

JULY MEETING, 2023

*The University of Michigan
Ann Arbor
July 20, 2023*

The regents met at 4:00 p.m. at University Hall, Alexander G. Ruthven Building, and via a livestream link on the university gateway. Participating were Regents Acker, Behm, Bernstein, Brown, Hubbard, Ilitch, and Weiser. Regent White participated by Zoom. Also attending were Vice President Baird, Executive Vice President Chatas, Vice President Churchill, Vice President Cunningham, Chancellor Dutta, Chancellor Grasso, Vice President Harmon, Vice President Hunter, Vice President Kolb, Vice President Lynch, Provost McCauley, Vice President Pendse, and Executive Vice President Runge.

Call to Order and President's Opening Remarks

President Ono called the meeting to order and said, "In light of the Supreme Court's recent ruling on affirmative action, I'd like to begin by reiterating our strong commitment to fostering a diverse educational environment for our students and scholars, which is essential to our core mission of academic excellence. At UM, we are convinced that racial diversity is one of the important components of a broadly diverse student body and an intellectually and culturally rich campus community.

"Last month we agreed to invest nearly \$80 million with the National Institutes of Health to enhance equity and inclusion across the health sciences community. Specifically, that funding will go toward the launch of the Michigan Program for Advancing Cultural Transformation, and to the recruitment of 30 new tenure-track faculty members to the Ann Arbor campus with a demonstrated commitment to equity and inclusion.

“Last week we outlined our next steps in the Inclusive History Project, work which will commence this fall and continue for the next five years. Through this multifaceted project, we hope to document and better understand our history with respect to diversity, equity and inclusion.

“Moving forward, I’d like to offer my most sincere thanks to Paul Brown, our outgoing chair. Paul has been deeply involved in so many aspects of our work since I arrived – our vision and strategic direction, our presidential introduction events, and of course, his many kindnesses to me as the new President of this university. He has been a leader, a mentor, a friend and a guide. So Paul, thank you for your service – to the university, to our community, and to the public good.

“I would also like to congratulate our new chair, Sarah Hubbard. Sarah, I’m so grateful for the opportunities we’ve already had to work together, and I look forward to our further service together in your upcoming term. Regent White, I’m also eager to continue to work with you as our new vice chair.

“As we anticipate the new academic year, I’d like to acknowledge Governor Whitmer and members of the Michigan Legislature for passing a budget that provides a significant increase (5%) in support for universities across the state, including our Ann Arbor, Flint and Dearborn campuses. We also appreciate the opportunity to work with the Governor’s newly-established department of Lifelong Education, Achievement and Potential, opening the way to a future of education, opportunity and prosperity.

“Just yesterday, our Office of Research put out a video on economic impact driven by the UM. It highlights our leadership in this area, that over the past five years, our research has led to 2,540 new inventions and 117 new startups, many of which are based in southeast Michigan.

“We are also making progress on two other key priorities. I’m delighted to announce that Shana Weber is being recommended today as our first associate vice president for campus sustainability. She currently serves as the director of sustainability at Princeton University, and at UM she will lead sustainability efforts on all three of our campuses, collaborating with an array of units across the university in pursuit of carbon neutrality and climate action.

“I’m also pleased to note our progress on Vision 2034, of strengthening what makes UM such a special place while deepening our impact and addressing the most pressing challenges of the day. To date we have held some 55 community events, gathered thousands of ideas, and engaged thousands of members of our students, faculty, alumni and staff. Much more work is to be done, but I’m grateful to our team for the progress we’ve made and anticipate an update in the fall.

“I would also like to thank Hank Baier, our associate vice president for facilities and operations, who will be retiring in August after 31 years of service to UM. Without Hank’s leadership, we would not be sitting here in the renovated Ruthven Building today, nor would many of our other major infrastructure projects be standing, such as the Ford School or the Munger Graduate Residences. All of the beautiful new buildings and renovations that have transformed our campus over the past twenty years have happened on his watch. So Hank, thank you.

“I would also like to give a shout out to a colleague and an invaluable member of the executive officer team. The Chancellor of UM-Flint. Thank you so much for your tremendous leadership. We wish you all the best in your new role at the University of Illinois.”

“Finally, I would be remiss if I failed to congratulate Michael Woods, a 36-year old Michigan Wolverine who pulled off a major upset to win Stage 9 of the Tour de France last week. With that, we’ll go into the rest of our business for the afternoon. After that, I would like to wish all of you a restful and relaxing August break, and we’ll look forward to reconvening in September.”

The Regents thanked Mr. Baier for his expertise, contribution, understanding of complex projects and guidance he has provided over the years, and for his hand in making the campus more beautiful.

Mr. Baier thanked everyone for their kind words, and thanked the regents for their many years of support.

Presentation: UM Research Drive Economic Impact

Vice President Cunningham introduced Jason Owen-Smith, executive director of the Institute for Research and Innovation & Science, and executive director of Research Analytics and Data Integration.

Professor Owen-Smith explained that research is a catalyst for economic growth, and it attracts companies and capital to Michigan. It helps keep jobs in Michigan, supports businesses and keeps the forefront of technology in the state.

Regent Brown thanked everyone for their support of his year as chair. He expressed his love for the university, especially because of the people and the mission. He said it's a hard job but the institution does so much for the public good.

He said, "When I took over the chairmanship and leading up to it, I wanted my first action as board chair to put forth the motion to dissolve the chairmanship. But I was talked out of it but wanted to be on the record, with my concerns. I believe the chairmanship has a risk of being a corrosive influence. We have an incredibly skilled and diverse board and so far, we have completely avoided the pitfalls of what I describe as a political chair. But it only takes a majority of the board to change that system to a voted on, potentially continuous, chairmanship. As I leave this position, I want to express my belief that the system we currently have is a good one. And for future boards to counsel them against changing it to another system."

Chair Report Regent Hubbard said "First, I'd like to acknowledge and thank Regent Brown for his leadership as chair. His vision to hold a Board meeting in northern Michigan last year was fabulous and many are still discussing it. I hope we're able to do that again sometime in the future. Thank you to Professor Owen-Smith for his presentation on economic development.

"Next, I'm pleased to provide an update on some of the regental activities my colleagues and I have embarked on since we last met. Yesterday members of the board visited M-Air, the outdoor fly lab for testing autonomous aerial vehicles on North Campus and learned about the many ways that these aerial vehicles are impacting the future of everything from delivering packages, scouting of disaster sites, inspection of infrastructure like bridges and wind turbines, and performing other jobs that are dangerous for humans. We also visited the Robotics building and had a short tour of some of the labs that focus on rehabilitation related robotics. We saw

demonstrations of various promising technologies that could improve human mobility to levels that will be transformative. In fact, one of my colleagues tried one of the devices on and shared his experience with us all.

“In June three of my colleagues attended the Investment Advisory Committee, to learn more about the complexities of our endowment investments. Finally, next week several members of the board will join an alumni reception in northern Michigan as part of the Summer Up North events sponsored by the Office of University Development.”

Regent Ilitch said, “The University has many wonderful organizations around campus that encourage membership. They provide a rich experience to our students. I encourage our students to take advantage of the many opportunities available to them.

“With that said, I want to talk about hazing and share some information that one may not be aware of, and our community values and policies on hazing. Most recently, there have been some changes made by the University around the rush process with fraternity and sorority life. As an aside, I have many fond memories and lifelong friendships and am a member of Kappa Kappa Gamma. Also, I've been reading about hazing incidents occurring on college campuses across the country, most recently involving athletics. Hazing is in violation of the UM values and policies. Hazing is against Michigan law.

“What constitutes hazing? It is defined by Michigan law, section 750. 411, as ‘intentional knowing and willful act by a person, acting alone or acting with others, that is directed against an individual and that is done for the purpose of pledging, being initiated into, affiliating with, or holding office, and participating in or maintaining membership in any organization.’ So hazing includes, and this is not all-inclusive for the sake of time, the following:

1. Physical brutality such as beating, striking, placing a harmful substance on the body.
2. Physical activity such as sleep deprivation, exposure to the elements, confinement to a small space or calisthenics, which adversely affects or harms the physical health and safety of the individual.
3. Activity involving consumption of a food, liquid, alcoholic beverage, drug, or other substance that adversely affects or harms the physical health or safety of the individual.

“Hazing is a crime in Michigan and the punishment is significant. It is a misdemeanor under some circumstances, and a felony under other circumstances. Both can be punishable by imprisonment. I also learned that it is not a defense that the individual against whom the hazing was directed consented or acquiesced in the hazing. There are consequences of intended actions, and of unintended actions. I've learned that an action may start out one way, but end up very differently, or with a much more significant consequence than what was planned. I wanted to share this with our Michigan community and remind everyone of the values of our great university.”

Regent Bernstein said, “I want to echo what my colleague, Denise, just said about hazing and the zero tolerance this institution has for it. If you intend to engage in it, you might as well purchase a one-way ticket off campus and never come back. That not only applies to activities in the office of fraternity and sorority life, but also athletics. If you are a coach, you should know if hazing is going on with your team. If you don't, you should also purchase a one-way ticket off campus and never return.”

Public Comment on agenda items

Regents heard comments from: Kirsten Herold, faculty, on the faculty senate expansion for lecs, archivists and curators; Phil Rodgers, faculty, on University Senate membership expansion; and Meredith Kahn, faculty, on the regents' bylaw revision expanding the Faculty Senate.

Consent Agenda

Minutes. Vice President Churchill submitted for approval the minutes of the meeting of June 15, 2023.

Reports. Executive Vice President Chatas submitted the Investment Report, the Plant Extension Report, the University Human Resources Report, and the Regents Report on Non-Competitive Purchases equal to or over \$10,000 from Single sources, March 16, 2023 through June 15, 2023.

Litigation Report. Vice President Lynch had no report.

Research Report. Vice President Cunningham submitted the March 2023 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 reported on faculty appointments, the success of the undergraduate students and their acceptance into medical school, faculty accomplishments, and the Center for Arab American Studies recognition.

University of Michigan-Flint. Chancellor Dutta reported on projected enrollment for fall with a positive trend upward, a new partnership with Mott Community College for joint admittance which helps duplication of course work and makes the process more smooth. He noted faculty accomplishments, and SACUA regents award for distinguished public service.

He noted that this is his last meeting. He thanked the board for their support of Flint, and that the real transformation began when he started years ago. He also applauded their efforts to keep tuition affordable. He thanked his colleagues, especially Vice President Churchill for her assistance in moving to have the regents approve the UM-Flint bylaws.

Student Government Reports. Central Student Government Vice President Bipasha Ray reported on the recent activities and planning for the coming year. She noted the Wall Street Journal subscriptions available to students, faculty and staff.

Voluntary Support. Vice President Baird had no additional report.

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

She said, “I would like to talk briefly about graduate education at the university as well as provide an update on negotiations with the Graduate Employees’ Organization, or GEO. Our applications for graduate education at all levels are consistently robust, and this admissions cycle is no exception. For example, applications to UM Ph.D. programs this year were at their highest level ever, with more than 18,800 applications received. Interest in Master’s education continues to be high as well, with more than 15,500 applications received to Rackham Master’s programs. We have 110 courses of study ranked in the top ten nationally, and rank second in annual

research volume. Outcomes from graduate education are excellent as well, with very high employment rates that span industry, government, non-profit, and academic sectors. Increased support for our entire graduate student community, in all its varied forms, remains a driver of our success in the competitive graduate school landscape. Our graduate student research assistants, or GSRAs, will receive a 5% wage increase this fall. As you know, the law prohibits any employer from giving employees a raise before an agreement is reached with the union, so we look forward to GEO members getting a wage increase once a new contract is in place. The new Rackham funding model which rolled out May 1st, placed UM doctoral students in their first four to six years, or “period of full funding,” at the top of the Big Ten and AAU public peers, and fourth among AAU institutions for the past academic year. The support offered to doctoral students in their period of full funding now includes a stipend increased from 8 to 12 months, healthcare, and tuition. As a result, support for doctoral students has increased substantially, from more than \$54,000 per resident student last year to nearly \$70k for the coming year, on average for resident pre-candidate doctoral students. Support amounted to \$80k per student last year, and will total \$97k on average per student this year, for nonresident pre-candidate graduate students. Those figures increase if the student has family members on their insurance plan. Rackham’s reimagined 12-month Ph.D. funding model provided an additional \$12 million from Rackham and the Provost’s Office this summer. Nearly 1500 Ph.D. students benefited from the extra funding, enabling continuous progress on their dissertations during the summer. Support for continuous progress is a change in Rackham academic policy reflecting the long expressed belief by graduate chairs that retention and completion rates will improve when all Ph.D. students can receive summer funding, regardless of whether they are employed by the university.

In addition, health insurance costs will increase by 9.2% this year. The university continues to cover this cost for all GSIs and GSSAs; none of the increased cost is being passed on to them. The university will continue to offer childcare subsidies for all students, including those outside the labor union, who demonstrate financial need. Combined with the many other programs and benefits available to our students, such as Rackham Research Grants, Rackham Travel Grants, and Emergency Funding, we remain very competitive in the graduate school landscape.

Regarding negotiations with the Graduate Employees' Organization: The university and GEO's bargaining teams met for two bargaining sessions last week for a total of 4 sessions since my last update to the board and 41 sessions in total. GEO's salary proposal has not decreased since the beginning of negotiations last November and remains at a 60% increase in year one of the contract, followed by inflationary increases in years two and three. Our 8-month employment salary for GSIs and GSSAs led the Big Ten in the last academic year, and is competitive with peer institutions. The university's team has offered to meet as often as possible before the start of the academic year. The union has not yet provided any additional days for the remainder of the summer. While the parties have reached some agreements on minor issues, little progress has been made on the substantive issues. That is where negotiations stand as we approach the two public fact finding hearings dates, which will take place tomorrow, July 21, and July 28. The fact finding process, which the university initiated on May 17 by petitioning the state labor board, involves a neutral, state-appointed fact-finder reviewing the disputed issues between the two parties. At the end of the process, the fact finder will provide recommendations for settling the contract. While the recommendations are non-binding, fact finding often helps parties resolve differences. We expect the recommendations of the fact

finder by mid-September. We are driven to provide an outstanding education to all of our students. We are dedicated to deploying an excellent Fall term, where every student has the opportunity to contribute to the rich fabric of our campus community.

Executive Vice President Chatas also spoke to the appointment of Shana Weber, as Associate Vice President for Campus Sustainability.

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 Hubbard, seconded by Regent Acker, the regents unanimously approved the consent agenda.

Alternative Asset Commitment

On a motion by Regent Acker, seconded by Regent Behm, the regents approved a commitment of up to \$15 million from the Long Term Portfolio to an investment to HIPstr Early Stage Fund I, L.P.

University of Michigan Health C.S. Mott Children's and Von Voigtlander Women's Hospitals New Birth Center Patient Rooms

On a motion by Regent Brown, seconded by Regent Behm, the regents approved the C.S. Mott Children's and Von Voigtlander Women's Hospitals New Birth Center Patient Rooms project as described and authorize issuing the project for bids and awarding construction contracts providing that bids are within the approved budget.

EVP Chatas also thanked Mr. Baier for his 25 years of service at the helm of facilities and operation. He said, "When I first met you, you talked about culture and the importance of

every individual on that team. The day that resonates mostly with graduation. As you know, your team got up at 4:00 a.m. to put water on the tulips to make sure our families could enjoy them at graduation. That is the dedication of a team that cherishes working with you. They will sustain your legacy.

“We had a discussion with the leadership and the board today about the new building that you helped us begin on South Fifth. We will be installing likenesses of certain important people in UM history in the form of an “architectural boss” on the building. We unanimously agreed that you would be the first boss to be put on the building, along with a plaque describing that honor. Hank, thank you profoundly from all of us from the business side finance team and others with your service. Have a great retirement.”

Conflicts of Interest

On a motion by Regent Behm, seconded by Regent Hubbard, the regents 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 enter into an agreement with Ann Arbor Symphony Orchestra

An agreement with Ann Arbor Symphony Orchestra was approved.

1. The parties to the agreement are the regents of the University of Michigan, its Department of Ophthalmology and Visual Sciences and Ann Arbor Symphony Orchestra.
2. The agreement is for a one time purchase at a total cost not to exceed \$25,000. Ann Arbor Symphony Orchestra 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 Geoffrey Barnes, is past president and Roderick Little, is director of Ann Arbor Symphony Orchestra.

Authorization for the University to transact with Citrimer, Inc.

An agreement with Citrimer, Inc. was approved.

1. The parties to the agreement are the regents of the University of Michigan, its Zell Lurie Institute and Citrimer, Inc.
2. The agreement is for a total cost not to exceed \$22,500. Citrimer, Inc. 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 Anthony Berardi, is owner and Ben Swanson, is stockholder of Citrimer, Inc.

Authorization for the University to transact with epiSLS, Inc.

An agreement with Authorization for the University to transact with epiSLS, Inc. was approved.

1. The parties to the contract are the Regents of the University of Michigan and its Zell Lurie Institute and epiSLS, Inc.
2. The agreement is for a total cost not to exceed \$5,000. epiSLS, Inc. will be supplying all the necessary resources and personnel to fulfill this contract. The remaining base contract terms and conditions are typical to those used in Procurement Services standard templates for other similar contracts entered into by the Regents.
3. The pecuniary interest arises from the fact that University of Michigan employee, Cory Cooney, is owner of epiSLS, Inc.

Authorization for the University to transact with the Jim Toy Community Center

An agreement with the Jim Toy Community Center was approved.

1. The parties to the contract are the Regents of the University of Michigan and its Office for Health Equity and Inclusion and Jim Toy Community Center.
2. The agreement is for a total cost not to exceed \$2,500. Jim Toy Community Center will be supplying all the necessary resources and personnel to fulfill this contract. The remaining base contract terms and conditions are typical to those used in Procurement Services standard templates for other similar contracts entered into by the Regents.
3. The pecuniary interest arises from the fact that University of Michigan employee, Pedro Coracides, is a member of Jim Toy Community center.

Authorization for the University to contract with QE Tools, LLC

An agreement with QE Tools, LLC was approved.

1. The parties to the contract are the Regents of the University of Michigan and its College of Engineering-Nexus and QE Tools, LLC.
2. The agreement is for a duration of three and a half years at a total cost not to exceed \$80,000. QE Tools, LLC will be supplying all the necessary resources and personnel to fulfill this contract. The remaining base contract terms and conditions were tailored to meet the particular needs of this contract and have been approved by Procurement Services after advice from the Office of General Counsel.
3. The pecuniary interest arises from the fact that University of Michigan employee, Patrick Hammett, is owner of QE Tools, LLC.

Authorization for the University to contract with Cubeworks Inc.

An agreement with Cubeworks Inc. was approved.

1. The parties to the contract are the Regents of the University of Michigan and Cubeworks Inc.
2. The agreement is for Cubeworks Inc. to provide sponsored research collaboration services under a sponsored project from City Labs, Inc. (Prime Sponsor: the Department of the Air Force) titled “Imaging Systems for Long Term Observation.” The performance period is anticipated to be March 1, 2023 through May 31, 2024, and estimated not to exceed \$299,000. The terms of the contract will comply with appropriate University requirements. Since projects are often amended, the contract will include provisions for changes in time, amount, and scope.
3. The pecuniary interest arises from the fact that University of Michigan employees, David Blaauw, Zhiyoong Foo, and Gyouho Kim are partial owners of Cubework, Inc.; Yejoong Kim, Adam Davis, Seok Hyeon Jeong, and Gordy Carichner, are employees of the University and have employment relationships with Cubeworks, Inc.

Approval of Commercialization Agreements

Commercialization agreements were approved.

1. The parties to the contract are the Regents of the University of Michigan and the following companies: 1) Abcon Therapeutics, Inc.; 2) Alexis Donneys; and 3) ArtSpective LLC.
2. The University will retain ownership of the optioned, licensed, or reassigned technologies and may continue to further develop and use them internally. No use of University services or facilities, nor any assignment of University employees, is obligated or contemplated under the Agreements. Standard disclaimers of warranties and indemnification apply, and the Agreements 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. Terms specific to each Agreement are described in Attachment A.
3. The pecuniary interest arises from the fact that University of Michigan employees: 1) David Fox; 2) Alexis Donneys; and 3) Clayton Shuman, have activities, relationships, or interests in the companies.

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) Arbor Batteries LLC; 2) Arborsense, Inc., 3) Fourth State LLC, 4) ONL Therapeutics, Inc., and 5) Tuebor Energy Inc.
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) Jeff Sakamoto and Neil Dasgupta; 2) Xudong Fan, Zhaohui Zhong, and Mark Ilgen; 3) Roxanne Walker and John Foster; 4) David Zacks; 5) Nicholas Kotov and Ahmet Emre; have activities, relationships, or interests in the companies.

Approval of Amended Academic Calendar for 2023-2024 for the University of Michigan-Dearborn

Approval of Academic Calendar for 2025-2026 for the University of Michigan-Dearborn

Approval of an update to Academic Calendar for 2023-2024 for the University of Michigan-Flint

On a motion by Regent Hubbard seconded by Regent Acker, the regents unanimously approved the Academic Calendars.

Henry Russel Lecturer and Henry Russel Awards for 2023

President Ono confirmed The Henry Russel Awards Faculty Advisory Committee recommendation that Karin Muraszko, the Julian T. Hoff Professor of Neurosurgery, Professor of Surgery, Professor of Pediatrics and Communicable Diseases, and Professor of Plastic Surgery, University of Michigan Medical School, will be the Henry Russel Lecturer for 2024.

He also confirmed the recipients of Henry Russel Awards for 2024 are: Alison R. Davis Rabosky, Assistant Professor of Ecology and Evolutionary Biology and Assistant Curator, Museum of Zoology, College of Literature, Science and the Arts Oliver Haimson, Assistant

Professor, School of Information Justin Heinze, Associate Professor (with tenure) of Health Behavior and Health Education, School of Public Health Elliott Rouse, Associate Professor of Robotics and Mechanical Engineering, College of Engineering

Regents' Bylaws Sec. 4.01 - The University Senate

On a motion by Regent Bernstein, seconded by Regent Brown, the regents unanimously approved amendments to the Regents' Bylaws Sec. 4.01 - The University Senate, as presented.

Public Comment

The regents heard public comments from: Michael Heinrich, student, on Justice for Michael Heinrich and his family; Adam Paulsen, staff, on hospital safety; Lina Azeim, UM-Flint student; introduction to Board of UM-Flint Student Body President.

Regent Hubbard thanked all the speakers for their comments.

Adjournment

The meeting was adjourned at 5:30 p.m. The next meeting will take place on September 21, 2023.