

MAY MEETING, 1999

*The University of Michigan
Ann Arbor
Thursday, May 20, 1999*

The Regents convened at 1:30 p.m. in the Music Room of the Henry Ford Estate - Fair Lane on the campus of the University of Michigan-Dearborn. Present were President Bollinger and Regents Brandon, Deitch, Horning, Maynard, McGowan, Newman, Taylor, and White. Also present were Provost Cantor, Executive Vice President Kasdin, Executive Vice President Omenn, Vice President Feagin, Vice President Hartford, Vice President and General Counsel Krislov, Chancellor Renick, Interim Chancellor Schmoll, Vice President and Secretary Tedesco, Vice President Ulaby, and Vice President Wilbanks.

Life Sciences Initiative and Institute

President Bollinger called the meeting to order and thanked Chancellor Renick and members of the Dearborn campus community for hosting the meeting. President Bollinger announced that the first order of business would be to continue the discussion of the life sciences initiative and explore in more detail the idea of the life sciences institute.

Significance of the Initiative to the Schools and Colleges

President Bollinger introduced Stephen W. Director, dean of the College of Engineering, as the first of four deans who would discuss the significance of the initiative to the schools and colleges.

Dean Director observed that research in the life sciences is already pervasive in the College of Engineering, as shown by the creation of the Department of Biomedical Engineering several years ago as well as by faculty research activities in the more traditional areas of

engineering. He noted that there are currently about 50 projects related to the life sciences ongoing within the college, and he described four of these projects in the areas of microelectromechanical systems, laser eye surgery, tissue engineering, and bio-imaging. He pointed out that all of these projects are directly related to the life sciences initiative, will benefit greatly from the initiative, and will help support it as well.

Patricia Gurin, interim dean of the College of Literature, Science, and the Arts, spoke about how this college would benefit from the life sciences institute and the broader life science initiative. Specifically, the resources of the institute would enhance the quality and national ranking of the science departments in the college. The institute would provide an opportunity for the integration and mutual enrichment of applied and theoretical basic science and it would present exciting opportunities for undergraduate education. She also noted that the broader life sciences initiative offers many opportunities for college and cross-campus intellectual developments, as embodied by the proposed Center for the Study of Evolution, Ecology, and Behavior.

Interim Dean Gurin noted that the physical separation of the traditional disciplines, departments, and professional schools is a powerful inhibitor to the daily discourse that is essential to the development of a common research experience and a facile exchange of ideas. The creation of a life sciences institute will eliminate the structural barriers to a shared research and learning experience that will be valuable for both basic and applied research.

Regarding contributions of the life sciences institute to undergraduates, Dean Gurin described how the creation of the new institute near Couzens Hall will facilitate the participation of faculty in undergraduate education through such entities as the new living/learning program planned for Couzens Hall in 2001 for first year students interested in broad issues of health and

science. She noted that there is also a proposal for a new undergraduate interdisciplinary concentration in molecular and integrative neurosciences. With a strong commitment to undergraduate education in the institute, she said that Michigan has a unique opportunity of having a truly integrated interdisciplinary neuroscience undergraduate program.

Allen Lichter, interim dean of the Medical School, expressed the support of the Medical School for this project. He reported that the Medical School has three missions: to train physicians and biomedical scientists, to create new knowledge in biology and medicine, and to create state-of-the-art care for patients. He noted that as paradigms change in science, the Medical School has to change as well, to take maximum advantage of these paradigm shifts. Science is currently in the midst of a paradigm shift described as the “post-genome world,” in which for the first time there is an ability to integrate, analyze, and interpret systematically the complex biologic systems based on a knowledge of all relevant components of those systems. With the right people from the right disciplines organized in the right way, he observed, the organizational principles of life will begin to be revealed and understanding these principles will significantly change the course of biology and of medicine.

Interim Dean Lichter pointed out that the universities and research institutes that have a sense of timing can position themselves correctly by bringing together multidisciplinary groups in conjunction with resources and will be able to discover and apply new organizational rules for biology. He concluded that he and his colleagues in the Medical School believe that the time is right for the University of Michigan to become a leading player in the post-genomic revolution, and in fact it is critical that the University do so. As dean of the Medical School, he offered his strong and enthusiastic support for the life sciences initiative and institute.

William E. Kotowicz, dean of the School of Dentistry, then spoke about the impact of the life sciences initiative and institute on the School of Dentistry. He pointed out that the research scope of the school is very broad, involving all areas of biology related to the craniofacial complex as well as population studies and health care delivery. Researchers in the school are involved in the study of problems that will require expertise in all areas targeted for the life sciences initiative.

Dean Kotowicz also noted that in order to have representation in all the areas contained in the oral health sciences, dental school faculty must be necessarily diverse, with backgrounds in the major biomedical research disciplines as well as in the traditional dental specialties. Current dental faculty work in all areas targeted for the life sciences initiative, and the presence of the institute would enhance the ability to attract the highest level faculty. The ability to work collaboratively with other disciplines and to recruit jointly with other schools and colleges will be of great benefit to faculty and to educational programs in the school.

President Bollinger then called for discussion on the presentations by the deans. Regent McGowan noted that the board has enormous regard for the clinical faculty in the Medical School and is well aware of the contributions made to the Health System reserves by the clinical faculty. She asked Dr. Lichter what the perspective of the clinical faculty is on the proposed use of significant amounts of these reserves for this initiative.

Dean Lichter responded that the faculty leadership believes that the reserves have been created to enhance the Medical School and the Health System, which will thereby enhance the University. He observed that the faculty has the choice of being a “very good place with a lot of money in the bank” or a “great place with a little bit less money in the bank.” The faculty has

decided that it prefers the latter option and looks very favorably on investing these resources for the future benefit of the Medical School.

President Bollinger thanked the deans for enhancing everyone's understanding and appreciation of the life sciences and for their support of the institute.

The Institute and the Health System

Executive Vice President Omenn noted that the life sciences initiative is important not only for the University of Michigan, but for people of the state, due to the fact that it will affect many areas important to the state's citizens, from public health to economic development. Executive Vice President Omenn also observed that colleagues nationwide as well as within the institution are aware of the current situation at the University that has been described by the faculty and deans who have addressed the Board, and said that there is a sense of excitement that the University intends to improve its status in areas in which growth will be appreciated, by becoming a leader in the life sciences.

Executive Vice President Omenn noted that the Health System has begun development of a strategic plan, one part of which is to anticipate what the field of medicine will be like in five to ten years and to determine how the Health System can shape its future. The kinds of technological developments envisioned in the life sciences will change the kinds of facilities needed, practices offered, and benefits that can be provided to patients. Creation of the institute will allow the Health System to be a leader in the development of these technologies.

He observed that over the last decade, the Health System has spent about \$80 million per year in the Hospitals and Health Centers and about \$40 million per year in the Medical School. Over the next five year period, it is estimated that about \$700 million will be spent on new program developments or enhancements of existing programs, maintenance of the physical plant,

and equipment replacement. He said that faculty understand that careful investment of the asset base in such endeavors as the life sciences institute is crucial to maintaining the system's leadership position, and this is viewed as a priority.

Programmatic Assumptions and Budget Planning

Provost Cantor related details about academic and budgetary programming for the life sciences institute. She observed that although there are already pockets of faculty members collaborating on projects around the campus, an institute provides a convening space for collaboration and an ideal environment for creating new knowledge and new ideas. She noted that a life sciences institute can help build up departments and professional schools with relevant missions in the same manner as the Institute for Social Research (ISR) did for the University's social science departments. She also pointed out that just as ISR's growth was built largely on increases in federal support for research in the social sciences, it is anticipated that the institute's full development will be fueled by increased federal support for research in the life sciences.

In order to succeed, she noted that the institute will need to develop clear links and permeable boundaries, both among academic departments and programs within the University and with the external world through technological innovation, product development, translational and outcomes research, and with federal research agencies. The institute will also need to be flexible enough to respond to new and unexpected challenges.

An initial budget model constructs annual institute expenses at approximately \$9.6 million. An endowment of approximately \$110 million will provide interest revenue of approximately \$5.5 million, and indirect cost recovery is expected to provide approximately \$4.1 million. The budget is expected to support about 30 faculty and staff salaries and benefits; ongoing facility and equipment upgrades; academic programming; a director's strategic initiative

fund; operating costs of space; and other operating expenses. She emphasized that the budget is constructed to ensure quick responses to new opportunities as they arise.

Regent Brandon inquired about partnerships that are anticipated with Michigan State and Wayne State Universities. Provost Cantor responded that the “life sciences corridor” concept, which is being developed jointly by the University of Michigan, Michigan State University, and Wayne State University as a proposal to the state, is focused on encouraging partnerships that build on the strengths of the three universities. Efforts are being made to determine how the three largest research universities in the state can work together to enhance opportunities for technology transfer in areas related to the life sciences. Vice President Ulaby observed that the University of Michigan already is participating in a number of joint research projects with both Michigan State University and Wayne State University.

In response to a question from Regent Newman about the involvement of the Flint and Dearborn campuses in the life sciences, Executive Vice President Omenn stated that there is already a program on the Dearborn campus in health policy that has a joint arrangement with the Ann Arbor campus. In addition, both the Dearborn and Flint campus are represented on the Medical Affairs Advisory Committee of SACUA. Provost Cantor noted that the Dearborn and Flint campuses have a number of interdisciplinary programs operated through the Rackham graduate school that are relevant to this endeavor. The existence of the life sciences institute on the Ann Arbor campus would be a good recruiting tool for those campuses as well.

Public Comments

The Regents heard comments from Bram Elias, president of Michigan Student Assembly, about the MSA agenda for 1999-2000.

A five-minute break followed, after which the meeting reconvened at 3:35 p.m.

Campus Planning, Facilities, and Finances

Executive Vice President Kasdin observed that following years of intensive construction and growth on the Ann Arbor campus, President Bollinger, with Regental support, decided to engage in a comprehensive master planning exercise. The firm of Venturi, Scott Brown and Associates (VSBA) was retained to provide advice on campus planning. The first stage of the VSBA study set out to understand the existing campus and was completed in the Spring of 1998.

The life sciences initiative and the broader relationship of central campus and the health science schools was the second area emphasized, and the development of the Palmer Drive Site is the current focus of that review. Executive Vice President Kasdin noted that several years ago a parking deck had been approved by the Regents for that site. However, the review of the site in conjunction with VSBA determined that this site is appropriate for much more intensive, robust development that reflects academic as well as parking needs. The development that is envisioned will physically unify the central campus with the medical campus, both by use of a pedestrian bridge and by creating a vital space that will shape the programmatic relationships among the schools and colleges.

Executive Vice President Kasdin observed that a number of laboratory buildings would be constructed in the coming years, and that the architecture of these buildings is driven by programmatic needs. He suggested that the Regents begin to consider the type of architecture desired for these buildings, in keeping with the existing Albert Khan buildings built early in this century.

He then introduced Denise Scott Brown and Robert Venturi, principals in the firm of Venturi, Scott Brown and Associates. Mr. Venturi gave an overview of Ann Arbor city and

campus land use, which included maps and photographs of the campus's generic loft buildings designed by Albert Kahn.

Ms. Scott Brown then gave a presentation illustrating land use patterns for the campus and surrounding areas; usage of land for the sciences, classrooms, and performing arts; and a number of other categories of building and land usage and traffic patterns. The historical development of the campus was described through its current configuration of south, central, medical, north, and east campuses. Diagrams were shown displaying existing and potential pedestrian walkways and existing building access and parking sites in the Palmer Drive area.

Through the examination of maps and schematics, several useful conclusions were provided regarding concentration of activity on central, medical, and north campuses. The patterns revealed approaches that should be used to integrate the central and medical campuses to achieve full access for faculty, staff, students, and for patients and clients of the University.

At this juncture, the presentation focused on potential sites for the life sciences institute. The Palmer Drive site that had formerly been designated for a parking structure with one non-laboratory building upon it should now be considered as a potential site for the life sciences institute as well as a parking deck and other buildings.

She concluded by displaying a diagram denoting sites available for potential development in the Medical Campus and Palmer Drive areas. In addition to a site for the life sciences institute, possible programmatic uses include laboratory space, non-laboratory academic space, a cafeteria, and offices. Several diagrams illustrating building options for the Palmer Drive site that would include a parking deck with the capacity for 800-1,000 spaces were also offered.

In response to a question about the planned number of parking spaces, Executive Vice President Kasdin noted that the University may enter into a joint agreement with the City of Ann Arbor that would provide the University with about 300-350 parking spaces in the city parking structure on Forest Street. Such an agreement would provide a number of parking spaces that would accommodate new campus areas. He also noted that the proposed new parking facility in the Palmer Drive area will have the same parking capacity as the previously approved structure.

Ms. Scott Brown then displayed models of the proposed Palmer Drive site. A presentation on laboratory architecture then followed.

Public Comments

Following the presentation, the Regents heard comments from Suneel Gupta, president of the UM-Dearborn student government, about improving the visibility of the University of Michigan-Dearborn.

Regent Horning left the meeting at this point, at about 4:30 p.m.

Discussion of Life Sciences Institute

Regent Deitch thanked Ms. Scott Brown and Mr. Venturi for a very informative presentation. He observed that the life sciences institute is “a very exciting venture” that he endorsed wholeheartedly.

Regent Taylor inquired what the next step would be in constructing a building on the proposed site. Executive Vice President Kasdin reviewed the three-step process for construction of a new building, noting that it begins with appointment of an architect by the Regents. Next, the architect completes a schematic design and a preliminary budget, which is also approved by the Regents. Finally, the architect presents for approval a detailed design for the building and a final budget which is ready to be let out to bid.

Executive Vice President Kasdin noted that a parking deck will be built in conjunction with the new building. He observed that funding for the parking deck will be derived from parking system revenues, and is not considered as part of the life sciences budget. Regent Maynard suggested that the new parking structure should include the maximum possible number of spaces. Regent McGowan agreed that because there are now new expectations for use of the structure on the previously approved site, having sufficient parking availability will be very important.

Regent Newman suggested that a presentation be given to the Regents about projections for parking needs on campus for the next twenty years. Executive Vice President Kasdin agreed, and reported that a number of new options had recently been introduced to alleviate the parking situation on campus. He also noted that the preliminary plans for the new structure allow for a fuller academic program without sacrificing any of the parking capacity that had been planned for that site previously.

In response to a question from Regent Brandon about the proposed timeline for the life sciences institute, Executive Vice President Kasdin said that once the lead person has been identified who will be knowledgeable about programmatic requirements for the new facility, it will be two and one-half to three years to the building's completion. The next step for Regents' approval will be the appointment of an architect.

President Bollinger summarized that the Board's endorsement of pursuing the life sciences initiative and establishing an institute is the first step. Creating the institute itself will involve designing the building, identifying a director, and making initial appointments to the institute. He envisions that the institute will be "up and running" within three years.

Resolution in Honor of Chancellor Renick

Regent Deitch read the following resolution:

Regents' Resolution

The Regents of the University of Michigan salute and congratulate Chancellor James C. Renick as he leaves the University on July 15, 1999, to become chancellor of North Carolina Agricultural and Technical State University.

The University is grateful for the leadership Chancellor Renick has provided since his appointment as chancellor and professor of education and public administration at the University of Michigan-Dearborn in 1993. Chancellor Renick has worked closely with community and business leaders to strengthen the Dearborn campus's relationships with residents of Southeastern Michigan. Enrollment has grown to historically high levels, due in part to curricular developments tailored to the needs of the region, including master's degree programs in engineering, computer technology, and education. The U-M-Dearborn completed its first capital campaign, raising more than \$25 million during Chancellor Renick's tenure. In addition, during the past six years, the campus has secured approval and funding from the state legislature to support a building program that literally has transformed the campus.

Although the Regents will miss Chancellor Renick, we are pleased that this opportunity will enable him to express his long-standing commitment to historically Black colleges and universities through his leadership. His father taught at an historically Black institution, and Chancellor Renick is a graduate of Ohio's Central State University, where his daughter is now a student.

The Regents commend James C. Renick for his leadership in the field of education and for his distinguished service to the University of Michigan-Dearborn and wish him continued success at North Carolina Agricultural and Technical State University.

A round of applause followed, after which Chancellor Renick thanked the Regents and said that it had been an honor to serve as chancellor.

The meeting recessed at 5:15 p.m.

Friday, May 21, 1999

The Regents convened at 9:10 a.m. in the Regents' Room. Present were President Bollinger and Regents Brandon, Deitch, Horning, Maynard, McGowan, Newman, Taylor, and

White. Also present were Provost Cantor, Executive Vice President Kasdin, Executive Vice President Omenn, Vice President Feagin, Vice President Hartford, Vice President and General Counsel Krislov, Chancellor Renick, Interim Chancellor Schmoll, Vice President and Secretary Tedesco, Vice President Ulaby, and Vice President Wilbanks.

Life Sciences Initiative and Institute

President Bollinger reviewed the process by which the idea of pursuing a life sciences initiative had been presented to and endorsed by the faculty. Establishment of the life sciences institute goes beyond this, involving master planning and the need to connect the separate campuses. He noted that the Regents have served as a focal point in moving this plan forward, ensuring that the very best effort was made to produce a comprehensive plan.

Regent McGowan observed that this is the most important issue of substance to come before the University in some time. She noted that the Regents have been involved from the beginning and have received all of the information that has been needed, and praised Vice President and Secretary Tedesco for her efforts on behalf of the life sciences initiative.

Regent Deitch said that he shared Regent McGowan's views and also gave credit to President Bollinger for the focused, imaginative way in which he recognized the need for this project and pursued it. He noted that this was a great, defining moment for the University, organized around what is one of the core purposes of the University: creating knowledge. He moved that the Regents endorse the life sciences initiative, approve the establishment of a life sciences institute, and empower the president to take such initial steps as are necessary to establish an institute, including but not limited to securing funds, searching for a director, and developing an appropriate organizational structure for the institute. Regent McGowan seconded the motion.

Regent Maynard commented that it is essential that the University of Michigan be a leader in the life sciences revolution. The vote was then taken, and endorsement of the life sciences initiative and approval of the life sciences institute were approved unanimously.

President's Remarks

President Bollinger noted that the men's gymnastics team, which two years previously had endured a winless season, had won the 1999 NCAA national championship. In addition, Coach Golder had been named Midwest Regional Coach of the Year and Assistant Coach Burns had received the National Assistant Coach of the Year award.

He also reported on a number of faculty accomplishments and awards during the past month. He noted that as part of the debut of the Festival of New Works, a new summertime stage series, Arthur Miller would be returning to the campus. He announced that the idea of an Arthur Miller Theater will be launched during 2000-2001, and that an advisory committee is being formed to pursue this theater.

He noted that a rededication ceremony was scheduled for the newly-restored Detroit Observatory that day. Finally, he announced that Jessye Norman and Bill T. Jones were presenting a joint work at Lincoln Center in New York City that had originally been created at the University of Michigan.

Resolution in Honor of Men's Gymnastics Team

Regent Horning called to the podium Coach Kurt Golder and members of the men's gymnastics team and read the following resolution:

Regents' Resolution

The Regents of the University of Michigan applaud the men's gymnastics team and its coaches for a spectacular season, culminating with the National Championship at the National Collegiate Athletic Association finals in Lincoln,

Nebraska, on April 23, 1999. The team's victory marks Michigan's third national men's gymnastics title and the University's 50th national championship overall.

Michigan's masters of the pommel horse, rings, and floor exercise demonstrated great mental and physical strength, confidence, and an affinity for hard work throughout the season. The gymnasts also are outstanding students: more than 97 percent graduate with a B average or better.

Since coming to Michigan three years ago, Coach Kurt Golder has reinvigorated the gymnastics program by recruiting top student athletes, enhancing the team's strengthening and conditioning program, and setting high practice standards. He has taken the team from a winless 1996 season to its current status as a formidable competitor. Coach Golder, who guided the Wolverines to their first Big Ten Conference championship since 1975, has been named National Coach of the Year as well as Midwest Regional Coach of the Year. Assistant Coach Mike Burns, who was instrumental in recruiting last season, has been recognized with the National Assistant Coach of the Year Award.

The Regents salute the men's gymnastics team and coaches Golder and Burns for an outstanding season and the rich contributions they are making to the University of Michigan's academic and athletic tradition.

Coach Golder thanked the Regents for the resolution.

Recommended Promotions to the Ranks of Professor and Associate Professor

Provost Cantor submitted recommendations for the promotion of 138 faculty members, and described the rigorous review process for promotion to tenured associate and full professorships. She then reviewed several case histories, demonstrating the most exemplary qualities of the University's faculty.

President Bollinger observed that the promotion review of the faculty is one of the most important tasks undertaken at the University, and a great deal of attention is paid to the process at every level.

Chancellor Renick submitted nine recommendations for promotion from the Dearborn campus, noting that they had undergone a review process similar to that conducted on the Ann Arbor campus. He reviewed the case of one of the faculty members as exemplary of the faculty's quality and contribution.

Chancellor Schmoll submitted seven recommendations for promotion from the Flint Campus, noting also that the review process was similar to the others. She reviewed the cases of each of the recommendations.

On a motion by Regent McGowan, seconded by Regent Newman, the Regents unanimously approved the promotion recommendations.

Resolution for Vice President Hartford

President Bollinger called on Regent Newman, who read the following resolution:

Regents' Resolution

The Regents of the University of Michigan congratulate and commend Maureen A. Hartford, vice president for student affairs, as she leaves the University to become the first female president of Meredith College, the largest private women's college in the Southeast.

Vice President Hartford has provided insightful and visionary leadership to the Division of Student Affairs and discerning counsel to the Regents and three presidents. Shortly after arriving in Ann Arbor in 1992, Vice President Hartford gamely immersed herself in campus life by moving into a residence hall for a week. Although her personal South Quad living-learning community experience included flood and fire — running water from leaking plumbing and smoke from a small fire — Vice President Hartford displayed fortitude, calmness, and personal warmth that have characterized her relationship with students, colleagues, and Regents throughout her tenure.

Vice President Hartford has skillfully assessed and addressed students' needs — from launching Welcome Week for new students to promoting community service and leadership with the Center for Learning Through Community Service and Michigan Leadership Initiatives. She expanded the nationally recognized Program on Intergroup Relations, Conflict and Community, and also expanded living-learning communities in the residence halls. Vice President Hartford took on the considerable challenge of creating Michigan's first student code of conduct and established a cohesive policy on alcohol and other drugs.

The Regents extend their deepest appreciation to Maureen A. Hartford for her distinguished service as vice president for student affairs, and extend warmest best wishes to her as she returns to her home state of North Carolina to become president of Meredith College.

Regent Newman also expressed appreciation to Jay Hartford for his service to the University as an associate vice president for development. A round of applause and standing

ovation followed. Vice President Hartford noted that her professional life at Michigan has always been closely tied with students, and that she has always cared deeply about them. She observed that there had been a complete turnover in the executive and Regental leadership since she arrived seven years ago, and said she believed that the leadership team has become even stronger than it was when she came. She expressed her thanks to staff in the Office of Student Affairs and to all present.

Regent Maynard left the meeting at this point, at about 10:00 a.m.

CESF Report-Ann Arbor Campus

Professor Scott Masten, chair of the Committee on the Economic Status of the Faculty, noted that there were two areas of emphasis identified by the committee. The first is the challenge to the University created by escalating competition for faculty, which leads to large discrepancies in salaries among faculty of similar rank and accomplishments. The second is the need to establish a University compensation policy. This would open up the process so that faculty will know how salary decisions are made, and it would also ensure that compensation decisions, which involve a good deal of discretion, are based on legitimate rationales.

CESF Report-Flint Campus

Professor Mark Perry, chair of the Committee on the Economic Status of the Faculty at the UM-Flint, observed that average faculty salary increases on the Flint campus have been less than the rate of inflation for the past five years. This is of most concern at the assistant professor level, as it affects the ability to recruit new faculty. He also reported that average faculty salaries at all levels at UM-Flint rank last compared to its nine peer public institutions in Michigan. Professor Perry also noted that for the past five years, assistant professor salary increases at UM-Flint have ranked last in comparison to both national and Michigan peer institutions. He

gave an example from the Department of Economics of how the below-average assistant professor salary level on the Flint campus made it very difficult to recruit a new faculty member.

Consent Agenda

Minutes. Vice President and Secretary Tedesco submitted the minutes of the April 15-16 meeting.

Reports. Executive Vice President Kasdin submitted Reports of Investment and Plant Extension. He noted that Jackie McClain, executive director of human resources and affirmative action, would be leaving the University to become vice chancellor for human resources of the California State University system. Regent McGowan expressed her thanks to Ms. McClain, noting that she had brought state-of-the-art procedures and policies to the Office of Human Resources and Affirmative Action and that she had been very effective, always operating with a sense of fairness. She also noted that Ms. McClain had served in an important advisory role to the Board of Regents on a number of occasions, and expressed appreciation and good wishes to her on behalf of the Board.

Executive Vice President Kasdin reported that he and Provost Cantor would be appointing a committee to conduct a national search for her successor.

Vice President Ulaby submitted the report of projects established for April 1999, noting that the number of awards and funding amounts were both higher than at this point in 1998.

University of Michigan Health System. Executive Vice President Omenn observed that clinical operations were being tracked very closely, and that the Health System was in good financial condition. He noted that Year 2000 goals were expected to be completed in a timely fashion and under the budget that had been allocated. He observed that the Medical School's Sesquicentennial Celebration was ongoing, and announced several upcoming events planned in

conjunction with this observance. Finally, he stated that positive changes were occurring in the operation of M-Care under the direction of Ms. Zelda Geyer-Sylvia.

Regent Newman reiterated her request for a presentation to the Board about Health System space needs planning.

Regent Deitch commented that it was a remarkable achievement that the Health System would achieve a profit on operations. He recalled that creating the position of executive vice president for medical affairs to oversee the Health System had been done in an attempt to preserve the enterprise and noted that the current positive status was a credit to Executive Vice President Omenn and Health System physicians and staff.

Regent Newman expressed agreement with Regent Deitch's comments. Executive Vice President Omenn thanked the Board for its support and observed that the current state of affairs in the Health System was due to a team effort.

Voluntary Support. Vice President Feagin submitted the monthly report of voluntary support. She commented on the recent announcement of the Ford Motor Company pledge of \$9.3 million over the next five years, noting that to date this was their largest commitment to any University, as well as to the University of Michigan.

Personnel Actions/Personnel Reports. Provost Cantor submitted a number of personnel actions and personnel reports. Vice President Ulaby pointed out the appointment of Robert F. Todd III as associate vice president for research. Executive Vice President Omenn called attention to the appointment of Allen S. Lichter as dean of the Medical School, and President Bollinger noted the appointment of E. Royster Harper as interim vice president for student affairs.

Student Affairs Report. Vice President Hartford observed that Dr. Caesar M. Briefer, director of University Health Service, would be retiring at the end of June and would be replaced on an interim basis by Dr. Robert Winfield. Vice President Hartford also commented that there would be no action request with regard to the University Health Service fee for 1999-2000 because no increase was being requested.

Retirement memoirs. Vice President and Secretary Tedesco submitted for adoption retirement memoirs for 15 faculty members.

Memorials. No deaths of active faculty members were reported to the Regents this month.

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

On a motion by Regent Newman, seconded by Regent White, the Regents unanimously approved the consent agenda.

Six Months Report on University Audits

Executive Vice President Kasdin and Mr. Carl Smith, director of university audits, submitted the Six Months Report on University Audits.

Sale of Tax Exempt Commercial Paper to Finance University's Projects

On a motion by Regent White, seconded by Regent Brandon, the Regents unanimously approved an increase of \$7.9 million in the amount outstanding under the commercial paper program supported by a pledge of General Revenues to provide partial funding for the new College of Arts, Sciences and Letters Building on the University of Michigan-Dearborn campus.

Alternative Asset Investment

On a motion by Regent Horning, seconded by Regent White, the Regents unanimously approved commitment of up to \$25.0 million to Morgan Stanley Dean Witter Capital Partners IV, L.P., pending a favorable review of the legal documents by the Office of the General Counsel.

726 Oakland Avenue, Ann Arbor, Michigan

On a motion by Regent Newman, seconded by Regent Taylor, the Regents unanimously approved acquisition of the property at 726 Oakland Avenue in Ann Arbor at a price of \$620,000, subject to the University's satisfaction with the environmental condition and appraised value of the property.

Change in Name of The Observatory of the University of Michigan

Vice President Ulaby reviewed the history of the naming of the observatory, noting that it had originally been named "The Detroit Observatory" and the name had then been changed to "The Observatory of the University of Michigan." On a motion by Regent Horning, seconded by Regent White, the Regents unanimously approved a change in the name of "The Observatory of the University of Michigan" to "The University of Michigan Detroit Observatory."

Institute of Science and Technology (IST) High Bay Building Addition

On a motion by Regent Horning, seconded by Regent Deitch, the Regents unanimously approved the IST High Bay Building Addition Project and authorized contracting with the firm of Jickling, Lyman and Powell for its design.

University Hospital Operating Room Expansion

On a motion by Regent Newman, seconded by Regent McGowan, the Regents unanimously approved a project for expanding University Hospital's operating capacity by two rooms and doing additional renovations for functions in support of surgical activity, as described in the Regents Communication.

Agreement between the University of Michigan and Oak Ridge National Laboratory

On a motion by Regent Newman, seconded by Regent Deitch, the Regents unanimously approved an agreement between the University of Michigan and Oak Ridge National Laboratory for the support of collaborative activities with Dr. Steve E. Lindberg from the Oak Ridge National Laboratory through a grant awarded to the University of Michigan. Because Dr. Lindberg is also an adjunct professor at the University of Michigan, 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 University of Michigan and Oak Ridge National Laboratory.
2. Terms of the agreement involve a total subcontract of approximately \$125,000 to cover the period of January 1, 1999 through January 15, 2000. Dr. Lindberg's appointment at the University of Michigan runs through August 1999 and is without compensation.

University of Michigan Hospitals and Health Centers Washtenaw Integrated Health Care Project

Executive Vice President Omenn introduced Dr. Thomas Carli, clinical associate professor of psychiatry, and Mr. David Neal, assistant professor of social work in the Department of Psychiatry, who have been working with state and local government officials to establish the Washtenaw Integrated Health Care Project. This project creates a new corporation with the Washtenaw County Board of Commissioners to manage integrated health care services

for Medicaid and indigent populations in Washtenaw County. He noted that it is a “signal achievement” in community relations for the University.

Regent Newman inquired how creation of this corporation would affect Regental oversight responsibilities. Dr. Carli responded that the Health System will be sharing the oversight of the project with the new legal entity. Governance of health care remains within the health system. The governing board of the community mental health corporation (Washtenaw Community Health Board) is ultimately responsible for the allocation of funds in the system, and the University’s representatives on the board represent the University’s interests in that decision-making process. He noted that there is an exit policy that would allow the University to terminate the agreement quickly if an action should occur that is not within the University’s interests.

On a motion by Regent Newman, seconded by Regent Brandon, the Regents unanimously approved establishment of the Washtenaw Integrated Health Care Project, as described in the Regents Communication.

Change in Name of Center for Western European Studies

On a motion by Regent Deitch, seconded by Regent Horning, the Regents unanimously approved a change in the name of the Center for Western European Studies to the Center for European Studies.

“Michigan Greats”

Vice President Ulaby highlighted the accomplishments of University of Michigan alumnus Samuel C.C. Ting, professor of physics at Massachusetts Institute of Technology and winner of the 1976 Nobel Prize for Physics.

There being no further business, the meeting was adjourned at 10:45 a.m. The next meeting will take place June 17-18, 1999.