University paying more than $200,000.
Sarah Waldemar – Chair, CAPA
Ms. Waldemar expressed support for the compensation component of the proposed budget and noted that the plan spreads the sacrifice throughout the entire University. She welcomed further collaboration with CAPA as budgetary decisions are made for future years.

Mary Allen – University Staff, Duluth Campus
Ms. Allen spoke from the Duluth campus and urged the administration to examine all options for future budget challenges, including the retirement incentive option implemented in recent years. She observed that mandatory furloughs affect certain classes of employees more than others.

Eva von Dassow – Professor, Classical/Near Eastern Studies
Professor von Dassow observed that although the University claims to have significant financial challenges, the budget continues to grow, especially in the areas of new buildings and administrative positions. She questioned University priorities and commented that the College of Liberal Arts is reducing its budget while the University is concurrently investing heavily in the bio-sciences.

Carl Platou – President Emeritus, Fairview
Mr. Platou spoke to the importance of investment in the Academic Health Center to the University’s quest for excellence. He reported that the Medical School Board of Visitors support the Biomedical Discovery District and believe it will benefit the University and the State immensely in future years.

Danielle Faribault – University Staff
Ms. Faribault reported that she had recently been laid-off from a position with the Weisman Art Museum and expressed disappointment in the process. She acknowledged that diminishing state support will require staff reductions, but urged the administration to make certain that lay-offs are implemented appropriately and in a professional manner.

Jessie Simmons – University Student
Mr. Simmons spoke in opposition to the proposed budget and associated tuition increase. He commented that too many of his classes are taught by teaching assistants and that a more prudent approach to the budget challenges would be further reductions in upper level administration positions.

Marti Gonzales – Professor, Psychology; Chair, Faculty Consultative Committee
Professor Gonzales spoke to the importance of continued investment in faculty compensation and recruiting. She acknowledged that the budget realities will result in compensation decreases and faculty reductions, but advocated for a focus on faculty retention in all disciplines and professor levels.

The meeting adjourned at 12:30 p.m.

ANN D. CIESLAK
Executive Director and
Corporate Secretary

Public Forum on the Annual Operating Budget
June 14, 2010
A meeting of the Board of Regents of the University of Minnesota was held on Friday, June 11, 2010 at 9:00 a.m. in the Boardroom, 600 McNamara Alumni Center.

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

Staff present: President Robert Bruininks; Senior Vice President and Provost Thomas Sullivan; Vice Presidents Kathryn Brown, Steve Cawley, Karen Himle, Kathleen O’Brien, Richard Pfutzenreuter, and Steven Rosenstone; Executive Director Ann Cieslak; and Associate Vice Presidents Sharon Reich Paulsen and Michael Volna.

PRESIDENT’S RECOMMENDED FY2011 ANNUAL OPERATING BUDGET

President Bruininks presented for action the FY2011 Annual Operating Budget (Budget) as included in the docket and associated materials presented at the meeting and on file in the Board Office.

Bruininks reported that actions have been taken to address the implication of the budgetary shortfalls at the University of Minnesota and to balance the FY2011 budget. He indicated that this budget represents state funding levels of ten years ago for the University, with additional reductions projected in the next biennium. He noted that national and state economic recovery might be more protracted, causing greater uncertainty for the next fiscal year and beyond.

Bruininks described the $152 million FY2011 budget challenge, which is due to state budget reductions and unallotments, the institution’s necessary expenditures, and the 27th pay period. He noted that of the $152 million budget challenge to be resolved this year, $32 million was related to the state unallotment. In keeping with past practices, every University unit state-wide were asked to solve 70 percent of the problem through expenditure reductions, deferred investments, cost reductions, and through growing revenue, including a relatively modest tuition increase.

Bruininks reported that the recommended budget:

- Maintains the commitment to affordability;
- Is balanced due to careful long-term planning and strategic reduction and reinvestment;
- Reduces costs and selected investments;
- Leverages state support and productivity of faculty and staff;
- Preserves jobs, compensates employees fairly, and asks everyone to play a role in reducing costs; and
• Supports strategic capital investment while deferring or canceling projects.

In response to a question from Regent Johnson, Bruininks indicated that the administration responded proactively to the anticipated state reductions and began early to study ways to mitigate the effects on academic programs. He described efforts to protect the workforce by instituting phased retirement programs, a hiring pause, and, more recently, salary reductions. He stressed that, in the future, if the institution receives another reduction of this magnitude, it will become more difficult to remain competitive with grants and contracts and attract and retain a talented workforce.

Regent Frobenius commented that, while undergraduate tuition increases have been offset by federal stimulus funds, tuition for graduate and professional students are faced with a 7.5 percent increase this year. He indicated that he supports the budget, but stressed the need to keep a careful eye on tuition for the next two years when state funding is likely to be flat. It will require careful establishment of principles, making the best case to the legislature, and seeking revenue sources in preparation of difficult budget challenges ahead. Bruininks noted that work has already begun to find solutions to meet future budget challenges.

Regent Larson commended the administration for the continued emphasis on raising funds for scholarships, increasing graduation rates, and for the proactive efforts of the Financing the Future Task Force, which was charged with addressing what it will take to finance the future of the University and maintain academic excellence.

Regent Cohen commented on the value the University holds to the state and to the region, and on the importance of investments made in areas that can advance the University and state.

Regent Beeson noted that he has concerns about non-resident tuition levels and commented that it would useful to have a discussion on tuition rates to ensure that the rates are competitive in the marketplace.

A motion was made and seconded, and the Board of Regents voted unanimously to approve the Resolution Related to the FY 2010-11 Operating Budget, as follows:

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

WHEREAS, the State of Minnesota, through its legislative and executive branches, has appropriated $591,191,000 in state general fund monies for fiscal year 2010-11 to the University of Minnesota, which a decrease of $32,226,000 in appropriations compared to the prior year’s funding level, for the pursuit of its mission and in support of our goals and objectives; and

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

WHEREAS, the future of the University is premised on partnerships within the University community of faculty, staff and students, with the State of Minnesota, other educational institutions, business and industry, University alumni, local communities, and the citizens of Minnesota; and
NOW, THEREFORE, BE IT RESOLVED that the Board of Regents hereby approves the University of Minnesota Fiscal Year 2010-11 Operating Budget as follows:

The annual revenue and expenditure plan for current, non-sponsored funds and projected expenditures for sponsored funds for fiscal year 2010-11.

The Fiscal Year 2010-11 Operating Budget approved by the Board of Regents includes the following attachments which are included in the President’s Recommended FY11 Operating Budget:
Attachment 1 - Resource and Expenditure Budget Plan (University Fiscal Page)
Attachment 4 - University of Minnesota 2010-11 Tuition Plan: Tuition Rates
Attachment 8 - University of Minnesota 2010-11 Tuition Plan: Course Fees
Attachment 9 - University of Minnesota 2010-11 Tuition Plan: Academic Term Fees
Attachment 10 - University of Minnesota 2010-11 Tuition Plan: Fees in Lieu of Tuition
Attachment 11 - Student Services Fees
Attachment 12 - Fund Forecast - Centrally Distributed and Attributed Funds

The meeting adjourned at 11:32 a.m.

[Signature]
ANN D. CIÉSLAK
Executive Director and Corporate Secretary

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Board of Regents
June 22, 2010