

JULY MEETING, 2022

*The University of Michigan
St. Ignace, Michigan
July 21 2022*

The regents met at 4:15 p.m. at the Little Bear East Arena, St. Ignace, and by livestream link on the university gateway. Participating were Regents Acker, Behm, Bernstein, Brown, Hubbard, Ilitch, Weiser and White. Also attending were Vice President Baird, Executive Vice President Chatas, Vice President Churchill, Provost McCauley, Vice President Cunningham, Chancellor Dutta, Chancellor Grasso, Vice President Harmon, Vice President Kolb, Vice President Lynch, Vice President Michels, Vice President Pendse, and Executive Vice President Runge.

Call to Order and President's Opening Remarks

President Coleman called the meeting to order and welcomed everyone attending. She said, "I am so sorry not to be with you in person today. I have tested positive for COVID and am isolating at home, but I feel fine, for which I'm grateful. This has been a very personal reminder that despite having received vaccinations and boosters, COVID is still with us. I want to encourage everyone to please be up to date with your vaccinations.

"The University has had a governing board since its inception in 1817, made up of men and women from around the state committed to governing a public university. Our regents have represented places as diverse as Detroit and Cassopolis. They have come from communities like Niles, Grand Rapids and Romeo. Several regents have hailed from towns in the Upper Peninsula (UP), including Ironwood, Houghton and Sault Sainte Marie. But the board has never held a formal meeting in the UP until today. Ann Arbor and southeastern Michigan have amazing

attractions, but nothing compares with the majesty of the Mackinac Bridge. Regent Brown, I know your grandfather, Senator Prentiss Brown, chaired the Mackinac Bridge Authority that led to the construction of the bridge. That is a remarkable legacy and one that benefits the entire state.

“It’s a very exciting time for the University of Michigan. As many of you know, our Chair, Paul Brown, and his board colleagues last week appointed Dr. Santa Ono to be the university’s 15th president. Dr. Ono comes to Michigan from the University of British Columbia, an excellent public research university. As a leader, he is deeply committed to carbon neutrality and sustainability, to student mental health, and to equity and inclusion in higher education. And he has a strong appreciation for intercollegiate athletics.

“Dr. Ono is joining a campus that is more vibrant and more engaged than ever, and he will add to the energy that I feel every day at Michigan. Our enrollment now exceeds 50,000, with students from all 83 counties in Michigan. Some 800 students from northern Michigan attend UM, including more than 200 students from the UP. And in a few weeks, we will welcome our third cohort of UP Scholars. When they graduate, they will join some 12,000 alumni who call this region home.

“We are proud of the university’s deep connections throughout northern Michigan. For more than a century, faculty and students have carried out important environmental research at our Biological Station at Douglas Lake. A number of people at today’s meeting visited the BioStation earlier today to meet the students and learn about the fieldwork.

“We have such unique natural resources in Michigan, and our faculty are committed to protecting them for future generations. This includes tracking dangerous algae blooms and the

damage of quagga and zebra mussels in the Great Lakes. This is critical work with real-life environmental and economic implications for our state and region.

“We can’t talk about Michigan’s impact and not include athletics, because our student-athletes are tremendous university ambassadors. Next week – in anticipation of the fall season – the Michigan football team will be experiencing our state as part of their Pure Michigan tour. You’ll find the players and Coach Jim Harbaugh in Charlevoix, on Mackinac and Drummond islands, at the Soo and along Lake Superior.

“All of this activity – from Ann Arbor to Lake Superior – is why we exist: to serve the people and communities of our state and beyond. We do so by treating and healing, by working with local leaders, by studying our lakes and forests, and by educating young people who want to improve the world around them. We are the leading public research university in the country, and it has a direct impact on our local communities. In the past five years alone, northern Michigan companies have received more than \$9.4 million to supply goods and services for UM research projects. That helps to support employment across large and small businesses in the region. We are proud of that impact. I know that Regent Brown has more to say about our visit.

Regent Brown said, “I would like to thank everyone for coming here today. Especially congressman Bart Stupac and the members of the band, our nurses who traveled here from Ann Arbor and most importantly, my father, Regent Emeritus Paul Brown. We're here today because all of the Regents are acutely aware of the debt that the university owes all of the citizens of Michigan. During our 200-year history, we've been supported by the taxpayers, and because of that obligation, we're here to present to you some of the value that we create for your tax dollars. We are also here to listen to each of you tell us about what we can do to serve you better. The

Michigan Constitution, which creates and dictates our university only gives us one charge, which is to serve the public good.

“We cannot talk about the university’s rich history without discussing our relationship with the native people of this territory and state. Today’s Ann Arbor campus sits on land ceded through the Treaty of Detroit in 1807. Ten years later, in the first month of the university’s existence, the Ojibwe, Odawa, and Bodewadami Nations ceded land to what was called “the college at Detroit,” which is where UM began. The tribes did this with the hope that their children could be educated at this new Institution. The university eventually sold the land and the proceeds were used to establish the Ann Arbor campus.

“For this awarding of land, we owe a profound debt to the native tribes of Michigan. We also owe our community a deeper understanding of the complex connections between the university, Native Americans, and federal treaties like the one that led to land being used to house and fund our institution.

“This is why I am pleased the university has launched the Inclusive History Project to build a more accurate narrative of our past. It’s critical for the university to also hold up a mirror to itself. Our 200 years of history are remarkable yet also flawed. With the Inclusive History Project, we pledge to develop a more truthful and inclusive narrative about our university’s past. Only then can we move forward as a genuinely equitable community that acknowledges and celebrates all its members.

Presentations:

President Coleman introduced the following individuals who gave presentations on the topics listed: Adele Brumfield, vice provost for enrollment management, gave a presentation on

admissions and financial aid; Vice President Cunningham shared a presentation on the economic impact of UM in the Upper Peninsula and northern Michigan; Alumni Brad King, CEO of Orbion, gave a presentation on his engineering company in the Upper Peninsula; Amiee Clawson, director of the Biological Station, gave a presentation on the Biostation, and introduced her colleagues Andre Green, who presented on butterfly research, and Karen Olofs, who spoke of fisheries research; Executive Vice President Runge provided information about the impact of the UM Health System, and introduced Anders McCarthy, who spoke of his experience with the UM Health System.

Regent Hubbard said, “I wanted to thank you for inviting us to the Biological Station. I found the visit educational and inspirational, and the work that you are doing is amazing and I'm glad that the Board of Regents got a chance to see it. And thank you to the Alumni Association for inviting us to Camp Michigania. I appreciate the support and hospitality we have received in northern Michigan.

Consent Agenda

Minutes. Vice President Churchill submitted for approval the minutes of the meeting of June 16, 2022.

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

Litigation Report. Vice President Lynch had no report.

Research Report. Vice President Cunningham submitted the July 2022 Research Award and Expenditures Report.

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

Student Life. Vice President Harmon had no report.

University of Michigan-Dearborn. Chancellor Grasso said, “ I would like to start with a big shout out to the six UM-Dearborn students from the UP and the 18 UM-Dearborn students from the 15 northernmost counties in the lower peninsula.”

He also reported on the agenda item of renaming the UM-Dearborn University Center in honor of former Chancellor James C. Renick, and on collaborative research projects with the UM-Flint campus.

University of Michigan-Flint. Chancellor Dutta reported that although UM-Flint is a regional campus, there are partnerships through the state including with Alpena and Traverse City. He spoke of pro bono physical and occupational health services now available to citizens of the Flint community. He noted that several faculty members recently received fellowships and funding of health services research projects including a project that will test a new intervention designed to reduce anxiety and maximize learning recovery as we continue to adjust to the pandemic. He reported that currently in-state enrollment is up, although numbers are still incomplete.

Student Government Reports. CSG President Noah Zimmerman had no report.

Personnel Actions/Personnel Reports. Provost McCauley presented a number of personnel actions and reports. She spoke of a supplemental personnel item recommending the appointment of Celeste M. Watkins-Hayes as interim dean of the Gerald R. Ford School of Public Policy effective July 19, 2022.

Retirement Memoirs. Vice President Churchill submitted retirement memoirs.

Memorials. No deaths of active faculty members were reported to the regents.

Degrees. There was no action with respect to degrees.

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

Absolute Return and Alternative Asset Commitments

Executive Vice President Chatas reported on follow-up investment with previously approved partnerships including a commitment of \$38 million to a First Round Capital-sponsored fund; a commitment of \$38 million to an Investindustrial sponsored fund; and a commitment of \$13 million to a Spear Street sponsored vehicle.

Authorization to Establish Additional Lines of Credit

Executive Vice President Chatas recommended adoption a resolution (INSERT RESOLUTION) authorizing the Executive Vice President and Chief Financial Officer, the Associate Vice President for Finance, or the Treasurer to develop the terms, and negotiate and execute the legal documentation for the revolving lines of credit with the assistance of outside legal counsel and in consultation with the chair(s) of the Finance, Audit & Investment Committee.

On a motion by Regent Acker, seconded by Regent White, the regents unanimously approved the request to establish additional lines of credit

Alternative Asset Commitment

On a motion by Regent White, seconded by Regent Behm, the regents approved a commitment of up to \$40 million from the Long Term Portfolio to an investment to Merit Hill Capital.

Conflicts of Interest

On a motion by Regent Hubbard, seconded by Regent Brown, the regents unanimously approved the following 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 to transact with Jazz Pie Music

A transaction with Jazz Pie Music was approved.

1. The parties to the agreement are the regents of the University of Michigan, its Law School Office of Development and Alumni Relations and Jazz Pie Music.
2. The agreement is for a duration of three years at a total cost not to exceed \$3,450. Jazz Pie Music 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 employees Christopher Smith, is owner, and Roderick McDonald, is employee of Jazz Pie Music.

Authorization for the University to enter into an agreement with OptimizeU Partners, LLC

An agreement with OptimizeU Partners, LLC was approved.

1. The parties to the agreement are the regents of the University of Michigan, its Stephen M. Ross School of Business Center for Positive Organizations and OptimizeU Partners, LLC.
2. The agreement is for one year at a total cost not to exceed \$45,000. OptimizeU Partners, LLC 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 employees Amy Young, Shahnaz Broucek, and Lisa Morgan are members of OptimizeU Partners, LLC.

Authorization for the University of Michigan to Enter into License Agreements with Innovation Partnerships Startup Incubator Firms Located at the North Campus Research Complex

License agreements with Innovation Partnerships Startup Incubator Firms located at the North Campus Research Complex were approved.

1. The parties to the license agreements are the Regents of the University of Michigan and the companies: Arbor Batteries and Eleven Therapeutics.
2. The service to be provided is the license of space in the North Campus Research Complex Innovation Partnerships Startup Incubator located at 1600 Huron Parkway, Ann Arbor, Michigan with access to common area space within the building. The license durations including all options for renewal are outlined in the spreadsheet. The licenses will use the standard University of Michigan Innovation Partnerships Startup Incubator license template. The licensee companies will pay the rates as stipulated in the attached spreadsheet for the current term and option years as indicated. The licensee companies will be responsible for providing monthly updates concerning their business progress to the University of Michigan's Innovation Partnerships, and will have access to Innovation Partnerships personnel for advice concerning obtaining technology assessment, business consulting, technical assistance, capital raising, or other business services.
3. The pecuniary interest arises from the fact that the individuals listed are University of Michigan employees and owners and/or officers of the licensee companies: Neil Dasgupta, Jeff Sakamoto; Andrew Alt, John Traynor

Authorization to enter into or amend Agreements

Project agreements with the University of Michigan were approved.

1. The parties to the contract are the Regents of the University of Michigan and the following companies: 1) Eleven Therapeutics Corporation, 2-3) EVOQ Therapeutics LLC , 4) Jacobs Engineering Group Inc., 5) IQVIA RDS, Inc., and 6-7) Rappta Therapeutics Oy.
2. The terms of the agreements and/or amendments conform to university policy. The funding support will not exceed the amount reported in Attachment A for each agreement and/or amendment. Since projects are often amended, these agreements and/or amendments include provisions for changes in time and scope. University procedures for approval of these changes will be followed and additional conflict of interest review will be done as appropriate.
3. The pecuniary interest arises from the fact that University of Michigan employees: 1) Andrew Alt and John Traynor, 2-3) James Moon and Anna Schwendeman, 4) Glenn Daigger, 5) Marschall Runge, and 6-7) Goutham Narla, have activities, relationships, or interests in the companies.

Authorize Execution of Investment Agreements Under the Accelerate Blue Fund INHERET Inc.

The agreements for Accelerate Blue Fund INHERET Inc. were approved.

1. The parties to the contract are the Regents of the University of Michigan and INHERET Inc.
2. No use of University services or facilities, nor any assignment of University employees, is obligated or contemplated under the Agreement. The A-B Fund is seeking approval for financing agreements up to a total of \$500,000 in potential investments (through one or more rounds of financing) in the Company. It is understood that, upon approval of this item, A-B Fund will have no obligation to enter into the Agreements or proceed with any investment in the company.
3. The pecuniary interest arises from the interests of university employees: David Keren, Lynn McCain, Sofia Merajver, Kara Milliron, and Lee Schroeder.

Approval of Academic Calendar for 2023-2024 for the UM-Dearborn

On a motion by Regent White, seconded by Regent Behm, the regents unanimously approved the Academic Calendar for 2024-2025 for UM-Dearborn

Authorization to change the name of the University Center, UM-Dearborn to the James C. Renick University Center

On a motion by Regent White, seconded by Regent Behm, the regents unanimously authorized the name change for the University Center, UM-Dearborn to the James C. Renick University Center.

Approval to grant Doctorate in Business Administration, School of Management, UM-Flint

On a motion by Regent White, seconded by Regent Behm, the regents unanimously approved the granting of a doctorate in business administration, School of Management, UM-Flint.

Henry Russel Lecturer and Henry Russel Awards for 2023

The Henry Russel Lecturer and Henry Russel Awards for 2023 were reported to the regents.

President Coleman introduced a final video of the UM Northern Michigan event.

Public Comment

The regents heard public comments from: Allison Carroll, staff, on bargaining; Christine Vanderkolk, staff, on UMPNC nursing contract; Ted McTaggart, staff, on contract negotiations; Meghan Suell, staff, on contract negotiations; Bethany Moore, staff, on the nursing contract; Elizabeth Tolrud, student, on carbon neutrality; Grace Cook, student, on environmental concerns; and Taylar Uimari, students, on carbon neutrality.

Regent Brown thanked all the speakers for their comments.

Adjournment

The meeting was adjourned at 6:00 p.m. The next meeting will take place on September 22, 2022.