

FEBRUARY MEETING, 2012

**Approved by the Regents
March 15, 2012**

*The University of Michigan
Ann Arbor
February 16, 2012*

The regents met at 3:15 p.m. in the Regents' Room. Present were President Coleman and Regents Deitch, Ilitch, Newman, Richner, Taylor, and White. Also present were Vice President and Secretary Churchill, Vice President Forrest, Provost Hanlon, Vice President Harper, Chancellor Little, Vice President May, Chancellor Person, Vice President Rudgers, Vice President Scarneccchia, and Executive Vice President Slottow. Regent Maynard was absent; Regent Darlow participated by phone. Vice President Wilbanks arrived at about 4:00.

Call to Order

President Coleman called the meeting to order and began with an update on the University's handling of allegations that a medical resident possessed child pornography. She commented, "University leadership and the Board of Regents now have had the chance to review and discuss the internal audit in detail. It has been a frank, difficult and necessary assessment of the incident itself as well as the larger context of safety and security in our Health System and on our campus." She then called on Regent Taylor, who made the following motion.

Motion by Regent Taylor

Regent Taylor stated, "This motion arises out of the case involving allegations against Dr. Jenson, who was formerly of the Health System. It's a terrible situation. It's one that is unacceptable to the regents and that we, the regents, feel we must do everything within our power to insure that it is not repeated." He then made the following motion:

1. The regents will assume control and responsibility for the corrective remedial actions that must be taken arising out of this case.
2. An externally-driven investigation must be conducted to determine, among other things, individual accountability and whether further action must be taken.
3. Management experts or consultants must be retained to examine the current organizational setup for law enforcement and investigation, and to give us options with regard to same.
4. Finally, 9-1-1 must be fixed ASAP. When people call, it should be clear who they are talking to, and under what authority.

To accomplish these items, the regents instruct our chair, Denise Ilitch, and our president, Mary Sue Coleman, and others they may deem appropriate and helpful to them, to develop candidates from outside organizations for regents to choose from to carry out these matters.

The motion was seconded by Regent Newman, and it was approved unanimously. President Coleman responded that she shares the regents' concerns, and appreciates the board's commitment to leaving no stone unturned in this matter. She said, "I will work closely with Regent Ilitch and the entire board to quickly launch the actions outlined in the resolution. As I said last week, this situation and the underlying issues it revealed is unacceptable. We will take any additional steps necessary based on what we learn in the weeks to come." She thanked the board for taking this action.

President's Remarks

President Coleman announced that two faculty members had recently been awarded prestigious Alfred P. Sloan Foundation fellowships. She announced further that the first stem cell line derived at the University of Michigan had been placed on the NIH's registry of human embryonic stem cell lines.

President Coleman then introduced Martin Philbert, dean of the School of Public Health.

Presentation by Martin Philbert, Dean, School of Public Health

Dean Philbert reported that the School of Public Health aims to be the premier academic institution in public health, and his presentation described the school's efforts at achieving this goal. He noted that the school is ranked 4th nationally among Master of Public Health programs and is within the top four in its doctoral level programs. He outlined multiple other measures that demonstrate the national and international prominence of the school.

Presentation on Human Embryonic Stem Cell Research

President Coleman introduced James Douglas Engel, G. Carl Huber Professor of Developmental Biology and chair, Department of Cell and Developmental Biology. Professor Engel noted that the scientific goal of the Michigan stem cell research program, when it was established ten years ago was to build a world-class center of excellence in stem cell biology. He described the three types of stem cells: human adult stem cells, human embryonic stem cells, and human induced pluripotent stem cells and explained how these cells can be developed in the laboratory to treat human diseases. He noted that passage of Proposition 2 in 2008 was critical in advancing stem cell research at the University. Michigan's stem cell program's unique contribution to this area of research is to focus on generating human embryonic stem cell lines

from patients who have specific genetic diseases. The long-term goal is to be able to treat patients with cell-based therapies using induced pluripotent stem cells.

Committee Reports

Finance, Audit and Investment Committee. Regent White, chair of the Finance, Audit and Investment Committee, reported that the committee, consisting of herself, Regent Richner, and Regent Maynard (via phone) had met that morning with Executive Vice President Slottow. For the first session, on the UMHS 10-year strategic financial plan, the committee was joined by the Health Affairs Committee, consisting of Regents Deitch, Newman, and Darlow (via phone). Also present were Executive Vice President Pescovitz, Dean Woolliscroft, and Health System CFO Paul Castillo. The second agenda item was an overview of the FY 2013 General Fund Budget. Participants included Provost Hanlon and Associate Provost Pollack. The committee also received an audit update from Carol Senneff, executive director of University Audits.

Personnel, Compensation and Governance Committee. Regent Taylor, chair of the Personnel, Compensation and Governance Committee, reported that he and Regent Ilitch had held a brief meeting, during which Provost Hanlon had provided an update on various searches and other topics.

Health Affairs Committee. Regent Deitch noted that the Finance, Audit and Investment Committee had joined the Health Affairs Committee, consisting of himself, Regent Newman, and Regent Darlow (via phone), for the UMHS strategic financial plan update. They then met with Executive Vice President Pescovitz, Dean Woolliscroft, and Dr. Andrew Rosenberg, chief medical information officer at the UMHS, regarding the work being done on medical records system migration.

President Coleman then turned to the consent agenda.

Consent Agenda

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

Reports. Executive Vice President Slottow submitted the Investment Report, Plant Extension Report, and University Human Resources Report.

Litigation Report. Vice President Scarneccia submitted the Litigation Report.

Research Report. Vice President Forrest submitted the Report of Awards Established, July 1, 2011–January 31, 2012.

University of Michigan Health System. There was no additional report regarding the University of Michigan Health System.

Division of Student Affairs. There was no additional report from the Division of Student Affairs.

University of Michigan-Dearborn. There was no additional report from the Dearborn campus.

University of Michigan-Flint. Chancellor Person reported that the campus had recently had a site visit by the accrediting agency that accredits schools of business and management, and that the visit went very well. She noted that the group was very impressed by the School of Management's new facility.

Central Student Government Report. Mr. DeAndree Watson, president of the Central Student Government (CSG), updated the regents on recent CSG activities. These included adoption of resolutions in support of a medical amnesty policy for students in need of medical attention for the over-consumption of alcohol, and in support of extending in-state tuition for undocumented immigrants who reside in the state.

Voluntary Support. Vice President May submitted the report of voluntary support for January 2012.

Personnel Actions/Personnel Reports. Provost Hanlon submitted a number of personnel actions and personnel reports. He highlighted the recommended appointment of six faculty members as Arthur F. Thurnau professors, which is the highest honor the University can bestow on its faculty in recognition of outstanding contributions to undergraduate teaching.

Retirement Memoirs. Vice President Churchill submitted memoirs for four retiring faculty members.

Memorials. Vice President Churchill submitted a memorial statement for Glenda Dickerson, professor of theatre and drama.

Degrees. Provost Hanlon submitted final degree lists for the December 2011 commencements and changes to previously approved degree lists.

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

Alternative Asset Commitments

Executive Vice President Slottow informed the regents of follow-on investments that had been made with the following partnerships: \$20 million to Capital International Private Equity Fund VI, L.P., \$20 million to MAP 2012, L.P., and \$40 million to Stone Tower Credit Fund, L.P.

Alternative Asset Commitment

On a motion by Regent White, seconded by Regent Ilitch, the regents approved commitment of \$10 million from the Long Term Portfolio to a co-investment opportunity offered by Phoenix Asia Real Estate Investments Fund III.

Naming of Computer Science and Engineering Building in Honor of Bob and Betty Beyster

On a motion by Regent White, seconded by Regent Taylor, the regents unanimously approved formally designating the Computer Science and Engineering Building as the Bob and Betty Beyster Building.

University of Michigan-Flint Central Energy Plant Boiler Replacement

On a motion by Regent Richner, seconded by Regent White, the regents unanimously approved the University of Michigan-Flint Central Energy Plant Boiler Replacement Project as described, and authorized issuing the project for bids and awarding construction contracts providing that bids are within the approved budget.

University of Michigan Hospitals and Health Centers Cardiovascular Center Central Uninterruptible Power Supply

On a motion by Regent White, seconded by Regent Ilitch, the regents unanimously approved the University of Michigan Hospitals and Health Centers Cardiovascular Center Central Uninterruptible Power Supply Project as described, authorized commissioning the engineering firm of EXP U.S. Services Inc. for its design, and authorized issuing the project for bids and awarding construction contracts providing that bids are within the approved budget.

Sale of Gifted Real Estate

Executive Vice President Slottow informed the regents of the sale of 253 acres of vacant land in Morley, Michigan, that had been donated to the University of Michigan by Mrs. Mary E. Shannon.

East Quadrangle Renovation

On a motion by Regent Newman, seconded by Regent Ilitch, the regents unanimously approved issuing the East Quadrangle Renovation Project for bids and awarding construction contracts providing that bids are within the approved budget.

The Lawyers' Club Building and John P. Cook Building Renovation

On a motion by Regent Richner, seconded by Regent Newman, the regents unanimously approved issuing The Lawyers' Club Building and John P. Cook Building Renovation Project for bids and awarding construction contracts, providing that bids are within the approved budget.

Conflict of Interest Items

President Coleman announced that the agenda includes 5 conflict of interest items. Each of these items requires 6 votes for approval. On a motion by Regent White, seconded by Regent Ilitch, the regents unanimously approved the following 5 items:

Product Purchase Agreement with Structured Microsystems LLC

The regents approved a product purchase agreement allowing the Department of Electrical Engineering and Computer Science to purchase custom-made glass micro capsules from Structured Microsystems LLC. Because Razi-Ul Haque, a University of Michigan employee, is also president and CEO of Structured Microsystems LLC, this agreement falls under the State of Michigan Conflict of Interest Statute. The following information is provided in compliance with statutory requirements:

1. Parties to the contract are the Regents of the University of Michigan and its Department of Electrical Engineering and Computer Science and Structured Microsystems LLC.
2. The agreement is for custom made glass micro capsules for the m3 (3D computer device) function and testing for 2 years beginning February 17, 2012 through February 6, 2014, not to exceed \$91,000.
3. The pecuniary interest arises from the fact that Razi-Ul Haque, a University of Michigan employee, is president and CEO of Structured Microsystems LLC.

Option Agreement between the University of Michigan and H3D, Inc.

The regents approved an option agreement with H3D, Inc. ("Company") to option from the University of Michigan the University's rights associated with the following technologies: UM OTT File No. 3018, "Data Reconstruction Techniques for 3-Dimensional Position Sensitive

Semiconductor and Gas Radiation Detector;” UM OTT File No. 3965, “Real Time Gamma-Ray Compton Imaging Using the Simple Back-Projection Algorithm;” UM OTT File No. 5010, “Real Time Event Prioritization and Dynamic weighting for Intelligent Compton Imaging Detectors;” and UM OTT File No. 5174, “UMImaging Software.” Because Zhong He, Weiyi Wang, William Kaye, and Feng Zhang, University of Michigan employees, are also partial owners of the Company, this agreement falls under the State of Michigan Conflict of Interest The following information is provided in compliance with statutory requirements:

1. The parties to the contract are the Regents of the University of Michigan and H3D, Inc.
2. Agreement terms include granting the Company an option to obtain an exclusive license with the right to grant sublicenses. If the option is exercised, and a license negotiated, the Company will pay a royalty on sales and reimburse patent costs. The University will retain ownership of the optioned technology and may continue to further develop it and use it internally as well as in collaborations with other research institutions. No use of University services or facilities, nor any assignment of University employees, is obligated or contemplated under the Agreement. Standard disclaimers of warranties and indemnification apply, and the Agreement may be amended by consent of the parties, such as adding related technology. University procedures for approval of these changes will be followed and additional conflict of interest review will be done as appropriate.
3. The pecuniary interests of Drs. He and Wang and Mr. Kaye and Mr. Zhang arise from their ownership interest in H3D, Inc.

Amendment to License Agreement between the University of Michigan and ImBio, LLC

The regents approved an amendment to a license agreement between the University of Michigan and ImBio, LLC (“Company”) that will allow the Company to license from the University of Michigan the University’s rights associated with the following technology: UM OTT File No. 5181, “Voxel-Based Approach for Disease Detection and Evolution.” Because Brian Ross and Alnawaz Rehemtulla, University of Michigan employees, are also partial owners of the Company, this agreement falls under the State of Michigan Conflict of Interest Statute. The following information is provided in compliance with statutory requirements:

1. Parties to the agreement are the Regents of the University of Michigan and ImBio, LLC.
2. Agreement terms include granting the Company an exclusive license with the right to grant sublicenses. The Company will pay a royalty on sales and reimburse patent costs. The University 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 warrantees and indemnification apply, and the Agreement may be amended by consent of the parties, such as adding related technology. University procedures for approval of these changes will be followed and additional conflict of interest review will be done as appropriate.
3. The pecuniary interests of Drs. Ross and Rehemtulla arise from their ownership in ImBio, LLC.

License Agreement between the University of Michigan and OncoMed Pharmaceuticals, Inc.

The regents approved a license agreement between the University of Michigan and OncoMed Pharmaceuticals, Inc. (“Company”) that will allow the Company to obtain a license from the University of Michigan the University’s rights associated with the following technology: UM OTT File No. 5276, “CDX2P-CreERT2 Mouse Model.” Because Professor Max Wicha, a University of Michigan employee, is also a partial owner of the Company, this agreement falls under the State of Michigan Conflict of Interest Statute. The following information is provided in compliance with statutory requirements:

1. Parties to the agreement are the Regents of the University of Michigan and OncoMed Pharmaceuticals, Inc.
2. Agreement terms include granting the Company a non-exclusive license. The Company will pay a licensing fee and annual maintenance fees. 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 warrantees and indemnification apply, and the Agreement may be amended by consent of the parties, such as adding related technology. University procedures for approval of these changes will be followed and additional conflict of interest review will be done as appropriate.
3. The pecuniary interests of Dr. Max Wicha arise from his ownership interest in OncoMed Pharmaceuticals, Inc.

Master Agreement between the University of Michigan and OcuSciences, Inc.

The regents approved a master agreement with OcuSciences, Inc. (“Company”) that will allow the Company to support research projects and use facilities of the University for projects that will be described from time to time related to research and development of technologies licensed from the University of Michigan. Because Victor Elner and Howard Petty, University of Michigan employees, are also partial owners and officers of the Company, this agreement falls under the State of Michigan Conflict of Interest Statute. The following information is provided in compliance with statutory requirements:

1. Parties to the research agreement are the Regents of the University of Michigan and OcuSciences, Inc.
2. The University will enter into a Master Agreement with the Company that will cover standard procedures for performance of projects as well as provisions implementing University and federal policies related to intellectual property and publication. The Master Agreement will cover an initial five-year period with a total authorization not to exceed \$1,000,000. The University will use standard sponsored project accounting procedures to determine the cost of each project. Budgets will be reviewed and approved by authorized representatives of each department and school/college where projects are to be performed. The Master Agreement will allow the University and the Company to specify projects that the University will conduct under the terms of the master agreement. Since sponsored projects are often amended, the Master Agreement includes provisions for changes in time, amount, and scope of each supported project. University procedures for approval of these changes will be followed and additional conflict of interest review will done on a project-by-project.
3. The pecuniary interest arises from the fact that Victor Elner and Howard Petty, University of Michigan employees, are also partial owners and officers of OcuSciences, Inc.

Regents' Meeting Schedules for 2013 and 2014

On a motion by Regent White, seconded by Regent Ilitch, the regents unanimously approved the following meeting schedules for 2013 and 2014:

Proposed 2013 Meeting Schedule

January 17

February 21

March 21

April 18

Proposed 2014 Meeting Schedule

January 16

February 20

March 20

April 17

May 16 (<i>Dearborn campus</i>)	May 15 (<i>Dearborn campus</i>)
June 20	June 19
July 18	July 17
September 19	September 18
October 18 (<i>Flint campus</i>)	October 16 (<i>Flint campus</i>)
November 21	November 20
December 19	December 18

Revisions to Regents' Bylaws 2.13, 5.08, 5.11, 5.19, 11.22, 11.24, 11.38, 11.43, 11.44, and 11.45

Vice President Churchill stated that most of the proposed revisions are “housekeeping” changes, updating or clarifying the bylaws to comply with current practices or statutes. The changes were reviewed by the Regents’ Personnel, Compensation and Governance Committee, and they were posted in *The University Record*, with no comments having been received.

Regent Taylor noted that there is speculation among the public about the motivation for removing from Bylaw 5.19 the requirement that the president and executive officers terminate their service at the age of 70. He stated, “It is not about any individual whatsoever. Our motivation, complete and total, is that the lawyers advise that the existing bylaw is in violation of the Elliot-Larson Civil Rights Act, and that is why it is being changed.”

On a motion by Regent Deitch, seconded by Regent Ilitch, the regents unanimously approved the following revisions to the Bylaws of the Board of Regents (deletions are ~~crossed out~~; additions are underlined).

Sec. 2.13 The Vice President for Global Communications and Strategic Initiatives

The vice president for global communications and strategic initiatives will be responsible for enhancing the University’s reputation and visibility locally, nationally, and internationally, and will work to position and differentiate the University of Michigan among leading institutions of higher education. The vice president for communications and global initiatives will oversee ~~planning, directing and managing the public relations and communications program, will serve as an advisor for special events, and will manage the following units: The Freedom of Information Office, freedom of information inquiries, executive~~

communications, marketing and design, media relations and public affairs, and the news and broadcasting services. ~~Office of Marketing Communications, Media Relations and Public Affairs, the News Service, and Michigan Public Media.~~

The vice president for global communications and strategic initiatives will serve as the University's chief communications officer and will ~~be a member of the senior management team and will~~ work with the Board of Regents and executive officers to set University policy on matters of communication and marketing, develop and implement strategic communications plans, and provide leadership in expanding the University's digital communications and social media engagement. ~~advise deans, directors, executive officers and the president regarding communications.~~

The vice president for communications or a designee will generally serve as a University spokesperson as well as plan and direct a comprehensive communications program to inform constituents and the public of the University's activities, goals and needs.

Sec. 5.08. Appointment, Tenure, Promotion, and Resignation of the Staff (revised April 1991)

1. Members of the tenured professorial staff shall be appointed by the board on recommendation by the appropriate dean or executive committee, the provost, and at the University of Michigan-Dearborn or the University of Michigan-Flint by the chancellor, and by the president. Unless otherwise provided by specific action by the board, professors and associate professors shall be appointed on indeterminate tenure. The annual budget as approved by the board shall be deemed the record of continuance of service for the ensuing year of all persons on the professorial staff.
2. Assistant professors and all other nontenured members of the teaching staff shall be appointed by the president on recommendation by the dean and executive committee, and at the University of Michigan-Dearborn or the University of Michigan-Flint by the chancellor. Assistant professors, instructors, and lecturers shall be appointed for terms of up to four years, as is in each case specifically designated in the terms of the appointment. Whenever the term of appointment to assistant professor, instructor, or lecturer is not specified, it shall be for one year only. Other teaching appointments shall be for not more than one year. The annual budget as approved by the board shall be deemed the record of continuance of service for the ensuing year for all persons on the teaching staff. All such appointments shall be reported monthly to the board.
3. Unless specifically provided otherwise by these bylaws, all other members of the staff of the University shall be appointed by the president, on recommendation by the appropriate administrative officer for the fiscal year only.
4. All promotions to tenured teaching positions shall be made by the board on recommendation by the chair of the department, the dean, ~~and~~ the executive committee, the provost, and at the University of Michigan-Dearborn or the University of Michigan-Flint by the chancellor, and the president. All promotions to nontenured teaching staff shall be made by the president on recommendation by the appropriate administrative officer and shall be reported to the board in the same manner as an original appointment in this class. All such changes for other members of the staff shall be made by the president on recommendation by the appropriate administrative officer or agency.
5. All resignations of teaching staff shall be reported to the board monthly.
6. Appointments to positions paid in whole or in part from grants or contracts for limited periods of time shall be subject to the following provisions in the event of cessation of these funds:
 - a. In case of persons previously holding full-time or part-time positions paid from general University funds the person shall be restored to this appointment status within the department, either with tenure or for the remainder of the term of appointment, at the appropriate departmental salary.
 - b. In case of persons brought to the University for the performance of duties payable from limited term funds, both service and salary shall be terminated.

Nothing in these regulations shall prohibit a department from recommending a new appointee to a tenure grade within the faculty and assigning the new appointee immediately to duties payable from limited term funds. When the limited term funds are no longer available, the department concerned will be responsible for providing further tenure of duties and salary.

Sec. 5.11. Divided and Part Time Service

~~In case of an appointment of a member of the faculty or staff to serve in two or more departments of the University, the approval of the dean or other administrative head shall be secured in each department affected. All members of the staff receiving compensation from two or more departments shall be listed on each budget as part time employees with a statement of the amount of compensation received from each unit.~~

~~In the case of the appointment of a member of the staff in any department on a part time basis, the member shall be listed on the budget as a part time employee, with a statement of the fractional amount of time devoted to service. The dean shall, subject to general rules formulated by the governing faculty, determine what constitutes "part time" and "full time" service by members of the staff.~~

Sec. 5.19. Retirement of the President, Faculty, and Executive Officers (revised April 1995)

1. Subject to the other provisions of this section, the term of service of the president and the other executive officers shall terminate no later than the end of the fiscal year in which their seventieth birthday occurs.
2. 1. Subject to the provisions of subsection 32, the members of the professorial staff appointed prior to January 1, 1984, during the last year preceding retirement shall be entitled to be relieved of normal responsibilities and may be called upon to act in a consulting capacity to the president, executive officers, deans, or department heads, or to conduct research in the individual's field of interest unless otherwise specifically provided by the board, and the salary during this period shall be the regular annual salary. This year preceding termination of service is hereinafter referred to as the "terminal furlough" year. Individuals appointed on or after January 1, 1984, are not eligible for the terminal furlough year.
2. The terminal furlough year shall not be available unless the individual (a) has been employed by the University at least ten years prior to the effective date of the terminal furlough; and (b) has not taken a sabbatical leave during the past four years next preceding the effective date of the terminal furlough. A person covered by this section but ineligible for the terminal furlough year will continue to carry normal responsibilities in the University until retirement.
3. 3. A person eligible for a terminal furlough year under subsections 21 and 32 above may not begin such terminal furlough year until the beginning of the next academic term following his or her sixty-second birthday.
4. 4. Emeritus or emerita status appropriate to the office or rank shall not be granted prior to the date of full retirement.

Sec. 11.22. The Horace H. Rackham School of Graduate Studies: The Dean and the Executive Board

The executive function of the graduate school will be performed by a dean assisted by an executive board. The executive board will consist of the dean and fourteen members to be appointed by the board upon recommendation by the president. One of the fourteen will be from the University of Michigan-Flint and a second will be from the University of Michigan-Dearborn. ~~The length of service for the Flint and Dearborn representatives will be determined by the campus provost. The other appointed committee members will hold office for terms of three years each, so adjusted that four vacancies will occur each year. The dean will be chair of the board.~~

~~The executive board is empowered to establish divisional boards in the interests of the subject matter divisions in particular and the graduate school in general.~~

Sec. 11.24. The Horace H. Rackham School of Graduate Studies: Institute for Human Adjustment

The Institute for Human Adjustment will be maintained as a part of the graduate school for the purpose of conducting research, training, and service in those areas which concern the adjustment of the individual with respect to the individual's personal well-being and to the individual's place in the community. ~~Within~~

~~the institute, there may be maintained the Bureau of Psychological Services, and such other units as will from time to time be deemed desirable.~~

The institute will be responsible to the dean assisted by ~~an executive committee, consisting of the dean and six members of the University Senate to be appointed by the board on recommendation by the president.~~ The appointed members will hold office for three years, the terms to be so adjusted that two will expire each year. The dean will chair the committee. The committee will be responsible to the dean and to the executive board of the graduate school.

~~The facilities of the institute will be available to all departments of the University for training, research, and aid to instruction, subject to the approval of the executive committee in consultation with the head of the department concerned.~~

Sec. 11.38. The Medical School Executive Committee

The executive committee will consist of the dean, the ~~director and~~ chief executive officer of the University of Michigan Hospitals and Health Centers, and eight members of the executive faculty (four instructional, one research, one clinical, and two department chairs) to be appointed by the Board of Regents on recommendation by the president. The executive vice president for medical affairs may attend the executive committee meetings as an invited observer, but may not vote on matters before the executive committee. The appointed members will hold office for three years and will not be eligible for reappointment until after the lapse of one year. The terms will be staggered so as to provide continuity of membership. The dean will chair the committee.

Sec. 11.43. The University of Michigan Hospitals and Health Centers Executive Board (revised November 2009)

There will be an executive board of the University of Michigan Hospitals and Health Centers composed of the president, the dean of the Medical School, the dean of the School of Nursing, the provost and executive vice president for academic affairs, the executive vice president and chief financial officer, the vice president for government relations, the executive vice president for medical affairs, the chief of staff for clinical affairs of the University of Michigan Hospitals and Health Centers, the ~~director and~~ chief executive officer of the University of Michigan Hospitals and Health Centers, the chief of nursing affairs of the University of Michigan Hospitals and Health Centers, and two nominees from the medical staff of the University of Michigan Hospitals and Health Centers.

The president of the university will serve as chair of the University of Michigan Hospitals and Health Centers Executive Board.

The nominees of the medical staff will be appointed by the Board of Regents, and will serve four-year terms, so staggered to provide one replacement each two years.

Sec. 11.44. The University of Michigan Hospitals and Health Centers Executive Board: Powers and Duties (revised November 2009)

The Board of Regents is responsible for establishing the mission, goals, and objectives of the University of Michigan Hospitals and Health Centers (“UMHHC”) and for the quality of medical care services provided; approval of all major programs and operating budgets; the approval of capital and facility plans; and appointment of the ~~director and~~ chief executive officer of the University of Michigan Hospitals and Health Centers.

In all of the above matters, the executive board of the University of Michigan Hospitals and Health Centers (“Executive Board”) is expected to make recommendations to the president and the Board of Regents.

The Executive Board is responsible for the overall financial and administrative performance of the UMHHC, for the quality of care delivered at the UMHHC, and for the UMHHC adherence to applicable legal and ethical standards. In this capacity, the Executive Board has and, except as otherwise provided in applicable laws, regulations, or accreditation standards, may exercise or delegate responsibility for administrative decisions, approval of personnel actions, responsibility for personnel policy, and approval of medical staff appointments and reappointments at the UMHHC. The Executive Board at all times remains

jointly accountable, with the executive leadership and medical staff, for quality improvement, patient safety, and related resource allocation.

The Executive Board's responsibilities include:

1. The overall financial and administrative performance of the UMHHC. The Executive Board shall:
 - a. Review and approve or otherwise ratify the organizational structure of the UMHHC;
 - b. Establish programs, services and administrative units to meet the goals and objectives of the UMHHC and take such steps as are needed to provide for the periodic evaluation of UMHHC operations to assure that the goals and objectives are achieved;
 - c. Determine appropriate delegation of authority to the ~~director~~ and chief executive officer ("CEO");
 - d. Review and approve or otherwise ratify UMHHC-sponsored training programs; review and approve or otherwise ratify appropriate use of the UMHHC for clinical, educational and training experience by various health schools of the University and other teaching institutions;
 - e. Assure the integration of administrative functions among HHC units, including billing services, medical records, human resources, payroll, employee benefits, salary structure, and purchasing services;
 - f. Assure consistent monitoring and oversight throughout the UMHHC;
 - g. Assure that contracted services furnished within the UMHHC permit the UMHHC to comply with all applicable laws, regulations, and accreditation requirements;
 - h. Recommend construction projects and building renovation projects to the Board of Regents for action;
 - i. Evaluate its own performance on a biennial basis.
2. The quality of care delivered at the UMHHC. The Executive Board shall:
 - a. Establish, under the supervision of the CEO, in coordination with the medical staff, a continuous quality improvement program at the UMHHC that reflects the complexity of the UMHHC organization, involves all hospital departments and services, and focuses on indicators related to improved health outcomes and the prevention and reduction of medical errors;
 - b. Assure that clear expectations for safety are established;
 - c. Assure that adequate resources are allocated for measuring, assessing, improving, and sustaining UMHHC performance;
 - d. Assure that adequate resources are allocated for reducing risk to patients;
 - e. Assure directly or through delegation to the CEO working with the Executive Committee on Clinical Affairs ("ECCA"), medical staff accountability for quality of care by:
 - Reviewing and approving or otherwise ratifying the medical staff bylaws, rules, and policies that govern health care provided at the UMHHC;
 - Approving, upon recommendation of the medical staff, appointments and reappointments to the medical staff and delineation, changes in, or curtailment of staff privileges for members of the medical staff;
 - Reviewing and approving recommendations from the chief of staff for clinical affairs ("Chief of Staff") to establish or terminate clinical programs and/or services;
 - Ratifying nominations for service chiefs and/or program directors that have been submitted to the Executive Board by the ECCA; and
 - Acting as a final appeal body pursuant to the medical staff bylaws, rules, and policies.
3. UMHHC adherence to applicable legal and ethical standards. The Executive Board shall, subject to the oversight of the Board of Regents, create a code of conduct for the UMHHC as an institution with a

particular focus on assuring UMHHC compliance with all federal, state, and local laws and regulations and assuring the ethical operation and conduct of the UMHHC and its employees. The code of conduct will be submitted to the Board of Regents for review and approval.

In carrying out the above delegated powers, the Executive Board of the University of Michigan Hospitals and Health Centers will submit periodic reports through the president to the Board of Regents. The Executive Board will submit its minutes to the Board of Regents.

Sec. 11.45. The University of Michigan Hospitals and Health Centers: The Director and Chief Executive Officer (revised November 2009)

The ~~director and~~ chief executive officer of the University of Michigan Hospitals and Health Centers will be appointed by the Board of Regents upon recommendation by the president. The ~~director and~~ chief executive officer will be responsible to the executive vice president for medical affairs, and will have immediate responsibility for the operation, maintenance and administrative affairs of the University of Michigan Hospitals and Health Centers. The ~~director and~~ chief executive officer will serve as a member and as secretary of the executive board of the University of Michigan Hospitals and Health Centers. The ~~director and~~ chief executive officer will, *ex officio*, be a member of the Medical School Executive Committee.

Naming of the Player Development Center in Honor of William Davidson

President Coleman commented that Bill Davidson was “a giant of a man” and a very generous supporter of the University, and she regrets that he isn’t alive to see how well the basketball team is currently doing. Vice President May commented that Mr. Davidson was one of the icons of the sports world, and a great and smart alumnus. Regent Ilitch noted that from a sports owner perspective, Bill Davidson and his family have been incredibly generous to the University and they are very sorely missed. “I would like to thank his family very, very much for this, and for their continued support of our great university.”

On a motion by Regent Newman, seconded by Regent Ilitch, the regents unanimously approved formally designating the Player Development Center for Intercollegiate Basketball as the William Davidson Player Development Center.

Public Comments

The regents heard comments from the following individuals, on the topics indicated: Dr. Gulala Abraham, regarding “violation of FERPA and other serious issues;” Douglas Smith, alumnus, on reporting sex crimes; Victoria A. Powell, citizen, on the child pornography

investigation; C.W. Kauffman, citizen, on “it is time!;” Melissa Sanders, student and chair of the GEO parents’ caucus, on increased access to the childcare subsidy; Daniel Alejandro Morales, student and member of the Coalition for Tuition Equality, on college affordability for all deserving students; and Melinda Day, Anna Belak, and Michael Slootsky, students, regarding whether graduate student research assistants should be classified as students.

At the conclusion of the public comments session, Regent Ilitch stated,

“The personal verbal attacks made today about President Coleman are very unfair, and I don’t agree with them at all. She works tirelessly to protect young people, day in and day out, and she and the regents are extremely disturbed and unhappy about the alleged behavior of Dr. Jenson. I think that the disdain and anger should be directed at him, and not at President Coleman. So I want to affirm the remarks made by Regent Taylor today.”

Adjournment

There being no further business, the meeting was adjourned at 4:50 p.m. The next meeting will take place March 15, 2012.