

FEBRUARY MEETING, 2014

*The University of Michigan
Ann Arbor
February 20, 2014*

The regents met at 3:10 in the Anderson Room, Michigan Union. Present were President Coleman and Regents Bernstein, Darlow, Deitch, Diggs, Ilitch, Newman, Richner, and White. Also present were Vice President and Secretary Churchill, Vice President Harper, Interim Vice President Hu, Chancellor Little, Vice President Lynch, Vice President May, Chancellor Person, Executive Vice President Pescovitz, Provost Pollack, Vice President Rudgers, Executive Vice President Slottow, and Vice President Wilbanks.

Call to Order and President's Opening Remarks

President Coleman began by highlighting the accomplishments of UM students participating in the Sochi Olympics. In Olympic ice dancing, juniors Meryl Davis and Charlie White, earned gold medals. The team included the "Shib Sibs," freshman Maia Shibutani and her brother sophomore Alex Shibutani, and also Evan Bates, who graduated in December 2013. Three former UM hockey players competed in Sochi for three different countries.

President Coleman noted that Governor Snyder shared his budget proposal for higher education, which includes a six percent increase. This marks the first substantial increase in more than a decade.

President Coleman said, "I want to take a few moments to talk about diversity and climate on campus. It is an issue essential to the excellence of this university, and one to which I have been deeply committed. One of my proudest moments as UM president was in 2003, when the U.S. Supreme Court upheld our right to consider race in admissions to help create more diversity in our student body.

“At the time, many people asked why the University was taking on such a divisive issue in such a public way. My answer was always the same: It was the right thing to do. It was a long, difficult struggle, it was hard on many levels, and it was the right thing to do.

“That we have not been able to make more progress with underrepresented minority enrollment, along with the challenging climate and inclusion issues our community is experiencing, deeply troubles me. We have to redouble our efforts toward a more diverse campus. We haven’t realized our collective aspirations. There is so much work to be done, and we know that.

“There is a larger conversation about race occurring across the country, prompted by ugly incidents of racism and intolerance at other universities and, sadly, on our own campus as well. We hear loud and clear that students of color feel isolated and marginalized; and that our frequently declared “commitment to diversity” is perceived as disingenuous. Students here and elsewhere are raising real and painful concerns about campus climate and the diminishing number of students of color in classrooms. We see the struggles many colleges are facing now, but here at Michigan we have unique challenges that have affected us these past few years. We have struggled in the wake of Proposal 2 and the ban on affirmative action. We know that.

“We have been conscientious as we worked within the new law’s parameters and yet still looked for lawful approaches. We reached out to colleagues at other public universities with similar restrictions, putting their best practices into place here. But our efforts still have not achieved what we need to achieve. Our commitment has never waned. The environment in which we operate, however, has changed. As a public institution, we are at the confluence of deep societal forces that affect us, from K-12 challenges to the wide range of public opinion on inclusion, equity and race.

“Michigan has been one of the public institutions to always stand its ground, knowing that diversity is essential to our academic excellence. We also know from research that our alumni say diversity is among the greatest assets of the university, a defining characteristic.

“We haven’t always gotten it right through the decades, and we’ve had great struggles along the way. But the long view shows that Michigan stands for improving diversity and access in higher education. Other universities look to us to develop new solutions, to foster national dialogue, and to focus society’s attention on this issue. That is why today’s students are raising their voices, and why so many people have filled the room today. Great struggles occur at great universities. People expect Michigan to effect social change.

“I was proud to stand on the steps of the Supreme Court for that very reason. We were able to call the nation’s attention to the value of a diverse educational environment for every student who studies here and for our society. Those students learn how to live and work and learn together; they create a diverse workforce, a diverse military, and a diverse academy. This is what the University of Michigan stands for. We will continue to be engaged at many levels and in many parts of the university as we work on both increasing minority enrollment and on making our campus more inclusive. We have made progress in some areas, including continuing to increase the representation of faculty of color over the past decade and making significant progress in closing the graduation gap between undergraduate majority and minority students. Also, Michigan ranks consistently in the “top ten” in awards of Ph.D. degrees to minority students, including third in the number of doctorates awarded to African Americans this past year.

“In the course of the next few months, our community will see additional concrete steps. As just some examples, we are working to ensure that all of our undergraduates receive

education that will lead to a more welcoming environment, through the new Change It Up program. We will restore the current Trotter Multicultural Center, while identifying a central campus site and planning for a new center. We will continue and expand our outreach efforts to lower-income and first-generation students as one component of our effort, and we will look to all legal approaches to recruiting and retaining a more diverse class. I want to say, too, that members of our leadership team have had constructive discussions with students from the Black Student Union in the last several weeks.

“Our community’s passion to make our commitment real for this generation, in these times, could not be stronger. I share that concern and that passion. Our board and our leadership team share that concern and that passion. Our new president, I know, shares that concern and that passion. We have work to do, all of us, together. We need to recognize the societal factors that affect our public institution; we need to work within the law and with respect to a wide variety of opinion and belief. But Michigan has long been a place where these hard conversations have led to new ideas and new energy. I am proud this university leads in the country with a historic commitment to diversity and the courage to face the hardest challenges with integrity and intellectual rigor.”

President Coleman turned to Regent Newman for a report about the Board’s strategic session held in New York last month.

Comments from Regent Newman

Regent Newman provided highlights of the strategic session in New York City in January, where the regents met with some of the top East Coast leaders in higher education and discussed topics ranging from integrating technology into learning environments and keeping college affordable, to maintaining academic quality and how the Affordable Care Act will affect

academic health systems. The regents met with: Bill Bowen, president emeritus of Princeton University and former president of the Andrew W. Mellon Foundation; Peter Salovey, president of Yale University; Ed Miller, retired executive vice president for medical affairs at Johns Hopkins University; and Mike Johns, retired executive vice president for medical affairs at Emory University. The regents also meet with alumni of the university during events that were part of the Victors for Michigan campaign and spent time as a board discussing the future direction of higher education.

Regent Newman said, “The costs for this event were modest and we've been quite conscientious about that. We've asked the public affairs staff to provide the tally of total expenses, which were not paid from tuition or taxpayer resources. Overall, it was an important and intense two days of hard work. I am very pleased we were able to make the time available for this strategic session.”

Presentation: School of Music, Theatre & Dance

President Coleman introduced Christopher Kendall, dean of the School of Music, Theatre & Dance, noting that a highlight of the New York session was an alumni dinner with that featured a student performance.

Dean Kendall thanked the regents for the opportunity to present several student performances representative of current initiatives. Members of the University Chamber Choir, directed by Professor Jerry Blackstone, will tour New Zealand and Australia this summer, thanks to a prestigious invitation to headline the National Conference of the New Zealand Choral Federation. In addition, he spoke of the internationally celebrated *El Sistema* music education program supported by President Coleman’s “Third Century Initiative.” This is a joint program

with the Schools of Education and Social Work. Student violinist, Zachary Ragent, and pianist Nicholas Shaneyfelt, performed *Guitarre*, arranged by Pablo Sarasate.

Dean Kendall said that the Gershwin Initiative brings with it many opportunities, including new courses, interdisciplinary seminars and symposia, performances and recordings. Jazz piano student Malcolm Dean performed George Gershwin's "A Foggy Day," which concluded with an arrangement by choral conducting student Arianne Abela, and performed by members of the Chamber Choir.

Presentation: Sexual Assault Prevention Awareness Center

Vice President Harper introduced Holly Rider-Milkovich, director of the Sexual Assault Prevention and Awareness Center (SAPAC), who is providing institutional and national leadership on sexual assault, prevention and awareness.

Ms. Rider-Milkovich said that like all campuses across the country, UM does not have accurate number for campus incidences related to sexual assault. Only five percent of these matters are ever reported. National data shows that as many as one-in-four women may experience sexual misconduct while attending UM.

In 2009 two incidences were reported to the Office of Student Conflict Resolution, then responsible for these matters, and in 2010 three incidences were reported. Then in 2011, the Office for Civil Rights provided new guidance to all universities that changed the way in which these matters were addressed, from a complainant driven model to a university driven investigative model. This resulted in 68 incidences reported. In 2012, 75 incidences were reported. This increase in reports is a positive indicator. It means that policies are in place, there is more student awareness of services, and there is less fear about coming forward. This means

that more students will be connected to support and will be cared for. It also means more students will be held accountable, and get the support they need as well.

UM is a national leader in prevention measures. In 2004 President Coleman mandated that first-year students receive sexual violence prevention education soon after arriving on campus, a full decade before such education was mandated. Student volunteers have facilitated much of the training provided.

She continued, saying that, unfortunately, all the efforts to improve the climate for reporting, and creating a safer community where students who are harmed can feel safe in coming forward, are potentially being undermined. Survivors are now choosing to stay silent, not because of fear of not being taken seriously, and not because they believe they might be blamed, both common barriers. They remain silent because they don't want the terrible details of their experience available for public scrutiny.

Ms. Rider-Milkovich said that SAPAC would continue to advocate for students, help them make the best choices possible, and continue working to ensure a safe and just campus community.

Public Comment

Regents heard comments from the following individual on the topic listed: Alex Abdun-Nabi, student, on renovations to Commons Café and Mitchell Field, and Doug Smith, on the minutes of the January 24, 2014 special meeting of the board.

Committee Reports

Finance, Audit and Investment Committee. Regent Richner, chair of the Finance, Audit and Investment Committee, and Regents Bernstein and Darlow met with Vice President

Slottow and Jeff Moelich, executive director of university audits, for a bimonthly, internal audit update. The committee also reviewed the FAI charter with Executive Vice President Slottow. They were then joined by the members Health Affairs Committee and the Personnel, Compensation and Governance Committee for an update on the UMHS 10 year strategic financial plan from Executive Vice President Pescovitz, Doug Strong, CEO of the UMHHC, Jim Woolliscroft, dean of the Medical School and Paul Castillo, CFO of the Health System.

Health Affairs Committee. Regent Diggs, chair of the Health Affairs Committee, reported that she and committee members Regents Deitch and Ilitch received an update on the HHCEB with Doug Strong, CEO of the UMHHC, including the Sentinel Event process, the 10-year strategic financial plan and an update on the Physicians' Organization of Michigan (POM) and the Accountable Care Organization (ACO). Paul Castillo, CFO of the Health System, presented the January UMHS financial results and the committee reviewed the status of several strategic initiatives. The committee received an Internal Audit Update from Jeff Moelich, executive director of university audits. A fact sheet on UMHS Research was reviewed and it indicated that the Medical School ranked 11th in the country for NIH grants to medical schools receiving \$467 million in research funding for FY13; the UM Medical School accounts for approximately 43% of UM's total research; nearly 16,000 people have joined the research volunteer registry; and many community members serve on boards overseeing research. The committee joined the other committees for the UMHS strategic financial plan.

President Coleman welcomed Jack Hu to his first meeting as interim vice president for Research.

Personnel, Compensation and Governance Committee. Regent White, co-chair of the Personnel, Compensation and Governance Committee, reported that she and Regent Newman

were joined by President Coleman and Provost Pollack. The committee received an update from Provost Pollack on the enrollment management search, and the LS&A dean search and they had a discussion on faculty compensation. Vice President Churchill provided drafts of the public comments policy and of the PCG committee calendar for 2014. The committee met with Central Student Government leadership, Michael Proppe and Bobby Dishell, for an update on various student life concerns, and then joined the other committees for the UMHS 10 year strategic financial plan update

Consent Agenda

Minutes. Vice President Churchill submitted for approval the minutes of the meetings of December 19, 2013 and January 24, 2014.

Reports. Executive Vice President Slottow submitted the Investment Report as of December 31, 2013, the Plant Extension Report, the University Human Resources Report, and the Report on Purchases over \$5,000.

Litigation Report. Vice President Lynch submitted the Litigation Report.

Research Report. Interim Vice President Hu submitted the Report of Projects Established, July 1 – January 31, 2014. He spoke to the appointment of John Kinsey, assistant vice president for research, included on the meeting agenda for approval.

University of Michigan Health System. Executive Vice President Pescovitz had no additional report.

Student Life. Vice President Harper thanked President Coleman and the regents for their attention to major issues of diversity, inclusion, and sexual assault, as well as their support for the improving the Student Life facilities. She spoke to the Mitchell Field renovation project on the meeting agenda for approval.

University of Michigan-Dearborn. Chancellor Little reported on the following items: he addressed the Senate Appropriations Subcommittee about higher education funding, completed a successful accreditation process, participated in an emergency preparedness exercise, and supported the Engineer Laboratory Building project on the UM-Dearborn Campus.

University of Michigan-Flint. Chancellor Person had no report.

Central Student Government Report. Central Student Government (CSG) President Michael Proppe commented on the first snow day in 36 years, the appointment of Mark Schlissel as president-elect, meeting with the regents' Personnel, Compensation and Governance Committee, the continued work on the student football ticket policy, the Night Owl bus service, and the Inter-fraternity Council ban on hard liquor at parties.

Voluntary Support. Vice President May submitted reports for December 31, 2013 and for January 31, 2014. He noted total gifts in December of \$56 million, \$47 million January. During December 214 donors gave \$10,000 or more to scholarships.

Personnel Actions/Personnel Reports. Provost Pollack commented on the recommendations for the appointment of six members of the faculty as Arthur F. Thurnau Professors, effective on July 1, 2014, saying, "Appointment as a Thurnau Professor is the highest honor the University can bestow on its faculty to specifically recognize outstanding contributions to undergraduate teaching and the positive impact on the intellectual development and lives of our students. The nominations themselves are inspiring and testify to the creativity and commitment that our faculty bring to their undergraduate teaching efforts." Nominees from Literature Science and the Arts are Alejandro Herrero-Olaizola, associate professor of Spanish; Anne J. McNeil, associate professor of chemistry and associate professor of macromolecular

science and engineering; and Megan L. Sweeny, associate professor of English language and literature and associate professor of Afroamerican and African studies.

Nominees from the College of Engineering are Jamie D. Phillips, professor of electrical engineering and computer science, and Michael D. Thouless, professor of mechanical engineering.

The nominee from the School of Kinesiology is Melissa M. Gross, associate professor of movement science.

Retirement Memoirs. Vice President Churchill submitted faculty retirement memoirs for Freda L. Baum, M.A., M.A.L.S., librarian; Mohamed E. Bayou, Ph.D., professor of accounting, UM-Dearborn; Laurel L. Northouse, Ph.D., Mary Lou Willard French Professor of Nursing and professor of nursing; Jessica Schwartz, Ph.D., professor of molecular and integrative physiology; Wayne D. Woodward, Ph.D., associate professor of language, culture, and communications UM-Dearborn

Memorials. Vice President Churchill reported that no deaths of active faculty members were reported to the regents this month.

Degrees. Provost Pollack submitted the final degree lists and the list of changes to previously approved degree lists for the December 2013 commencements. All degree lists are on file in the Office of the Vice President and Secretary.

Approval of Consent Agenda. On a motion by Regent White, seconded by Regent Ilitch, the regents unanimously approved the consent agenda.

Report of University Internal Audits

Executive Vice President Slottow submitted the report of activities of the Office of University Audits for the period October through December 2, 2013.

Supplemental Information to the Audited Financial Statements of the Department of Intercollegiate Athletics of the University of Michigan for the Year Ended June 30, 2013

Executive Vice President Slottow a report on agreed-upon procedures performed by PricewaterhouseCoopers, in accordance with NCAA financial reporting requirements.

Alternative Asset Commitments

Executive Vice President Slottow reported on the University's follow-on investments with a previously approved private equity partnerships, Lone Star Partners VIII, L.P., with a commitment of \$13.4 million, and Cabot Industrial Value Fund IV, L.P., with a commitment of \$25 million.

Alternative Asset Commitments and Public Equity

On a motion by Regent White, seconded by Regent Diggs, the regents unanimously approved a commitment of €15 million from the Long Term Portfolio to TDR Capital III, L.P.; a commitment of \$20 million from the Long Term Portfolio to Foresite Capital Fund II, L.P.; and GoodHaven Capital Management, with an initial funding of \$100 million from the Long Term Portfolio.

2500 and 2550 South State Street, Ann Arbor, Michigan

On a motion by Regent White, seconded by Regent Richner, the regents unanimously approved the acquisition of the property at 2500 and 2550 South State Street, Ann Arbor, Michigan at the negotiated price of \$12.8 million, subject to the university satisfying itself with the environmental condition of the site and otherwise completing due diligence.

University of Michigan-Dearborn Engineering Laboratory Building Expansion for Bioengineering

On a motion by Regent Diggs, seconded by Regent Newman, the regents unanimously approved the University of Michigan-Dearborn Engineering Laboratory Building Expansion for Bioengineering project as described, and authorized issuing the project for bids and awarding construction contracts providing that bids are within the approved budget.

New Biological Science Building

On a motion by Regent Richner, seconded by Regent Diggs, the regents unanimously approved the New Biological Science Building project as described and authorized commissioning SmithGroupJJR for its design.

Stephen M. Ross School of Business Kresge Business Administration Library Renovation, Computer and Executive Education Building Demolition, New Academic Building, and Exterior Cladding Project

On a motion by Regent White, seconded by Regent Bernstein, the regents unanimously approved the Stephen M. Ross School of Business Kresge Business Administration Library Renovation, Computer and Executive Education Building Demolition, New Academic Building, and Exterior Cladding Project as described, and authorized commissioning Kohn Pedersen Fox Associates PC for its design.

West Quadrangle and Michigan Union-Cambridge House Renovation

On a motion by Regent White, seconded by Regent Newman, the regents unanimously authorized issuing the West Quadrangle and Michigan Union-Cambridge House Renovation project for bids and awarding construction contracts providing that bids are within the approved budget.

President's Residence Infrastructure Renovation

On a motion by Regent White, seconded by Regent Bernstein, the regents unanimously approved the President's Residence Infrastructure Renovation project as described, and authorized issuing the project for bids and awarding construction contracts providing that bids are within the approved budget.

Elmer D. Mitchell Field Improvements

On a motion by Regent White, seconded by Regent Richner, the regents unanimously approved the Elmer D. Mitchell Field Improvements project as described, and authorized issuing the project for bids and awarding construction contracts providing that bids are within the approved budget.

Central Campus Area Utility Tunnel Reinforcement

On a motion by Regent White, seconded by Regent Newman, the regents unanimously approved the Central Campus Area Utility Tunnel Reinforcement project as described, and authorized issuing the project for bids and awarding construction contracts providing that bids are within the approved budget.

University of Michigan Hospitals and Health Centers A. Alfred Taubman Health Care Center Department of Emergency Medicine Renovation

On a motion by Regent White, seconded by Regent Darlow, the regents unanimously approved the University of Michigan Hospitals and Health Centers A. Alfred Taubman Health Care Center Department of Emergency Medicine Renovation as described, authorized commissioning the architectural firm of Niagara Murano for its design, and authorized issuing the project for bids and awarding construction contracts providing that bids are within the approved budget.

University of Michigan Hospitals and Health Centers Neuroscience Hospital Center Renovation of Electroencephalography and electromyography Clinics Relocation

On a motion by Regent Diggs, seconded by Regent Richner, the regents unanimously approved the University of Michigan Hospitals and Health Centers Neuroscience Hospital Renovation for Electroencephalography and Electromyography Clinics Relocation as described, authorized commissioning the architectural firm of Project and Design Management for its design, and authorized issuing the project for bids and awarding construction contracts providing that bids are within the approved budget.

Conflict of Interest Items

President Coleman said the agenda includes 13 conflict of interest items, each of which requires six votes for approval and which would be approved by a single motion.

On a motion by Regent Newman, seconded by Regent White, the regents unanimously approved the following 13 items:

Authorization for the University of Michigan to Enter into Lease Agreements with a Venture Accelerator firm located at the North Campus Research Complex

The regents approved lease agreements for space in the North Campus Research Complex Venture Accelerator, located at 1600 Huron Parkway, Ann Arbor, with the company listed in the spreadsheet that is part of the Regents Communication. The space will be utilized as office and lab space for research and business operations for each respective company. The company has an opportunity to expand their operations per the parameters outlined in the spreadsheet to include additional laboratory or office space. Because Tae Hyung Kim and S. Jack Hue, University of Michigan employees, are party to the lease by virtue of their share of the ownership of the company, membership on respective tenant board of directors, or acting as an officer in the tenant company, this agreement falls under the State of Michigan Conflict of

Interest Statute. The following information is provided in compliance with statutory requirements:

1. Parties to the agreement are the Regents of the University of Michigan and Optimal Process Technologies, LLC.
2. The service to be provided is the lease of space in the North Campus Research Complex Venture Accelerator, located at 1600 Huron Parkway, Ann Arbor, Michigan with access to common area space within the building. The lease duration including all options for renewal are outlined in the spreadsheet. The lease will use the standard University of Michigan Venture Accelerator lease template. Tenant will pay rates stipulated in the spreadsheet for the current term and option years as indicated with a monthly rate as follows: \$3,000. The company will be responsible for providing monthly updates concerning their business progress to the University of Michigan Office of Technology Transfer, and will have access to Office of Technology Transfer personnel for advice concerning obtaining technology assessment, business consulting, technical assistance, capital raising, or other business services.
3. The pecuniary interest arises from the fact that the individuals listed on the spreadsheet (and listed below) for each company are University of Michigan employees, and also owners and/or officers of each respective company: 1) Tae Hyung Kim and S. Jack Hu.

Authorize Execution of Investment Agreements Under the MINTS Program for Silicium Energy, Inc.

The Regents unanimously authorized the execution of agreements between the University of Michigan and Silicium Energy, Inc. (the “Company”) under the guidelines for the MINTS (Michigan Investment in New Technology Startup) program.

Because Assistant Professor Akram Boukai, University of Michigan employee, is also a partial owner of the Company, this agreement falls under the State of Michigan Conflict of Interest Statute. The following information is provided in compliance with statutory requirements:

1. Parties to the agreement are the Regents of the University of Michigan and Silicium Energy, Inc.
2. The University will receive an equity interest in the entity in return for its investment(s). No use of University services or facilities, nor any assignment of University employees is obligated or contemplated under the Agreement. Under MINTS, the University must co-invest in a financing round together with at least one

Qualifying Venture Capital Investment Firm. Agreements standard for venture capital investing will be executed. The Investment Office may execute finance agreements up to a total of \$2.5 million in potential investments (through one or more rounds of financing) under MINTS.

3. The pecuniary interest arises from the fact that University of Michigan employee, Assistant Professor Akram Boukai, is also a partial owner of Silicium Energy, Inc.

Authorization for the University to enter into an Agreement with Newline Builders

The Regents unanimously approved an agreement with Newline Builders (the “Company”) for the fabrication and purchase of wireless respiratory sensors for patient monitoring.

Because Frederic Bayoff, University of Michigan employee, is also the owner of the Company, this agreement falls under the State of Michigan Conflict of Interest Statute. The following information is provided in compliance with statutory requirements:

1. Parties to the agreement are the Regents of the University of Michigan and its Department of Human Genetics and Newline Builders
2. The proposed contract is for delivery of thirty (30) sensors within the calendar year of 2014 at a total cost not to exceed \$45,000.
3. The pecuniary interest arises from the fact that University of Michigan employee, Frederic Bayoff, is also owner of Newline Builders, LLC.

Authorization for the University of Michigan to enter into an Agreement with Arbor Medical Innovations, LLC

The Regents unanimously approved an agreement with the Arbor Medical Innovations, LLC (the “Company”) for a custom built MRI-compatible pressure delivery system.

Because Drs. Steven E. Harte and Grant H. Kruger, University of Michigan employee, is also partners of the Company, this agreement falls under the State of Michigan Conflict of Interest Statute. The following information is provided in compliance with statutory requirements:

1. Parties to the contract are the Regents of the University of Michigan and its Department of Anesthesiology and Arbor Medical Innovations, LLC.
2. The agreement is to build an MRI-compatible pressure delivery system at an approximate cost of \$17,500.
3. The pecuniary interests arise from the fact that University of Michigan employees Drs. Steven Harte and Grant Kruger are Partners at Arbor Medical Innovations, LLC.

Authorization for the University to enter into an Agreement with ArborMetrix

The Regents unanimously approved an agreement with ArborMetrix (the “Company”) to provide and implement a clinical outcomes registry and reporting system to support the quality improvement initiative to improve the quality of care for children with intensive care hospitalizations for cardiovascular disease.

Because Drs. John Birkmeyer and Justin Dimick, University of Michigan employees, are also the Director/Owner and Owner, respectively, of the Company, this agreement falls under the State of Michigan Conflict of Interest Statute. The following information is provided in compliance with statutory requirements:

1. Parties to the agreement are the Regents of the University of Michigan and its Department of Surgery and ArborMetrix.
2. The agreement will provide the University with software licensing, maintenance, and analytical tools to support the quality improvement initiative entitled the Michigan Surgical Quality Collaborative (MSQC). An annual subscription fee of \$10,000 per participating hospital will be paid to ArborMetrix. Currently there are 20 participating hospitals in this initiative bringing the minimal total value of this three-year agreement to \$600,000.
3. The pecuniary interest arises from the fact that University of Michigan employee Dr. John Birkmeyer is Director/Owner and Dr. Justin Dimick is Owner of ArborMetrix.

Subcontract Agreement between the University of Michigan and STEL Technologies

The Regents unanimously approved an agreement with STEL Technologies (the “Company”) to fund an NSF (prime) STTR Phase I project entitled “A Closed System Bioreactor

for Automating Tissue Engineered ACL Production – Feasibility Study” (ORSP# 14-PAF03065) in the Department of Mechanical Engineering.

Because University of Michigan employees, Professors Lisa Larkin and Ellen Arruda, are co-founders of the Company, this agreement falls under the State of Michigan Conflict of Interest Statute. The following information is provided in compliance with statutory requirements:

1. Parties to the agreement are the Regents of the University of Michigan and STEL Technologies.
2. The terms of the agreement conform to University policy. The period of performance for the project is approximately twelve (12) months. The amount of funding support from the Company will not exceed \$77,142. Since research projects are often amended, these agreements include provisions for changes in time, amount, and scope of each supported project. University procedures for approval of these changes will be followed and additional conflict of interest review will be done as appropriate.
3. The pecuniary interests of Professors Larking and Arruda, arise from their service as co-founders of STEL Technologies.

Patent Option Agreement between the University of Michigan and Replicore, LLC

The Regents unanimously approved an agreement with Replicore, LLC (the “Company”) to obtain an option from the University of Michigan to the University’s rights associated with the following technology: UM OTT File No. 3803, entitled: “Method and Device for Repair of Degenerative Cartilage.”

Because Drs. Chia-Ying Lin and Paul Park, University of Michigan employees, are also partial owners of the Company, this agreement falls under the State of Michigan Conflict of Interest Statute. The following information is provided in compliance with statutory requirements:

1. Parties to the agreement are the Regents of the University of Michigan and Replicore, LLC.

2. Agreement terms include granting the Company an option to obtain an exclusive license with the right to grant sublicenses. The Company will pay an option fee and patent expenses during the option period. The University will retain ownership of the optioned technology and may continue to further develop it and use it internally. No use of University services or facilities, nor any assignment of University employees, is obligated or contemplated under the Agreement. Standard disclaimers of warranties and indemnification apply, and the Agreement may be amended by consent of the parties, such as adding related technology. University procedures for approval of these changes will be followed and additional conflict of interest review will be done as appropriate.
3. The pecuniary interests of Dr. Lin and Park arise from their ownership interest in Replicore, LLC.

License Agreement between the University of Michigan and ONL Therapeutics, LLC

The Regents unanimously approved an agreement with ONL Therapeutics, LLC (the “Company”) to exercise its option to license from the University of Michigan the University’s rights associated with the following technology: UM OTT File No. 4319, entitled: “Small Peptide Inhibitor of Photoreceptor Apoptosis.”

Because Professor David Zacks, University of Michigan employee, is also a partial owner of the Company, this agreement falls under the State of Michigan Conflict of Interest Statute.

The following information is provided in compliance with statutory requirements:

1. Parties to the agreement are the Regents of the University of Michigan and ONL Therapeutics, LLC.
2. Agreement terms include granting the Company an exclusive license with the right to grant sublicenses. The Company will pay royalties, annual minimums, milestone payments and reimburse patent costs. The University may receive equity in the Company, along with the right to purchase more equity. The University will retain ownership of the licensed technology and may continue to further develop it and use it internally. No use of University services or facilities, nor any assignment of University employees, is obligated or contemplated under the Agreement. Standard disclaimers of warranties and indemnification apply, and the Agreement may be amended by consent of the parties, such as adding related technology. University procedures for approval of these changes will be followed and additional conflict of interest review will be done as appropriate.
3. The pecuniary interests of Professor Zacks arise from his ownership interest in ONL Therapeutics, LLC.

Subcontract Agreement between the University of Michigan and Biocrede, Inc.

The Regents unanimously approved an agreement with Biocrede, Inc. (the “Company”) to fund an NIH (prime) SBIR Phase I project entitled: “Advanced xeno-free and chemically defined media and synthetic substrate for all human pluripotent stem cell cultures,” (ORSP# 14-PAF03096) in the Department of Biologic Materials Sciences and Division of Prosthodontics, School of Dentistry.

Because Professor Hao Chen, University of Michigan employee, is also an officer and partial owner of the Company, this agreement falls under the State of Michigan Conflict of Interest Statute. The following information is provided in compliance with statutory requirements:

1. Parties to the agreement are the Regents of the University of Michigan and Biocrede, Inc.
2. The terms of the Agreement conform to University policy. The period of performance for the project is approximately six (6) months. The amount of funding support from the Company will not exceed \$67,000. Since research projects are often amended, these agreements include provisions for changes in time, amount, and scope of each supported project. University procedures for approval of these changes will be followed and additional conflict of interest review will be done as appropriate.
3. The pecuniary interest of Professor Chen arises from his service as an officer and his ownership interest in Biocrede, Inc.

License Agreement between the University of Michigan and Li, Fischer, Lepech and Associates, LLC

The Regents unanimously approved an agreement with Li, Fischer, Lepech and Associates, LLC (the “Company”) to license from the University of Michigan to the University’s rights associated with the following technologies:

UM OTT File No. 1193, entitled: “Control of Interface Properties Between Fiber/Cement Using Plasma Treatment”

UM OTT File No. 1863, entitled: “A Ductile Strip Used for Eliminating Shrinkage and Temperature Cracks in Concrete Pavements and Bridge Decks.”

UM OTT File No. 1888, entitled: “Self-Compacting Engineered Cementitious Composite”

UM OTT File No. 1893, entitled: “Collapse Resistant Frame Structure with Auto-adaptive Response Characteristics”

UM OTT File No. 2383, entitled: “Lightweight Strain-Hardening Brittle Matrix Composites”

UM OTT File No. 2418, entitled: “Sprayable, Strain-Hardening Cementitious Composites”

UM OTT File No. 2824, entitled: “Method of Improving Fiber Composite Ductility”

UM OTT File No. 2870, entitled: “High Early Strength Fiber Reinforced Cementitious Composites with Strain Hardening Behavior”

UM OTT File No. 3713, entitled: “Engineered Self-Healing Cementitious Composites”

UM OTT File No. 3870, entitled: “Impact Resistant Strain Hardening Brittle Matrix Composite for Protective Structures”

UM OTT File No. 4500, entitled: “White Pigmentable Strain Hardening Brittle Matrix Composites”

UM OTT File No. 4501, entitled: “Pigmentable Strain Hardening Brittle Matrix Composites with Utilize Recycled Materials and Reduce Carbon Footprint of Composites”

UM OTT File No. 4951, entitled: “Strain Hardening Brittle Matrix Composites with High Strength and High Tensile Ductility”

Because Professor Victor Li, University of Michigan employee, is also a partial owner of the Company, this agreement falls under the State of Michigan Conflict of Interest Statute. The following information is provided in compliance with statutory requirements:

1. Parties to the agreement are the Regents of the University of Michigan and Li, Fischer, Lepech and Associates, LLC.
2. Agreement terms include granting the Company an exclusive license with the right to grant sublicenses. The Company will pay a royalty on sales and reimburse patent costs. The University may receive equity in the Company, along with the right to purchase more equity. The University will retain ownership of the licensed technology and may continue to further develop it and use it internally. No use of University services or facilities, nor any assignment of University employees, is obligated or contemplated under the Agreement. Standard disclaimers of warranties and indemnification apply, and the Agreement may be amended by consent of the parties, such as adding related technology. University procedures for approval of these changes will be followed and additional conflict of interest review will be done as appropriate.
3. The pecuniary interest of Professor Li arises from his ownership interest in Li, Fischer, Lepech and Associates, LLC.

License Agreement between the University of Michigan and Aether Industries, LLC

The Regents unanimously approved an agreement with Aether Industries, LLC (the “Company”) to license from the University of Michigan the University’s rights associated with the following technology: UM OTT File No. 5788, entitled: “Converging/Diverging Magnetic Nozzle,” and UM OTT File No. 5789, Entitled: “Electrodeless Plasma Thruster.”

Because Professor Benjamin Longmier and Dr. J.P. Sheehan, University of Michigan employees, are also partial owners of the Company, this agreement falls under the State of Michigan Conflict of Interest Statute. The following information is provided in compliance with statutory requirements:

1. Parties to the agreement are the Regents of the University of Michigan and Aether Industries, LLC.
2. Agreement terms include granting the Company an exclusive license with the right to grant sublicenses. The Company will pay a royalty on sales and reimburse patent costs. The University may receive equity in the Company, along with the right to purchase more equity. The University will retain ownership of the optioned technology and may continue to further develop it and use it internally. No use of University services or facilities, nor any assignment of University employees, is obligated or contemplated under the Agreement. Standard disclaimers of warranties and indemnification apply, and the Agreement may be amended by consent of the parties, such as adding related technology. University procedures for approval of these changes will be followed and additional conflict of interest review will be done as appropriate.
3. The pecuniary interests of Professor Longmier and Dr. Sheehan arise from their ownership interest in Aether Industries, LLC.

Option Agreement between the University of Michigan and Movellus Circuits, Inc.

The Regents unanimously approved an agreement with Movellus Circuits, Inc. (the “Company”) to option from the University of Michigan the University’s rights associated with the following technologies: UM OTT File No. 5952, entitled: “A 300nW Near-Threshold 187.5

– 500 kHz Programmable Clock Generator for Ultra Low Power Internet of Things Applications.”

Because Professor David Wentzloff, and Mr. Muhammad Faisal, University of Michigan employees, are also partial owners of the Company, this agreement falls under the State of Michigan Conflict of Interest Statute. The following information is provided in compliance with statutory requirements:

1. Parties to the agreement are the Regents of the University of Michigan and Movellus Circuits, Inc.
2. Agreement terms include granting the Company an option to further evaluate the subject technology and, upon meeting specific milestones, the ability to negotiate an exclusive license with the right to grant sublicenses. The Company will pay an Option fee to the University. The University will retain ownership of the optioned technology and may continue to further develop it and use it internally. No use of University services or facilities, nor any assignment of University employees, is obligated or contemplated under the Agreement. Standard disclaimers of warranties and indemnification apply, and the Agreement may be amended by consent of the parties, such as adding related technology. University procedures for approval of these changes will be followed and additional conflict of interest review will be done as appropriate.
3. The pecuniary interests of Professor Wentzloff and Doctoral Candidate Faisal arise from their ownership interest in Movellus Circuits, Inc.

Master Agreement between the University of Michigan and the Radiological Society of North America, Inc.

The Regents unanimously approved an agreement with the Radiological Society of North America, Inc. (the “Company”) to support research and educational projects at the University.

Because University of Michigan employee, N. Reed Dunnick, MD, is also president of the Company, this agreement falls under the State of Michigan Conflict of Interest Statute. The following information is provided in compliance with statutory requirements:

1. Parties to the agreement are the Regents of the University of Michigan and the Radiological Society of North America, Inc.
2. The University will enter into an Agreement with the Organization that will cover standard procedures for performance of projects as well as provisions implementing

University and federal policies related to intellectual property and publication. The agreement will cover an initial five-year period, with a total authorization not to exceed \$5 million. The University will use standard sponsored project accounting procedures to determine the cost of each project under this Agreement. Budgets will be reviewed and approved by authorized representatives of the applicable department(s) and school(s)/college(s) where project will be performed. The Agreement will allow the University and the Organization to specify projects that the University will conduct under the terms of the Agreement. Since sponsored projects are often amended, the Agreements will include provisions for changes in time, amount, and scope of each supported project. University procedures for approval of these changes will be followed and additional conflict of interest review will be done as appropriate.

3. The pecuniary interest of Dr. Dunnick, arises from his service as president of Radiological Society of North America, Inc.

Approval to Establish a New Administrative Position

Provost Pollack stated that this position will be responsible for developing and implementing strategies for enrollment, and for providing leadership for the offices of undergraduate admissions, financial aid, the university registrar, and new student programs.

On a motion by Regent Diggs, seconded by Regent Ilitch, the regents unanimously approved the request to establish a new administrative position, Associate Vice President for Enrollment Management, Office of the Provost and Executive Vice President for Academic Affairs.

Endowment and Naming of a Head Coach Position

On a motion by Regent Newman, seconded by Regent Darlow, the regents unanimously approved the recommended establishment of an endowed coach position as the J. Ira and Nicki Harris Family Head Football Coach in the Department of Intercollegiate Athletics, effective March 1, 2014.

Regent Newman said, “I had the privilege of talking with the donor earlier this week, who was a student here in the 50’s, working part-time at a drug store. He was thrilled to be at a stage in his life to do something like this.”

Regent Ilitch said she agreed with Regent Newman’s comments in honoring Ira and Nikki. She added a word of caution about the commercialization of Michigan athletics going forward.

Non-tenure track Clinical Appointment Sequence in the Horace H. Rackham School of Graduate Studies

Provost Pollack noted that the Horace H. Rackham Graduate School is requesting authority to make clinical faculty appointments, primarily for the benefit of the Institute for Human Adjustment. The Institute is comprised of three clinics: the University Center for Language and Literacy, the University Center for Child and Family, and the Psychological Clinic. All three provide high quality patient care and provide training for clinicians in psychology, speech and language, and social work.

On a motion by Regent Darlow, seconded by Regent Diggs, the regents unanimously approved the non-tenure-track clinical appointment sequence in the Horace H. Rackham School of Graduate Studies as detailed in the Regents Communication.

Museum of Anthropology Rename as the Museum of Anthropological Archaeology

On a motion by Regent White, seconded by Regent Ilitch, the regents unanimously approved the request to change the name of the Museum of Anthropology to the Museum of Anthropological Archaeology.

Proposed Regents' Bylaws Revisions

On a motion by Regent White, seconded by Regent Newman, the regents unanimously approved the recommended revisions to the Regents' Bylaws as presented.

Public Comments

Regents heard comments from the following individuals on the topics listed: Carla Wren, alumna, on an unresolved issue with UM-Dearborn Campus; Kate Stenvig, alumna, on affirmative action; Leroy Lewis, citizen, on affirmative action; Meg Scribner, student, on scholarships for undocumented Michigan students; Juan Jose Martinez, citizen, on tuition assistance for undocumented students; Katie Corbit, student, on Bangladeshi garment workers tour; Neil G. Wolf, alumnus, on innovative academic programming and the future of UM leadership; and Austin McCoy, student, on diversity and inclusion.

Adjournment

There being no further business, the meeting was adjourned at 5:16 p.m. The next meeting will take place on March 20, 2014.