

SEPTEMBER MEETING, 2012

*The University of Michigan
Ann Arbor
September 20, 2012*

The regents convened at 4:00 p.m. in the Anderson Room, Michigan Union. Present were President Coleman and Regents Darlow, Deitch, Ilitch, Newman, Richner, Taylor, and White. Regent Maynard was absent. Also present were Vice President and Secretary Churchill, Vice President Forrest, Provost Hanlon, Vice President Harper, Chancellor Little, Vice President May, Chancellor Person, Executive Vice President Pescovitz, Vice President Rudgers, Interim Vice President Kowich, Executive Vice President Slottow, and Vice President Wilbanks.

Call to Order and President's Opening Remarks

President Coleman called the meeting to order. She reported that she recently had the opportunity to join the chancellor of UCLA and the president of the Carnegie Foundation at the National Press Club in a conversation about the future of public higher education and what is hoped of the next presidential administration.

President Coleman said that she will lead a faculty delegation to Brazil to expand the University's academic partnerships, and to meet with university, foundation and government leaders in Sao Paulo, Brasilia, and Rio de Janeiro. International collaborations such as those increase our understanding of the world and allow us to better prepare tomorrow's global citizens.

Naming of the School of Art and Design in honor of Penny W. Stamps

President Coleman commented on the many ways that the University and the School of Art and Design have benefited from the generosity of Penny and Roe Stamps. Penny, an alumna

of the School of Art and Design, and her husband have endowed scholarships, established a distinguished visitors program, and supported an art gallery, among other programs. In honor of a \$40 million commitment to the School of Art and Design (\$32.5 million from the Stamps family foundations and a match of \$7.5 million from the University), President Coleman said that she is excited to propose that the school be named the Penny W. Stamps School of Art and Design.

Provost Hanlon said, “This is a truly transformative gift, of great importance to the School of Art and Design and to the University.” He praised the school as a nationally recognized innovator and leader in the academic conversation in art and design, and said that the gift will provide the critical resources required for its ambitious programs, while elevating awareness of art and design across campus and in the community. Noting that current dean Gunalan Nadarajan and former dean Bryan Rogers were in attendance at this meeting, he recognized their leadership in bringing the school to this point.

Dean Nadarajan thanked the Stamps for their gift, noting that “they are amazing people with an incredible commitment to the school, to the future direction of the school, and to their support of me in this role.” Former dean Rogers also thanked the Stamps for their generosity, and the regents and administration for their support during his tenure. He noted that it is very unusual for a school of art and design to receive such a donation.

Regent Deitch added that “a venture philanthropist only supports a project when it is backed by a management team he or she believes in,” and thanked Dean Rogers for his “vision, commitment, excitement, and ability to articulate the importance of the visual arts that led to this gift,” noting it would not have happened without his leadership.

Vice President May observed that the Stamps, who support the Stamps Scholars Program at the University and similar merit programs at 25 other institutions across the country, as well as The Fallen Heroes Fund, which serves veterans and their families, “represent the best of American philanthropy.” He thanked former dean Rogers, President Coleman, Provost Hanlon, and Executive Vice President Slottow for their contributions to this effort.

On a motion by Regent White, seconded by Regent Darlow, the regents unanimously approved designating the School of Art and Design as the Penny W. Stamps School of Art and Design.

Conflict of Interest Items

President Coleman then turned to the eight conflict of interest items each of which requires six votes for approval, and which would be approved via a single motion. She noted that item 13 is for approval of 15 different lease agreements with start-up companies for venture accelerator firms at the North Campus Research Complex.

On a motion by Regent White, seconded by Regent Ilitch, the regents unanimously approved the following eight items:

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

The regents approved lease agreements for space in the North Campus Research Complex start-up accelerator, located at 1600 Huron Parkway, Ann Arbor, with each of the 15 companies 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 companies have separately entered into a relationship agreement defining the relationship between the University of Michigan and them at the accelerator. Because those named for each respective company included in the Regents Communication (and listed below)

are University of Michigan employees, and party to the lease by virtue of their share of the ownership of each respective 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 the companies listed in spreadsheet that is part of the Regents Communication, and listed here: 1) 3D Biomatrix, LLC, 2) Ambiq Micro, Inc., 3) Arborlight, LLC, 4) CSquared Innovations, LLC, 5) ChemXLerate, LLC, 6) Civionics, LLC, 7) Diapin Therapeutics, LLC, 8) Edington Associates, 9) Electric Field Solutions, Inc., 10) Possibilities for Change, LLC, 11) Reveal Design Automation, Inc., 12) SenSigma, LLC, 13) Silicium Energy, Inc., 14) Tissue Regeneration Systems, Inc., 15) Wolverine Energy Solutions and Technology, Inc.
2. The service to be provided is the lease of space in the North Campus Research Complex start-up accelerator, located at 1600 Huron Parkway, Ann Arbor, Michigan with access to common area space within the building. The lease durations including all options for renewal are outlined in the spreadsheet. The leases will use the standard University of Michigan 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: 1) \$2,925, 2) \$250, 3) \$759, 4) \$225, 5) \$3,600, 6) \$225, 7) \$2,450, 8) \$225, 9) \$225, 10) \$225, 11) \$305, 12) \$450, 13) \$2,850, 14) \$2,475, and 15) \$2,475. All companies 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) Jack Ball, Nicholas Kotov, 2) David Blaauw, Dennis Sylvester, 3) Dr. Pei-Cheng Ku, Dr. Max Shtein, 4) Pravansu S. Mohanty, 5) Adam J. Matzger, Antek G. Wong-Foy, 6) Jerome P. Lynch, 7) Yuqing Chen, 8) D. W. Edington, 9) Nilton O. Renno, Steven Rogacki 10) Jennifer Salerno, 11) Kareem Sakallah, 12) Jyotirmoy Mazumder, 13) Akram Boukai, 14) Stephen Feinberg, Scott Hollister; Frank LaMarca, 15) Theodore Goodson III, Stephanie Goodson, Meng Guo, Oleg Varnavski.

Authorization for the University to contract with Newline Builders

The regents unanimously approved a contract with Newline Builders for software consultation, fabrication of prototype temperature sensor hardware and circuitry, and prototype software user interfaces. Because Frederic Bayoff, a University of Michigan employee, is also

owner of Newline Builders, 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 agreement is for software consultation, fabrication of prototype temperature sensor hardware and circuitry, and prototype software user interfaces. The total cost for this one-time transaction of programming fees is \$12,000.
3. The pecuniary interest arises from the fact that University of Michigan employee, Frederic Bayoff, is also the owner of Newline Builders.

Approval of Purchase from Horsley Archaeological Prospection

The regents unanimously approved a purchase from Horsley Archaeological Prospection for geophysical surveys of the Garden Creek site in North Carolina. Because Tim Horsley, a University of Michigan employee, is also owner of Horsley Archaeological Prospection (HAP), 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 LSA Anthropology Museum and HAP.
2. The purchase is for geophysical surveys of the Garden Creek site in North Carolina, for a total cost not to exceed \$7,000.
3. The pecuniary interest arises from the fact that University of Michigan employee, Tim Horsley is also owner of HAP.

Authorization for the University to enter into an agreement with ArborMetrix

The regents unanimously approved an agreement with ArborMetrix to provide ongoing analysis of data submitted by the current cohort of 23 participating trauma centers for the Michigan Trauma Quality Improvement Program, a Blue Cross Blue Shield of Michigan funded Collaborative Quality Initiative. This analysis will include risk and reliability adjustment of outcomes to allow benchmarking within a region. Because Dr. John Birkmeyer, and Dr. Justin Dimick, University of Michigan employees, are president/founder and co-founder, respectively,

of ArborMetrix, 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 data analysis to support the MTQIP Collaborative Quality Initiative. The term of agreement shall be for 39 months, at a total cost of \$270,000.
3. The pecuniary interest arises from the fact that University of Michigan employee, Dr. John Birkmeyer is also president/founder of ArborMetrix, and Dr. Justin Dimick is also co-founder of ArborMetrix.

License Agreement between the University of Michigan and DDM Systems, Inc.

The regents unanimously approved a license agreement with DDM Systems, Inc. (the “Company”) to commercialize systems and methods for fabricating three-dimensional objects developed at the University of Michigan and Georgia Tech. Through an inter-institutional agreement with the University of Michigan, Georgia Tech is the lead for entering into license agreements with the Company. The Company wishes to obtain such a license to the following technology: UM OTT File No. 4099, entitled: “LAMP.” Because John Halloran, a University of Michigan employee, is also partial owner of DDM Systems, Inc., 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, the Georgia Tech Research Corporation and DDM Systems, Inc. The University of Michigan is a joint owner of the technology and will share in any revenues through its separate agreement with Georgia Tech.
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 arises from the fact that University of Michigan employee, John Halloran, is also a partial owner of DDM Systems, Inc.

Service Agreement between the University of Michigan and Edington Associates, LLC

The regents unanimously approved an agreement with Edington Associates, LLC to provide survey materials, health risk appraisal processing and measurement and evaluation services. Because Dr. Dee Edington, a University of Michigan employee, is the owner of Edington Associates, LLC, 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 Edington Associates, LLC.
2. The terms of the agreement conform to University policy. The period of performance for the project is initially one (1) year and the amount of funding support is \$30,000. These services may be continued for additional periods of performance and associated funding obligations that are memorialized in addenda to the service agreement upon mutual agreement of the parties. University procedures for approval of these changes will be followed and additional review by the Conflict of Interest Committee will be done as appropriate.
3. The pecuniary interest arises from the fact that University of Michigan employee, Dr. Dee Edington, is also owner of Edington Associates, LLC.

Option Agreement between the University of Michigan and OncoFusion

The Regents unanimously approved an agreement with OncoFusion (the “Company”) to obtain an option from the University of Michigan for the University’s rights associated with the follow technology: UM OTT File No. 4614, entitled “ERG Binding Peptides as Potential Therapeutics;” UM OTT File No. 4620, entitled “Small Molecule Inhibitors of EZH2;” UM OTT File No. 4621, entitled “Potential Inhibitors of Oncogenic Histone Methyltransferases;” UM OTT File No. 4250, entitled “An Integrated Network of Androgen Receptor and TMPRSS2-ERG Gene Fusion in Prostate Cancer Progression;” UM OTT File No. 5392, entitled “Small Molecule Inhibitors of Bromodomains;” and UM OTT File No. 5433, entitled “Small-molecule inhibitors of the EZH2-EED interaction.”

Because Arul Chinnaiyan and Shaomeng Wang, University of Michigan employees, are also partial owners of OncoFusion (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 OncoFusion.
2. The 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 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 disclaimer 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 arises from the fact that University of Michigan employees, Drs. Chinnaiyan and Wang, are also partial owners of OncoFusion.

Option Agreement between the University of Michigan and PsiKick, Inc.

The regents unanimously approved an agreement with PsiKick, Inc. to obtain an option from the University of Michigan for the University’s rights associated with the following technology: UM OTT File No. 5399, entitled “Ultra-Low Power Radio for Short-Range Communication.” Because David Wentzloff, a University of Michigan employee, is the partial owner of PsiKick, Inc., 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 PsiKick, Inc.
2. The agreement terms include granting PsiKick, Inc. an option to an exclusive license with the right to grant sublicenses. PsiKick, Inc. will pay an option fee and reimburse patent costs. 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 disclaimer 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 arises from the fact that University of Michigan employee, Dr. David Wentzloff, is also partial owner of PsiKick, Inc.

Research Agreement between the University of Michigan and Vortex Hydro Energy, LLC

The regents unanimously approved an agreement between the University of Michigan and Vortex Hydro Energy, LLC (the “Company”). The purpose of the project is to fund a project in the College of Engineering under the direction of Dr. Zalek, a professor in the College of Engineering. Dr. Zalek has no financial or management interest in the Company.

Because Dr. Bernitas, a University of Michigan employee, is an owner of Vortex Hydro Energy, LLC, 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 Vortex Hydro Energy, LLC.
2. The terms of the agreement will conform to University policy. The period of performance is approximately two weeks, and the amount of funding support will not exceed \$19,120.00.
3. The pecuniary interest arises from the fact that University of Michigan employee, Dr. Bernitas, is also an owner of Vortex Hydro Energy, LLC.

Subcontract Agreement between the University of Michigan and Wolverine Energy Solutions and Technology, Inc.

The regents unanimously approved a subcontract agreement between the University of Michigan and Wolverine Energy Solutions and Technology, Inc. (the “Company”) to perform research and under a prime contract between the University and the University of Chicago under a DARPA award. Because Dr. T. Goodson, III, and Dr. S. Goodson, University of Michigan employees, are co-founders of Wolverine Energy Solutions and Technology, Inc., 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 Wolverine Energy Solutions and Technology, Inc.
2. The agreement terms of the agreement will conform to University policy, including those related to intellectual property and publication. Under the proposed project, a total funding amount of \$433,443 is anticipated to cover a period of 12 months.
3. The pecuniary interest arises from the fact that Drs. T. Goodson, III, and S. Goodson, University of Michigan employees, are also co-founders of Wolverine Energy Solutions and Technology, Inc.

“MOOCs and More: UM’s Participation in Coursera”

President Coleman called on Provost Hanlon, who introduced Martha Pollack, vice provost for academic and budgetary affairs, and Scott Page, Leonid Hurwicz Collegiate Professor of Political Science, professor of political science, professor of economics, director, Study of Complex Systems, LSA, and research professor, Center for Political Studies, ISR.

Provost Hanlon said that using the internet to deliver instruction is not new. Rather, it is the way in which it is used that continues to evolve. This includes the current, growing trend of Massive Open Online Courses (MOOCs). Coursera, one of the first entities to enter this emerging field, began as a partnership with small group of elite institutions, including UM, Stanford, Princeton, and the University of Pennsylvania. All offered various courses available at no cost to students.

Vice Provost Pollack continued, noting that Coursera currently has 33 partners, all of whom offer free classes open to anyone around the world. Among the ways the University may use Coursera are to enhance on campus learning for students, add more engaging on-line offerings, increase interactive experiences, and as a platform for delivering professional and continuing education programs for which fees are charged.

Professor Page described his experience in teaching his “Model Thinking” course, which has attracted tens of thousands of students world-wide.

Among the reasons cited by Vice Provost Pollack as to why the University is engaging in this activity are that the world is heading in this direction and UM wants to be a leader, it has the potential to expand the number of formats in which learning can take place, it can further the University's public mission to share expertise, it can help connect with alumni, prospective students and citizens, and it is a potential new revenue stream.

President Coleman then turned to the regular agenda.

Committee Reports

Finance, Audit and Investment Committee. Regent White, chair of the Finance, Audit and Investment Committee, reported that she and Regent Richner met with Executive Vice President Slottow and reviewed the 2012 external audit results, along with external auditors Rick Stover and Chris Hoffman from PricewaterhouseCoopers (PWC). Also present were Rowan Miranda, associate vice president for finance, Paul Castillo, chief financial officer, UM Health System, along with Cheryl Soper, controller and director of financial operations, and Jeffrey Moelich, executive director of university audits. The PWC auditors provided an unqualified opinion. All regents received the consolidated statements, which will be presented for a vote at the October Regent meeting. Regent White added that the committee had an opportunity to meet in private with the auditors and was pleased to learn that no concerns were raised.

The committee also met with Provost Hanlon and Vice Provost Pollack and reviewed non-traditional education programs for the potential expansion of spring and summer instruction.

Personnel, Compensation and Governance Committee. Regent Taylor, chair of the Personnel, Compensation and Governance Committee, reported that he and Regents Newman and Ilitch met with Provost Hanlon for an update on searches, and other issues. There was

discussion of faculty perquisites and salaries, and the committee received disclosure statements from the president and the executive officers.

Health Affairs Committee. Regent Darlow, chair of the Health Affairs Committee, reported that she and Regent Deitch had met with UMHS for a discussion on development and the next campaign, along with a discussion on strategic initiatives. Other participants included President Coleman, Executive Vice President Pescovitz, Executive Vice President Slottow, Interim Vice President Kowich, Dean Woolliscroft, UMHHC CEO Doug Strong, Associate Vice President Brian Lally, and outside legal counsel. They received an update from Mr. Lally provided on UMHS development and alumni matters, and discussed a number of strategic initiatives, including the previously reported letter of agreement between the University and the Mid-Michigan Health Alliance. She added that Executive Vice President Pescovitz will present the *State of the Health System* on October 9, 2012.

President's Compensation

Regent Taylor said that this is the time of year when the regents consider the compensation of the president, using a due diligence process that includes viewing various publications, benchmarks, and best practices. He said that while the regents believe that “if anything the president’s salary is too low,” they considered tuition, state funding, and the general condition of the state economy in making a salary recommendation.

Regent Taylor moved that President Coleman’s base salary be increased by three percent or \$17,574, bringing her new base salary to \$603,357. Regent White seconded the motion, and it was approved unanimously.

Regent Taylor said that President Coleman has done an outstanding job noting, “The University continues to lead the way in so many categories, and the President continues to distinguished herself in academia. We are delighted.”

President Coleman thanked the regents and said their support means the world to her. She announced that she is donating her salary increase to student study abroad scholarships, “because I believe it is important, and am pleased to be able to do so.”

President Coleman then turned to the consent agenda.

Consent Agenda

Minutes. Vice President Churchill submitted for approval the minutes of the meeting of July 19, 2012.

Reports. Executive Vice President Slottow submitted the Investment Report and the Plant Extension Report. There was no University Human Resources Report.

Litigation Report. Interim Vice President Kowich submitted the Litigation Report.

Research Report. Vice President Forrest submitted the Report of Projects Established, July 1 – August 31, 2012. He noted that Dr. Mark A. Barteau, one of the world’s leading scholars in the science and engineering of catalysis, joined the University of Michigan on September 1, as professor of chemical engineering, the inaugural holder of the DTE Energy Professorship of Advanced Energy Research, and director of the University of Michigan Energy Institute (MEI).

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

Division of Student Affairs. Vice President Harper added that she is thrilled with the recently completed renovation to Alice Lloyd Hall and thanked the president and the regents.

She noted that as they begin updates to South Quad, the media reports of “luxury residence halls” dramatically overstate the project, when in fact the improvements are focused on plumbing, bathroom fixtures, and outdated infrastructure.

University of Michigan-Dearborn. Chancellor Little added that one of the long-term goals for the Dearborn campus was to establish housing for students. He said that a privately developed, funded, and managed housing project will be opening a \$30 million, 504 bed facility across the street from campus in Fall, 2013. He also noted that the Dearborn campus experienced a record enrollment of 9,083 this fall.

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

Central Student Government Report. Manish Parikh, CSG president, provided an update on recent activities of the Central Student Government.

Voluntary Support. Vice President May submitted reports of voluntary support for June, July, and August, 2012, and gave an update on voluntary support for 2011-12. For the year ending June 30, 2012, the University had 120,000 donors, raised \$288.2 million, added 4,000 new donors, and saw an increase of \$30 million from living individuals.

Personnel Actions/Personnel Reports. Provost Hanlon submitted a number of personnel actions and personnel reports.

Retirement Memoirs. Vice President Churchill submitted eight faculty retirement memoirs.

Memorials. Vice President Churchill submitted three memorial statements.

Degrees. There were no items submitted.

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

University of Michigan Financial Statements for the Year Ended June 30, 2012

Executive Vice President Slottow said that draft financial statements for the year ended June 30, 2012 had been distributed to regents for review, and will be on the October agenda for approval.

FY 2012-2013 All Campus Budget Book

Executive Vice President Slottow distributed the FY 2012-13 All Campus Budget Book.

Report of University Internal Audits, May and June 2012

Executive Vice President Slottow submitted the reports of University Internal Audits.

Alternative Asset Commitments

Executive Vice President Slottow reported on the University's follow-on investments with previously approved venture capital and private equity partnerships as follows: \$20.0 million to Chengwei Ventures Evergreen Fund, L.P., \$35 million to Advent International Global Private Equity VII, L.P., and \$15 million to Russia Partners Technology, L.P.

Alternative Asset Commitment to Shoreline China Value II, L.P. and Alternative Asset Commitment to Magna Hotel Fund IV, L.P.

On a motion by Regent Richner, seconded by Regent Deitch, the regents unanimously approved two commitments: \$20 million from the Long Term Portfolio to Shoreline China Value II, L.P., and \$15 million from the Long Term Portfolio to Magna Hotel Fund IV, L.P.

Chemistry Building and Willard H. Dow Laboratory Chiller Replacement

On a motion by Regent Richner, seconded by Regent White, the regents unanimously approved the Chemistry Building and Willard H. Dow Laboratory Chiller Replacement project as described in the Regents Communication, and authorized issuing the project for bids and awarding construction contracts providing that bids are within the approved budget.

Modern Languages Building Elevator Replacement

On a motion by Regent White, seconded by Regent Newman, the regents unanimously approved the Modern Languages Building Elevator Replacement project as described in the Regents Communication, and authorized issuing the project for bids and awarding construction contracts providing that bids are within the approved budget.

South Quadrangle Renovation

On a motion by Regent Newman, seconded by Regent Richner, the regents unanimously approved the South Quadrangle Renovation Project as described in the Regents Communication, and authorized commissioning SmithGroupJJR for its design.

1019 Ferdon Road, Ann Arbor, Michigan

Regent Newman suggested that the net proceeds from the sale of the property go to the endowment fund, rather than the general fund. The Regents agreed to amend the recommendation in the Regents Communication, and instead to use the proceeds to grow the University's endowment funds.

On a motion by Regent Newman, seconded by Regent Deitch, the regents unanimously approved the sale of the property located at 1019 Ferdon Road, Ann Arbor, Michigan for \$530,000 upon terms and conditions acceptable to the University, and stipulated that the net proceeds from the sale go to the endowment fund.

University of Michigan Hospitals and Health Centers University Hospital Magnetic Resonance Imaging Scanner Replacement

On a motion by Regent White, seconded by Regent Richner, the regents unanimously approved the University of Michigan Hospitals and Health Centers University Hospital Replacement Magnetic Resonance Imaging Scanner Replacement project as described,

authorized commissioning and architectural firms of Hobbs and Black for its design, and authorized issuing the project for bids and awarding construction contracts providing that bids are within the approved budget.

Michigan Advanced Development and Manufacturing Center

On a motion by Regent White, seconded by Regent Richner, the regents unanimously approved that the executive vice president and chief financial officer be directed to execute a First Amendment to the Limited Partnership Agreement of MHV on behalf of the Regents, as limited partner of MHV. It is acknowledged that, following proper corporate action by MHC and consistent with the foregoing, (a) the First Amendment to Limited Partnership Agreement of MHV will also be executed on behalf of MHC as the general partner of MHV and (b) a First Amendment to Operating Agreement of MADMC will be executed on behalf of MHV, the sole member of MADMC, by MHC as the general partner of MHV.

Renaming the Department of Otorhinolaryngology as the Department of Otolaryngology-Head and Neck Surgery

On a motion by Regent Newman, seconded by Regent Deitch, the regents unanimously approved the name change from the Department of Otorhinolaryngology to the Department of Otolaryngology.

Public Comments

The regents heard comments from the following individuals, on the topics indicated: C. W. Kauffman, on academic excellence; Douglas Smith, on national security; Abigail Williams, on university investments in HEI Hotels and Adidas; Kathryn Frank, on Google Apps for Education; and Hector Flores Komatsu, on tuition equality.

There being no further business, the meeting was adjourned at 5:30 p.m. The next meeting will take place on October 19, 2012 at the Flint Campus.