

SEPTEMBER MEETING, 2016

*The University of Michigan
Ann Arbor
September 15, 2016*

The regents met at 3:00 p.m. in the Anderson Room, Michigan Union. Present were President Schlissel and Regents Behm, Bernstein, Deitch, Ilitch, Newman, Richner, Ryder Diggs and White. Also present were Chancellor Borrego, Vice President Churchill, Vice President Harper, Executive Vice President Hegarty, Vice President Hu, Chancellor Little, Vice President Lynch, Vice President May, Interim Vice President Michels, Provost Pollack, Executive Vice President Runge, and Vice President Wilbanks.

Call to Order and President's Opening Remarks

President Schlissel welcomed everyone and thanked the over 800 students and parents who stopped by his residence to visit during the annual move-in open house. He also thanked those who participated in the new student convocation, which was followed by a zero waste picnic on the lawn of Angell Hall.

President Schlissel welcomed Kallie Michels, interim vice president for global communications and strategic initiatives, noting her previous experience working with the Health System and more recently as the associate vice president for communications.

President Schlissel applauded the U.S. Department of Education's updated College Scorecard, which provides students and families with facts and data for the evaluation of higher education options. The UM data reported a year-over-year decrease in the average net cost for in-state students. The percentage of students taking federal loans fell by three percentage points, as did the typical debt level, demonstrating the University's continuing commitment to affordability and fiscal discipline.

President Schlissel congratulated the UM Solar Car team on winning the American Solar Challenge in August for the sixth consecutive time, their ninth win overall. The Baja Racing Team also won their off-road vehicle competition earlier in the summer and the Mike Schmidt Memorial Iron Team Award for the most cumulative points at three events.

President Schlissel mentioned his annual leadership breakfast, which will take place in the Union's Rogel Ballroom and will be live streamed the morning of October 5th. On October 6th, there will be a full day of events to mark the launch of the campus-wide Strategic Plan for Diversity, Equity and Inclusion, the result of more than a year of work. A full schedule of events is available at www.diversity.umich.edu.

President Schlissel announced a supplemental agenda item recommending an affiliation agreement between the University of Michigan Health System and Metro Health of Wyoming, Michigan. This partnership, announced in June and followed by due diligence and negotiation of an affiliation agreement, is recommended for approval. He said, "The University of Michigan Health System is our state's leading health care provider, and our mission as a public university proudly includes the responsibility to serve the people of our state. Increasing the number of people who can access and benefit from UM health care, where they live through partnership with an organization committed to high standards of care like Metro Health, advances our mission to serve the public. Metro Health's medical professionals deliver excellent care. A new affiliation would further improve patient care by adding new high-quality clinical capabilities in the western part of our state. It would enhance our competitive strength during a very dynamic time for health care in the U.S."

He called on Executive Vice President Runge who said, "I'd like to reinforce the importance of partnerships and affiliations as we work to enhance patient care across the state of

Michigan. In particular, establishing a presence in the Grand Rapids area is a strategic priority for the Health System. From our work so far, we believe Metro Health will be an excellent partner for us in many respects. We have conducted an extensive due diligence process that did not reveal any material issues that would prevent us from pursuing the affiliation. Metro Health is well positioned for growth in both their inpatient and ambulatory facilities. Their campus is relatively new, and was designed with future expansion in mind.”

He added, “Metro Health has a loyal group of physicians, both DOs and MDs, and we have already established successful collaborations in pediatrics and radiation oncology. We’ve also established a strong foundation of trust and communication with their physicians, and they are quite receptive to expanding collaborations in other specialties. Personally, I’ve had weekly discussions with Mike Faas, Metro Health’s CEO, throughout this process and we have a very positive working relationship. For all these reasons, I anticipate this will be a very productive and successful partnership.”

A motion was made by Regent White and seconded by Regent Ryder Diggs, and a discussion followed.

Regent White asked about the due diligence efforts. Executive Vice President Runge responded saying, “We’ve had an extensive due diligence process. We’ve had groups from the Health System and from the University’s finance and legal teams working on this. We’ve all done independent assessments and put those together. Those doing the due diligence interacted directly with our counterparts in Metro Health through regular conversations and a number of visits. We found Metro Health to be very transparent. We think this would be a winning affiliation.”

Regent Deitch said, “I’m excited about this, but I’d like you to talk about why you think that this transaction is strategically important to the well-being of the University of Michigan Health System, and how does this benefit the people in West Michigan in terms of possible potential access to our best in class physicians in Ann Arbor?”

Executive Vice President Runge responded saying, “Our mission as the state’s flagship medical institution is to provide the best of care across the state of Michigan. We really think the best way to do that is to provide the very best care at the right time and place. We have not had the opportunity to provide the best care in western Michigan and there are many there who need the specialized care that we provide here. Also, we think there is a great opportunity to work with Metro Health and build capabilities that they do not have, and their population as well as others in the western Michigan area will be able to benefit from. There will be occasions when we will be able to coordinate care in a way that will be convenient and cost effective for patients receiving care in Grand Rapids or if needed to come to Ann Arbor.”

Regent Newman asked about the costs involved. Executive Vice President Runge said, “We are going to provide funding for capital for Metro Health. We will be providing back-and-forth expertise. They have expertise in areas that will be beneficial to us. That will be a cashless transaction but with costs on both sides.”

Regent Newman said that this expansion is important and that the Health System needs to continue to grow.

Regent Bernstein commended Executive Vice President Runge and President Schlissel for their work on this. He said, “This is a big deal for us and it sends a message that we, as a health system and a university, are eager. It demonstrates our ability to proactively and creatively work to expand the services that we can provide from our Health System.”

Regent Ryder Diggs said, “As a physician, I think it’s important that we reach all across the state and so I commend your efforts to move us into West Michigan. I’m a big fan of the Grand Rapids area. As you all know, we had our meeting there last year and I think it’s important for us to maintain our relationships there. Also, we have a lot of physicians who trained at UM who are there. I’m interested in what we’re going to learn from them and their health care practices as well as collaborating on different things and having patients come here for the very specific expertise that we can provide. Thank you!”

Regent Deitch noted that several communities around Grand Rapids are rapidly growing communities. He said, “I think the potential economic benefit to our Health System is a major component.”

The regents unanimously approved the motion.

President Schlissel turned to Provost Pollack to introduce this month’s presentations.

Provost Pollack said, “This University is only as good as its faculty.” Each spring there are promotion and tenure cases that continue to impress us, and three faculty members from this year’s group of promoted faculty will present.

Presentation: Faculty Promotions

Provost Pollack introduced Sandra Levitsky, director of academic programs and associate professor of sociology.

Professor Levitsky studies the gaps between laws on the books and laws that are actually experienced by everyday people. This allows for understanding of who uses the law, who benefits from the law and, “most importantly how factors like class, race, ethnicity and gender shape the administration of justice.” She is also studying, with her colleague Elizabeth Armstrong, the legal implementation of Title IX, which is not just about equity in sports but also

protecting students from sexual harassment and violence. She said that the combination of law and social science is a powerful way to identify inequalities and determine policies to mitigate them.

Provost Pollack introduced Michael Cafarella, Morris Wellman Faculty Development Associate Professor of Computer Science and Engineering and associate professor of electrical engineering and computer science.

Professor Cafarella referred to “big data” and said, “This is the core idea of collecting extremely large data sets, often enabled by modern storage technology or the web, and combining it with statistical approaches that allow us to build web search engines, and perform voice recognition.” His work focuses on processing datasets that are extremely “messy, noisy or nonstandard, things that were not intended to be analyzed but nonetheless, contain valuable information.” He also studies applications that have a human and economic impact.

Provost Pollack introduced Paroma Chatterjee, associate professor of history of art.

Professor Chatterjee’s research focuses on art in the Middle Ages, specifically in Italy, the Middle East, Turkey, and Egypt. She has studied the emergence of new images between the 11th and 13th century depicting portraits of saints surrounded by scenes from their lives that modeled expectations of ethical behavior. These images attracted very diverse and mutually hostile communities.

President Schlissel called upon Chancellor Borrego who introduced Thomas C. Henthorn, Dorothea E. Wyatt Professor of United States History and associate professor of history.

Professor Henthorn’s research focuses on Flint. He believes that the real problem in Flint is that it has been “invisible” for years. He studies urban history and how it intersects with public history at three different historical sites: two historic districts and the second oldest

cemetery in Flint. He is exploring an idea to create an immersion lab to generate interdisciplinary place-based research, and focus on the value of arts and humanities to make a real impact on local communities.

President Schlissel called upon Chancellor Little who introduced Ivy Forsyth-Brown, associate professor of sociology.

Professor Forsyth-Brown said that she works in collaboration with Dr. Pamela Aronson, associate professor of sociology, and together they focus on the college experiences of second generation Arab American young adults. These students are significantly influenced by their family interactions and expectations. Degree paths are conceptualized as gendered and many students have limited understanding of the U.S. higher education systems. They are expanding their study sample to better understand how the families are directly influencing their children's college experiences.

Committee Reports

Finance, Audit, and Investment Committee. Committee Chair Regent White said that she and committee member Regent Bernstein, along with Kevin Hegarty, executive vice president and chief financial officer, Nancy Hobbs, associate vice for finance, Cheryl Soper university controller and director of financial operations, and Jeff Moelich, executive director of university audits met with the University's external auditors from PricewaterhouseCoopers and discussed the results to date of the FY2016 consolidated financial statements. The committee also met with Erik Lundberg, chief investment officer of the university, to discuss diversity efforts and best practices in the University's investment management and supply chain areas.

Personnel, Compensation and Governance Committee.

Regent Richner said, *Mr. President, I am delighted to give a report regarding your annual performance review. As President of the University of Michigan Mark Schlissel is responsible for enhancing the University's reputation as one of the world's leading research universities, including a comprehensive academic medical center. The University of Michigan is now the largest employer within the State of Michigan with over 47,000 faculty and staff and a combined annual budget of \$7.4 billion. By every important measure, the University of Michigan is doing exceptionally well under your leadership. And the world is taking notice. Last week, a well-regarded academic ranking listed the UM as the number one public university in the nation. We now have 103 programs ranked in the top 10, a testament to the breadth and depth of our academic offerings.*

In your second year, you have elevated the excellence of the University in several key areas, including recruiting and retaining top deans and faculty, launching initiatives to encourage multi-disciplinary faculty research, advancing long-term strategies and academics, devoting resources to access, and improving our affordability. Demand for a University of Michigan education is at an all time high. More than 55,000 students sought admission for the current term in Ann Arbor and credentials of our in-coming class are the best they've ever been. Enrollment continues to climb at UM-Dearborn and UM-Flint as well. Increases in financial aid have reduced the average cost of attendance for students from families in all but the top income category, as reported on a federal scorecard release this week. Average indebtedness amongst graduates has decreased as well.

The Health System, a huge part of our enterprise, is doing extremely well. The restructuring of our Health System has positioned our University for stronger leadership in research, education, and patient care. New facilities and partnerships are expanding access to care for patients throughout our state. University fundraising and alumni engagement have reached record levels. The Victors for Michigan campaign has raised \$3.5 billion towards its \$4 billion goal.

Campus life is thriving, which is a direct result of the care and concern and active engagement you have shown as president in support of student affairs. Finally, you have recruited an outstanding athletic director and we all know the successes of our student athletes.

In sum, the Board of Regents would like to commend and appropriately recognize President Schlissel for his performance. He has advanced excellence at the highest levels and enhanced our worldwide impact.

The Board of Regents makes final decisions on compensation, and as part of our annual review we have reviewed data comparing presidential compensation at peer institutions and other relevant information. This process is in accordance with the bylaws and IRS standards. As a result of our assessment and review of relevant compensation information, I move to increase President Schlissel's base salary by three percent effective September 1, 2016 and to provide an additional \$100,000 in retirement contributions to the President's

account, annually on June 30 for the next three years, beginning June 30, 2017 through the end of your contract.

The motion was supported by Regent Bernstein and approved unanimously.

Regent Bernstein said, “You couldn’t pay me enough to do your job. I think it’s important to say how brilliantly and thoughtfully you’re leading this institution and what an honor it is to work with you. You approach this work with a degree of integrity that’s so important in your style and approach not just to the board but also with your colleagues and the students. It’s a great pleasure to say this publicly and my hope is that we continue to say it in the years to come.”

Consent Agenda

Minutes. Vice President Churchill submitted for approval the minutes of the meeting of July 21, 2016.

Reports. Executive Vice President Hegarty submitted the Investment Report as of June 30, 2016 and the Plant Extension Report.

Litigation Report. Vice President Lynch submitted the Litigation Report.

Research Report. Vice President Hu submitted the Report of Projects Established, July 1 2015 – August 31, 2016.

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

Student Life. Vice President Harper reported that this year’s student move-in was the best ever especially for the largest incoming class at UM. She thanked the faculty, staff, and students who have made for a wonderful start of the school year.

University of Michigan-Dearborn. Chancellor Little spoke of the new student convocation held last week with 600 students with their friends and family. There are 2,400 new students on campus this semester.

He also spoke of the Talent Gateway, designed to help students become entrepreneurs of their own lives and careers by developing a creative mindset. World-renowned artist Twyla Tharp will be on campus for a keynote address, along with Jeff DeGraff from the Stephen M. Ross School of Business who will present a workshop for students.

Finally, former Secretary-General of the Arab League Amre Moussa accepted an invitation to the Dearborn and Ann Arbor campuses, “a once in a lifetime opportunity for our students.”

University of Michigan-Flint. Chancellor Borrego spoke of the fantastic celebration held last week in honor of UM-Flint’s 60th anniversary. There was a light show on the side of the C.S. Mott building on the history of the University. She thanked Regent Behm for representing the Board of Regents at that event.

The theme for the 60th anniversary was ‘proud history and bold future’ and the celebration will continue with a time capsule dedication, tree plantings, and speakers who will help the campus and community move forward. Since 1956, the campus has graduated more than 40,000 alums, 80% of whom live and work in Michigan. This would not be possible without the support of the board and the Ann Arbor campus. She thanked them for their commitment to UM-Flint, to academic excellence, and student support.

She also reported the enrollment impact of the water crisis. Freshman count has held steady, and new students are up. She is anticipating a 2-2.5% drop in international and transfer

students. The incoming freshman class has the highest GPAs and ACT scores ever on campus and 231 received merit awards.

A white coat ceremony was held for nurses to honor their entrance into the field. The nursing program is one of 50 programs in the country, and the only one in Michigan to receive funding from the Arnold Gold Foundation and to have the American Association of Colleges of Nursing to host this ceremony.

Central Student Government Report. Central Student Government (CSG) President David Schafer spoke of CSG's work in the area of student harm reduction, mainly around alcohol consumption. The CSG partnered with The Interfraternity Council, PanHellenic Association, and the College of Literature, Science, and the Arts student government to establish hydration stations on football Saturdays. They've also handed out water bottles to nearly 5,000 students. He recognized Micah Griggs for her leadership in this initiative. CSG also partnered with Michigan Dining to open the South Quad Dining Hall an hour earlier than normal and 865 students took advantage of this. He also spoke of affordable off-campus housing for students in light of the construction for yet another high-priced high-rise building on East University Avenue. Members of CSG plan to meet with city council and county commission officials.

Mr. Schafer thanked the administration for its continued support for mental health and wellness and for improving and increasing the Counseling and Psychological Services' (CAPS) budget.

He said that for the first time, CSG has commissioned a demographic report to measure the organization's diversity, asking other student governments to do the same. For CSG, over 96% of involved members have filled out the report that will be published in October and will

provide benchmarks. He thanked the regents for their consideration of student participation in the University's decision-making by revisions to Bylaw 7.01.

Regent Newman clarified that the University has no involvement in the new apartments on South University. She said that she sees more housing on the market and asked how existing housing options are responding. She said, "My concern is that only a certain class of students can afford the high-rise apartments, and others are being left behind. I would hope that the Ann Arbor City Council is also doing something about that."

Regent Newman continued, "I suggest you consider whether mental health should be included in student health services, moving it out of Student Life. This might be an opportunity to expand mental health services as opposed to adding increased cost to the General Fund. You raised two really important issues and I hope you spend time working on these for future discussion."

CSG President Schafer thanked Regent Newman for her input and suggestions. CSG is working with Mary Joe Callan, current director of The Edward Ginsberg Center and former head of the Washtenaw County Office of Community Economic Development. He also met with the director of CAPS and has been looking at how other universities fund student mental health.

Voluntary Support. Vice President May submitted reports for June 2016, July 2016, and August 2016. He provided an overview of FY2016 regarding gift receipts and the progress on the campaign. He noted that the University received \$440 million in cash with 125,000 donors, which is more gifts and grant support than ever in our history. He thanked the regents for their work this past year to make this possible. He also thanked President Schlissel for his tremendous leadership working with donors, and Provost Pollack for her support.

As of June 2016, the campaign has raised \$3.5 billion with 67% time elapsed, and the expectation is that it will continue to surpass goals. In regards to student support, the current amount reached is around \$609 million coming in over the next five years through cash and pledges and these are new commitments.

Regent Newman asked how the University is doing in regards to new alumni.

Vice President May responded saying, “Giving Blue Day is a huge new factor. The third one will take place this year and we are acquiring hundreds of new students, more than ever before. Students have now raised over \$1 million of their own money and over \$3 million from others in the last three years through Giving Blue Day. This is the first time that students are actively engaged in fundraising. Social media has provided a new platform for this purpose. Some crowd funding and crowd sourcing is taking place, which still can be effective and there has been more student volunteers than ever. We have a development summer intern program that consists of a small group of 220 alumni who are giving at the 90% level, and we need more of these programs across campus.”

Personnel Actions/Personnel Reports. Provost Pollack presented a number of personnel actions and reports.

Retirement Memoirs. Vice President Churchill submitted 12 faculty retirement memoirs.

Memorials. Vice President Churchill submitted a memorial statement for Ruth Kay Walker Castaldo, M.M., clinical associate professor of music (opera).

Degrees. There are no actions with respect to degrees this month.

Approval of Consent Agenda. On a motion by Regent White, seconded by Regent Bernstein, the regents unanimously approved the consent agenda, including the supplemental personnel items.

Sale of Gifted Real Estate, Springdale Township, Manistee County, Michigan

Vice President Hegarty reported on the University's sale of the vacant lot located in Springdale Township, Manistee County, Michigan, donated to the University by Russell A. Pelton in 1977, for \$12,000. The proceeds will benefit the Russell A. Pelton Medical Research Fund. He added that the sale price of \$12,000 represents the lot's estimated fair value.

FY2016-2017 All Campus Budget Book

Vice President Hegarty reported on the University's All Campus Budget Book for FY 2016-2017 that sets forth the budget approved by the regents at the June 2016 meeting.

Alternative and Absolute Return Commitments

Vice President Hegarty reported on the commitments of \$18 million to Sequoia Capital China Venture Fund VI, L.P. and Sequoia Capital China Growth Fund IV, L.P.; \$4 million to Matrix Partners India II Extension Fund, LLC; \$50 million to Orion Mine Finance Fund II, L.P.; \$50 million to Napier Park Strategic CLO Fund L.P.

Alternative Asset Commitment

On a motion by Regent White, seconded by Regent Behm, the regents unanimously approved the commitment of \$30 million from the University's Long Term Portfolio to Grey Rock Energy Fund II, L.P.

Absolute Return

On a motion by Regent White, seconded by Regent Richner, the regents unanimously approved the Kaleidoscope Capital's initial funding of \$50 million from the University's Long Term Portfolio to their Spectrum Fund.

Absolute Return, Approval of Baker Brothers Investments

On a motion by Regent White, seconded by Regent Richner, the regents unanimously approved the Baker Brothers Life Sciences, L.P.'s initial funding of \$100 million from the University's Long Term Portfolio.

W.K. Kellogg Institute and Dental Building Expansion and Renovation

On a motion by Regent White, seconded by Regent Richner, the regents unanimously approved the \$122,000,000 W.K. Kellogg Institute and Dental Building expansion and renovation project as described and authorized commissioning Smith Group JJR for its design.

Edward Henry Kraus Building Renovation and Addition

On a motion by Regent White, seconded by Regent Behm, the regents unanimously approved the \$120,000,000 Edward Henry Kraus Building renovation and addition project as described and authorized commissioning Ballinger for its design.

University of Michigan-Dearborn Engineering Lab Building Replacement

On a motion by Regent Newman, seconded by Regent White, the regents unanimously approved the \$90,000,000 University of Michigan-Dearborn Engineering Lab Building replacement project that will enable active learning in studio settings, recording of lectures, and spaces for student collaboration, as well as the appointment of the architecture firm Smith Group JJR for its design.

University of Michigan-Flint William R. Murchie Science Building Expansion

On a motion by Regent White, seconded by Regent Behm, the regents unanimously approved the \$39,000,000 University of Michigan-Flint William R. Murchie Science Building expansion project as described and authorized commissioning Harley Ellis Devereaux for its design.

Literature, Science, and the Arts Building First Floor Renovation and Addition

On a motion by Regent Behm, seconded by Regent Richner, the regents unanimously approved the \$35,000,000 Literature, Science, and the Arts Building first floor renovation and addition project as described and authorized commissioning Smith Group JJR for its design.

UMHHC Brighton Health Center South

On a motion by Regent White, seconded by Regent Ryder Diggs, the regents unanimously approved the authorization of issuing University of Michigan Hospitals and Health Centers' Brighton Health Center South project for bids and awarding construction contracts provided that bids are within the approved budget of \$175,000,000.

North Campus Research Complex Building 80 North Cooling Tower Replacement

On a motion by Regent Richner, seconded by Regent Ryder Diggs, the regents unanimously approved the \$3,000,000 North Campus Research Complex Building 80 north cooling tower replacement project and authorized issuing the project for bids and awarding construction contracts provided that bids are within the approved budget.

Space Research Laboratory Building Lobby Improvements

On a motion by Regent Richner, seconded by Regent Ryder Diggs, the regents unanimously approved the \$2,200,000 Space Research Laboratory Building lobby improvements project and authorized issuing the project for bids and awarding construction contracts provided that bids are within the approved budgets.

North Campus Research Complex Buildings 40 and 50 Demolition

On a motion by Regent Richner, seconded by Regent Ryder Diggs, the regents unanimously approved the \$1,500,000 North Campus Research Complex Buildings 40 and 50 demolition project and authorized issuing the project for bids and awarding contracts provided that bids are within the approved budget.

UMHHC Pneumatic Tube System Communication Network Upgrade

On a motion by Regent Richner, seconded by Regent Ryder Diggs, the regents unanimously approved the \$1,200,000 University of Michigan Hospitals and Health Centers' multiple buildings' pneumatic tube system communication network upgrade project and authorized issuing the project for bids and awarding construction contracts provided that bids are within the approved budget.

Executive Vice President Hegarty brought forward a supplemental item.

New Robotics Laboratory

Executive Vice President Hegarty said that the revised project proposes to add a fourth story and 40,000 gross square feet to accommodate space for corporate partner Ford Motor Company, and seeks approval to enter into a 24-year lease commencing on the date of substantial completion of the project. Ford Motor Company will occupy the fourth floor and the lease includes an upfront payment from Ford Motor Company for the full added cost associated with the floor addition and the full cost recovery at fair market value of the occupancy cost by Ford over the term of the lease.

Jack Bullo, representative of the Harley Ellis Devereaux firm, provided the schematic design and revised the project scope and budget. He said it will be a Lead Certified facility that

will exceed the University's energy goals. In the entrance, there's a multi-story event space that features a walking and flying robot lab, rehab robotics lab, state of the art classroom space in addition to garage space for working on autonomous cars, student team space for things like the solar car, and a series of small shops. Upper floors consist of the research labs as well as a collaborative space that brings together faculty and graduate students. The fourth floor will be designed to meet the Ford Motor Company's specific requirements. The architecture of the building came out of a desire to engage with and activate its surroundings, and project a very progressive image for the robotics program.

Regent Richner said, "What provisions—if any—are there with respect to intellectual property or patents that result from this research? Do they have exclusive rights? Do we share the rights?"

Vice President Hu responded saying, "The leasing of the space does not lead to any ownership of intellectual property. A separate research agreement will govern intellectual property ownership. This is just about design of space."

Executive Vice President Hegarty said, "Ford is going to build space and occupy space for which they will cover the cost."

On a motion by Regent White, seconded by Regent Behm, the regents unanimously approved the schematic design and revised project scope and budget for the New Robotics Laboratory project as presented, and authorized the executive vice president and chief financial officer to execute the lease agreement with Ford Motor Company as described.

Conflicts of Interest Items

On a motion by Regent Newman, seconded by Regent White, the regents approved the conflict of interest items that fall under the State of Michigan Conflict of Interest Statute.

The following information is provided in compliance with statutory requirements:

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

Lease agreements with Venture Accelerator Firms, HygraTek LLC and ONL Therapeutics, Inc. to use the space as office and laboratory space for research and business operations for each respective company was approved.

1. Parties to the agreements are the Regents of the University of Michigan, and 1) HygraTek LLC, and 2) ONL Therapeutics, Inc.
2. The service to be provided is the continuation of existing leases for 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 for an additional year in the program. The one-year lease durations are outlined in the spreadsheet that is part of the regents communication. The leases are written using the standard University of Michigan Venture Accelerator lease template. The tenants will pay the monthly rates as stipulated in the spreadsheet for the additional term of 1) \$3,115/month and 2) \$900. All tenant companies will be responsible for providing monthly updates concerning their business progress to the University of Michigan's 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 University of Michigan employees for each company are owners and/or officers of each respective tenant company: 1) Anish Tuteja, and 2) David Zacks.

Authorization for the University of Michigan to enter into agreement with Big Bear Properties, LLC

An agreement with Big Bear Properties to lodge dental students during clinical rotations was approved.

1. Parties to the agreement are the Regents of the University of Michigan, its School of Dentistry and Big Bear Properties, LLC
2. The agreement is for lodging for the dental students' clinical rotations in Atlanta, Michigan through April 2019 at an approximate total cost of \$55,500. Big Bear Properties, LLC will be supplying all the necessary resources and personnel to fulfill this agreement. The remaining base contract terms and conditions were tailored to meet the particular needs of this contract and have been approved by Procurement Services after advice from the Office of the General Counsel.

3. The pecuniary interest arises from the fact that University of Michigan employee Marilyn MacKool is the owner of Big Bear Properties, LLC

Authorization for the University to transact with The Dispute Resolution Centers of Michigan, Inc.

An agreement with The Dispute Resolution Centers (DRC) of Michigan, Inc. to transact for facilitation meetings with the staff and management of Regional Alliance for Healthy Schools (RAHS) was approved.

1. Parties to the agreement are the Regents of the University of Michigan, its Department of Community Programs and Services and The Dispute Resolution Centers of Michigan, Inc.
2. The agreement is for DRC of Michigan, Inc. to conduct staff meetings with RAHS personnel on three occasions for mediation and dispute resolution at a cost of \$50 per hour for a total cost of \$1,200. DRC of Michigan will be supplying all the necessary resources and personnel to fulfill this contract. The remaining base contract terms and conditions are typical to those used in Procurement Services standard templates for other similar contracts entered into by the regents.
3. The pecuniary interest arises from the fact that University of Michigan employee Laurita Thomas is an officer of DRC of Michigan.

Authorization for the University of Michigan to purchase from Ann Arbor Clarinet Connections

An agreement with Ann Arbor Clarinet Connections to purchase two Bass Clarinets and two EB Clarinets manufactured by Buffet Crampon Company was approved.

1. Parties to the agreement are the Regents of the University of Michigan, its School of Music, Theatre, and Dance and Ann Arbor Clarinet Connections (AA Clarinet).
2. The agreement is for the purchase of two Bass Clarinets and two EB Clarinets for a total cost of \$26,000. AA Clarinet will be supplying all the necessary resources and personnel to fulfill this contract. The remaining base contract terms and conditions are typical to those used in Procurement Services standard templates for other similar contracts entered into by the regents.
3. The pecuniary interest arises from the fact that University of Michigan employee James William King is the owner of AA Clarinet.

Authorization for the University of Michigan to enter into an agreement with NanoBio

An agreement with NanoBio for stability testing, the manufacture of a nanoemulsion product, and assistance with preparation for filing of an Investigational New Drug application as part of a Department of Defense funded project was approved.

1. Parties to the agreement are the Regents of the University of Michigan, its Michigan Nanotechnology Institute for Medicine and Biological Sciences Department and NanoBio.
2. The agreement is for the testing, manufacture, and assistance with preparation of an Investigational New Drug application as part of a Department of Defense funded project. It has an effective period of two years with the option to renew after one year. The total value is not to exceed \$168,000. NanoBio will be supplying all the necessary resources and personnel to fulfill this contract. The remaining base contract terms and conditions are typical to those used in Procurement Services standard templates for other similar contracts entered into by the regents.
3. The pecuniary interest arises from the fact University of Michigan employee James R. Baker Jr. is a board member of NanoBio.

Authorization for the University of Michigan to transact with Newline Builders

An agreement with Newline Builders for fabrication and purchase of wireless respiratory sensors for patient monitoring was approved.

1. Parties to the agreement are the Regents of the University of Michigan, its Department of Human Genetics and Newline Builders.
2. The agreement is for fabrication and the purchase of 30 wireless respiratory sensors for patient monitoring within the calendar year 2016, at a total cost not to exceed \$45,000. Newline Builders will be supplying all the necessary resources and personnel to fulfill this contract. The remaining base contract terms and conditions are typical to those used in Procurement Services standard templates for other similar contracts entered into by the regents.
3. The pecuniary interest arises from the fact University of Michigan employee Frederic Bayoff is the owner of Newline Builders.

Subcontract Agreement between the University of Michigan and Therapeutic Systems Research Laboratories, Inc.

A subcontract agreement with Therapeutic Systems Research Laboratories, Inc. to fund a NIH (prime) SBIR Phase I project titled: “Genetically Optimized Banana Lectin for the Treatment of Influenza” (ORSP# 17-PAF00581) was approved.

1. Parties to the agreement are the Regents of the University of Michigan, its Department of Internal Medicine and Therapeutic Systems Research Laboratories, Inc.

2. The terms of the agreement conform to University policy. The period of performance for the project is approximately four (4) years. The amount of funding support will not exceed \$700,000. Since research projects are often amended, this agreement includes provisions for changes in time and scope. University procedures for approval of these changes will be followed and additional conflict of interest reviews will be done as appropriate.
4. The pecuniary interest arises from the University of Michigan employees Dr. Gordon Amidon's partial ownership and Dr. Gregory Amidon's leadership role with Therapeutic Systems Research Laboratories.

Subcontract Agreement between the University of Michigan and Taza Aya LLC

A subcontract agreement with Taza Aya LLC to fund a National Science Foundation (prime) STTR Phase II project entitled "Protecting Livestock from Airborne Disease Transmission Using Non-Thermal Plasma Airstream Disinfection" (ORSP# 16-PAF07821) was approved.

1. Parties to the agreement are the Regents of the University of Michigan, its Department of Civil and Environmental Engineering and Taza Aya LLC.
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 will not exceed \$68,164. Since research projects are often amended, this agreement includes provisions for changes in time and scope. University procedures for approval of these changes will be followed and additional conflict of interest reviews will be done as appropriate.
3. The pecuniary interest arises from the fact that the University of Michigan employees Dr. Herek L. Clack and Michael A. Drake are part owners of Taza Aya LLC.

Research Agreement between the University of Michigan and Inmatech, Inc.

A research agreement with Inmatech, Inc. to fund a project entitled "Evaluation of Battery Cell Cycle Performance" (ORSP# 16-PAF07368) was approved.

1. Parties to the agreement are the Regents of the University of Michigan, its Department of Mechanical Engineering and Inmatech, Inc.
2. The terms of the agreement conform to University policy. The period of performance for the project is approximately thirty-one (31) months. The amount of funding support will not exceed \$8,400. Since research projects are often amended, this agreement includes a provision for changes in time and scope. University procedures for approval of these changes will be followed and additional conflict of interest reviews will be done as appropriate.

3. The pecuniary interest arises from the fact that the University of Michigan employees Levi Thompson, Paul Rasmussen, and Dr. Saemin Choi are part owners of Inmatech, Inc.

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

A subcontract agreement with nLight, Inc. to fund a Joint Technology Office (prime) project entitled “Numerical Simulations and Theoretical Analysis of Transverse Modal Instabilities (TMI) in Kilowatt Power Chirally Couple Core (3C) Fiber Amplifiers” (ORSP# 16-PAF07731) was approved.

1. Parties to the agreement are the Regents of the University of Michigan, its Department of Electrical Engineering and Computer Science and nLIGHT, Inc.
2. The terms of the agreement conform to University policy. The period of performance for the project is approximately seven (7) months. The amount of funding support will not exceed \$35,000.25. Since research projects are often amended, this agreement includes provisions for changes in time and scope. University procedures for approval of these changes will be followed and additional conflict of interest reviews will be done as appropriate.
3. The pecuniary interest arises from the fact that the University of Michigan employee Dr. Almantas Galvanauskas is a part owner of nLIGHT, Inc.

Research Agreement between the University of Michigan and Food Allergy Research & Education, Inc.

A research agreement with Food Allergy Research & Education, Inc. to fund a project entitled “FARE Clinical Network Membership Renewal” (ORSP# 16-PAF07461) was approved.

1. Parties to the agreement are the Regents of the University of Michigan, its Department of Internal Medicine and Food Allergy Research & Education, Inc.
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 will not exceed \$70,000. Since research projects are often amended, this agreement includes provisions for changes in time and scope. University procedures for approval of these changes will be followed and additional conflict of interest reviews will be done as appropriate.
3. The pecuniary interest arises from the fact that the University of Michigan employee Dr. James R. Baker Jr. is the Chief Executive Officer and Chief Medical Officer of Food Allergy Research & Education, Inc.

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

A license agreement with Nynex Therapeutics, LLC to license from the University of Michigan the University's rights associated with the following technologies: UM OTT File No. 4699, entitled: "Deubiquitinase Inhibitors" and UM OTT File No. 5893, entitled "Deubiquitinase Inhibitors as Therapeutic Agents" was approved.

1. Parties to the agreement are the Regents of the University of Michigan and Nynex Therapeutics, LLC.
2. Agreement terms include granting Nynex Therapeutics, LLC an exclusive license with the right to grant sublicenses. Nynex Therapeutics, LLC will pay a royalty on sales and reimburse patent costs. The University may receive equity in Nynex Therapeutics, LLC, 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 reviews will be done as appropriate.
3. The pecuniary interest arises from the fact that the University of Michigan employees Moshe Talpaz, Matthew Young, Hollis Showalter, Dr. Nicholas Donato, and Dr. Luke Peterson are part owners of Nynex Therapeutics, LLC.

Approval of Department Name Change, College of Arts and Sciences, UM-Flint

On a motion by Regent Newman, seconded by Regent Bernstein, the regents unanimously approved the name change of the Department of Earth and Resource Science to the Department of Geography, Planning and Environment.

Revisions to the Regents' Bylaws

On a motion by Regent White, seconded by Regent Richner, the regents unanimously approved the following revisions to the University of Michigan Regents' Bylaws 7.01, 9.02, and 11.41 as presented.

Public Comment

The regents heard public comments from Douglas Smith, citizen, on the Torn Family Trust; Melissa Geers, citizen, on child abuse specialty; and Alison Tinsley, citizen, who is seeking support for club status for the all girl cheer team at UM after being a student organization since 1999, and wanting to be able to wear the Block M.

Regent Newman asked if a male would be allowed to join their team, and also what their goals are as a club.

Ms. Tinsley said that this is a girl's organization and they are seeking the opportunity to compete in programs like STUNT at a college level.

Regent Newman asked that the regents receive a list of the organizations that are interested in becoming clubs and a complete explanation of what the difference is between a student club and a student organization.

Vice President Royster responded saying, "When you are a club team, you have a coach that is registered and trained by the University, you can take tax deductions, you have the University's liability insurance, you get financial support from recreational sports and from the staff, and you are able to wear the Block M. We currently have 31 club sports and in the last three years we have not accepted anymore due to limited resources and space."

Regent Newman questioned if this was the best policy or if it should be expanded.

Regent Ryder Diggs asked about resources that would be needed if there are more organizations trying to become club sports.

Regent Bernstein asked for a review of the current 31 clubs in terms of the number of members and type of activities.

Regent White asked if club sports need to comply with Title IX.

President Schlissel said there would be further discussion on this topic at a later meeting.

The final speaker was Lauren B. Grinage, alumnus, who thanked the University and the regents for their service.

Adjournment

The meeting was adjourned at 4:57 p.m. The next meeting will take place on October 20, 2016 on the Flint campus.