

SEPTEMBER MEETING, 2005

*The University of Michigan
Ann Arbor
September 15, 2005*

The Regents convened at 2:35 p.m. in the Regents' Room. Present were President Coleman and Regents Brandon, Deitch, Maynard, McGowan, Newman, Richner, Taylor, and White. Also present were Vice President Churchill, Interim Provost Gramlich, Vice President Harper, Executive Vice President Kelch, Vice President Krislov, Chancellor Little, Vice President May, Chancellor Mestas, Vice President Rudgers, Executive Vice President Slottow, Vice President Ulaby, and Vice President Wilbanks.

Call to Order

President Coleman called the meeting to order and welcomed Coach Carol Hutchins and the national champion Michigan softball team to the meeting. She noted that everyone had been captivated by the team's success and teamwork, and said that numerous people have told her how much they enjoyed watching the championship series on television. She called on Regent Newman.

Regents' Resolution in Honor of Softball Team

Regent Newman called Coach Hutchins and the softball team to the podium and read the following resolution:

Regents' Resolution

The Regents of the University of Michigan applaud the Michigan Wolverines softball team for winning Michigan's first-ever national softball championship on June 8, 2005, at the Women's College World Series.

The Wolverines are indeed champions of the west – and east, north and south. In a thrilling, 10-inning victory against two-time defending champions

UCLA, the Wolverines, who had earned the team's first-ever number one national ranking, became the first team east of the Mississippi to claim the national softball championship and only the second Michigan women's team to win a national crown. The Wolverines also are the first Big Ten team to win a national title in softball or baseball since 1966.

Much credit goes to Coach Carol Hutchins, who is beginning her 22nd season as head softball coach and is the most victorious coach in Michigan history, with 940 victories to her credit. As one of the top ten NCAA Division I active coaches in career wins and winning percentage, "Hutch" has built the Michigan team into one of the elite programs in the nation. Under her guidance, the Wolverines have claimed 10 of the last 14 Big Ten championships and have advanced to the NCAA Women's College World Series eight times. Hutchins' players have won numerous all-conference, all-America and individual collegiate athlete awards, along with 72 Academic All-Big Ten awards, including six from this year's championship team.

With great pride, the Regents salute Michigan's national championship women's softball team, along with Coach Carol Hutchins and staff Bonnie Tholl, Jennifer Brundage, and Jennifer Teague, for their history-making championship season. They are conquering heroes and valiant victors all.

A round of applause followed, and a team member presented President Coleman with a personalized softball jersey. Coach Hutchins responded that it was an honor for the team to be here, and said, "We felt it only fitting that the president of the United States and the president of the University of Michigan should get a jersey from the national champions." She said the team has made everyone proud, and though they've been successful on the field, "They are most successful every day that they walk on this campus."

President's Opening Remarks

President Coleman welcomed Interim Provost Edward Gramlich to the Regents' Meeting. She also commended the University community for its outpouring of support following Hurricane Katrina. She noted that 50 undergraduate students and about 12 graduate students from the affected areas had been admitted as non-degree students for the fall term.

President Coleman reported that an agreement had been reached in the state legislature on the FY2005-06 budget. The base appropriation for the Ann Arbor campus will be \$4.3 million less than that enacted in the previous fiscal year. She expressed the hope that in the coming year there will be progress toward the goal of achieving a more predictable, robust level of support in future years.

President Coleman also called attention to three projects that the Regents will be acting on at this meeting: renovations to Mosher-Jordan Hall, the Hill Dining Center, and renovations to Bursley Hall, all of which are part of the Residential Life Initiative (RLI). Each project helps achieve the goal of providing student residential space that connects more seamlessly with students' learning environment and enhances the overall quality of student life.

South Campus Master Plan Update

Executive Vice President Slottow commented that an update would be presented of a plan that was last reviewed by the Board in June 2003. He pointed out that master plans need to be updated periodically to be certain they are aligned with changes in priorities and plans for major buildings. Two projects that had been outlined at the time of the last update -- softball and baseball field renovations -- have changed significantly from their original conception.

Athletic Director Bill Martin noted that the original objective had been to move the baseball and softball fields to a different location, but it was determined that not only was the cost of totally relocating those facilities prohibitive, but coaches, players, and donors preferred the current location. He said there is a flood plain issue in the current location that needs to be considered. The updated plan, therefore, calls for the softball and baseball programs to remain in their current locations with appropriate renovations to the stadiums. The plan also provides for construction of a multi-purpose field house along State Street, south of Schembechler Hall.

Mr. Martin commented that the renovations will be funded by philanthropy, noting that most of the necessary funds for the baseball renovation have been raised, but that more support is needed for the softball project.

Regent McGowan commented that it appeared that the Fisher Stadium (baseball) renovation was to be far more extensive than the Alumni Field (softball) renovation. Mr. Martin responded that the softball practice and locker room facilities were relatively new, having been built in 1998 with a gift from Donald R. Sheperd. The major needs for the softball program are larger grandstands and a press box. Fisher Stadium was originally built in the 1940s and has never been renovated. He also noted that some of the facilities, such as batting cages, are used by both teams.

Sue Gott, University planner, gave a presentation on the updated South Campus Master Plan. She reviewed the plan presented in 2003, and noted two of the priorities listed at that time, the Junge Family Champions Center and the Academic Center, are now under construction and nearing completion.

Ms. Gott said that a storm water management analysis of the south campus led to certain design features being incorporated into the Academic Center. Some of the storm water management regional planning approaches on North Campus and Central Campus might also be incorporated into the future plans for South Campus as well.

Ms. Gott confirmed Mr. Martin's comment that due to prohibitive costs associated with the original 2003 plan of relocating the baseball and softball facilities, the 2005 update calls for the programs to remain in their current locations. She pointed out that these are very appropriate land uses within the flood zone area, and noted there is no evidence of a game ever having been

canceled due to flooding. The only challenge would be accommodating the loss of approximately 30 parking spaces as a result of the baseball project.

She indicated the location where the new multipurpose field house will be sited under the updated master plan, and noted that the proposed location for a new basketball and wrestling practice facility remains adjacent to Crisler Arena, as originally envisioned in the 2003 master plan.

Ms. Gott indicated that several additional Athletic Department fundraising priorities have come forward since 2003, including improvements associated with the football stadium; construction of a new artificial turf practice field which would be required by the proposed location of the new multi-purpose field house at the site of the current practice field; and renovation of the historic Marie Hartwig Building. She displayed the University Planner's Office framework plan for incorporating flexibility for potential future parking decks, pedestrian linkages and pathways, and regional utility planning into all of the projects. Ms. Gott noted that there are several development zones in the South State Street area that remain available for potential future development.

Committee Reports

Finance, Audit and Investment Committee. Regent Brandon reported that the committee, consisting of him and Regents White and McGowan, had met that morning. The main topic was a review of the Fiscal Year 2005 external audit results, including a general overview of the University's financial performance. Also in attendance at the meeting were Executive Vice President Slottow, Associate Vice President Peggy Norgren, University Controller Cheryl Soper, Executive Director of University Audits Cheryl Soper, and three representatives from the University's external audit firm of Price WaterhouseCoopers (PWC). The external auditors

presented a clean, unqualified report of the University's financial condition. During a private session between the PWC representatives and the committee, the committee received extremely positive feedback with respect to the competence, excellence, and professionalism of University staff. He noted that despite the fiscal challenges the University faces, the committee was pleased at the highly successful results of the University's fundraising efforts to date.

Personnel, Compensation and Governance Committee. Regent Taylor reported that the committee, which includes himself and Regents Deitch and Richner, had met with President Coleman regarding the evaluation procedures she uses for the executive officers. The committee had also received a status report from the Provost Search Committee, and reports about the progress being made by the several dean search committees. All are on track for meeting their deadlines. He noted that the majority of the committee's time was spent reviewing and confirming the 2005-06 committee calendar. Although the calendar is always subject to change, a yearly schedule of topics has been established.

President's Salary. Regent Taylor also announced that the committee had been leading the Board's annual evaluation of the performance of the president. He noted that President Coleman is beginning the fourth year of a five-year contract. At her request, she had received no salary increase at the end of her first year, and in year two she had received a 2% increase. For year three, based on an analysis of the evaluations of individual board members, the committee is recommending an increase in compensation of 3.5%

Regent Taylor stated that the recommendation is based on the Board's recognition of President Coleman's many strengths and accomplishments during the past year. Among these are her remarkable leadership in the Michigan Difference campaign and her equally remarkable and generous personal gift of \$500,000 to that campaign; the healthy financial condition of the

University of Michigan Health System in contrast to that of most other academic medical centers; the establishment of the M-PACT financial aid program; progress toward her four Presidential Initiatives; her successful efforts in retaining key faculty; and her leadership in steering the University through very challenging budget cycles. He also noted that the Regents have been highly appreciative of President Coleman's passionate advocacy for maintaining the academic excellence of the University.

Regent Taylor commented that the Regents acknowledge the University's fiscal situation believe the increase is both prudent and fair. "This compensation figure reflects our collective confidence in the direction and health of the University and President Coleman's strong leadership," he said, "while at the same time being cognizant of the very real fiscal constraints across the campus."

Accordingly, Regent Taylor moved that the president's salary be increased by 3.5%, effective with the academic year which commenced on September 1, 2005, and concludes on August 31, 2006. Regent Brandon seconded the motion, and it was approved unanimously.

President Coleman commented, "I'd like to make the point that nobody accomplishes all this without this team of people sitting around the table. And I absolutely believe I'm the most fortunate university president in the United States to have the colleagues that I have and to have the people on the Board who care so passionately about the University. So I thank you very, very much and look forward to an exciting, fabulous year coming up."

The Regents then turned to the remainder of the consent agenda.

Consent Agenda

Minutes. Vice President Churchill submitted for approval the minutes of the meeting of July 21, 2005.

Reports. Executive Vice President Slottow submitted the Investment Report, the Plant Extension Report, and the Human Resources and Affirmative Action Report. With respect to the Plant Extension Report, he noted that the University continues to make regular infrastructure improvements on existing buildings in addition to constructing new buildings. He also described the “Voices of the Staff” program established by President Coleman and administered by Associate Vice President Laurita Thomas.

Litigation Report. Vice President Krislov submitted the Litigation Report.

Research Report. The Regents received the report of projects established, July 1 - August 31, 2005.

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

Division of Student Affairs. Vice President Harper announced that the new school year was off to a successful start. She also commented about the three projects being brought forward today that are part of the Residential Life Initiative (RLI), noting that the quality of the residential experience makes a significant contribution towards students’ academic success. She pointed out that more than \$25 million has been spent since 2001 on life safety projects, and two additional projects are on today’s agenda for Oxford and Bursley residence halls. Additional projects are being brought forward for the upgrading of the dining facilities and additional programming and social space within Bursley Hall, and for a major project providing for the renovation of Mosher- Jordan Hall and construction of an adjacent Hill Dining Center. She pointed out that the Mosher-Jordan renovation project will be the first major residence hall renovation in the University’s history and is important to preserve and enhance this historic structure.

Vice President Harper commented that the Hill Dining Center will be the first of its type on campus and enables the University to address more comprehensively the dining experience and its contribution to community-building efforts and to increasing the University's ability to support healthy lifestyles. Consolidating the dining operations will provide operational efficiencies that contribute to the unit's long-term financial health. The cost of all three projects is included within the original RLI budget estimates provided to the Board.

University of Michigan-Flint. Chancellor Mestas introduced the three individuals being recommended for appointment as vice chancellors on the Flint campus: Jack Kay, provost and vice chancellor for academic affairs and professor of communication, with tenure; Mary Jo Sekelsky, vice chancellor for student services and enrollment management; and Kristen Dahlen Skivington, vice chancellor for institutional advancement. Chancellor Mestas reported that overall enrollment on the Flint Campus has increased by 4%, with graduate enrollment having increased by 32% during the past year. New freshman enrollment has increased by 5%.

University of Michigan-Dearborn. Chancellor Little noted that enrollment growth is the number one priority on the Dearborn campus, and that enrollment for the freshman class is up by about 20%. Chancellor Little also reported on progress that has been made on the Greenways Trail along the Rouge River watershed, a portion of which has been laid on the Dearborn Campus.

Michigan Student Assembly Report. Jesse Levine, president of MSA, reported on activities of MSA during the start of the school year. He also noted that MSA has initiated a fundraising campaign for the MSA organization. On behalf of the Residence Hall Association, he expressed support for the proposed Hill Dining Center and Mosher-Jordan renovations.

Voluntary Support. Vice President May submitted Reports of Voluntary Support for June, July, and August, 2005.

Michigan Difference Campaign Update. Vice President May gave an update on the Michigan Difference Campaign as of June 30, 2005. He noted that as of that date, more than \$1.83 billion had been raised toward the \$2.5 billion goal, which is 73%. He reported that cash receipts had increased by 21% over the previous year's total, and were the highest ever at the University. Campaign production for FY 2005 added more than \$492 million to the campaign total, which is also a record. He noted that of the more than 264,000 gifts to the Michigan Difference campaign, 262,000 have been under \$100,000, and the majority of those have been under \$5,000.

Vice President May reported that of the \$1.5 billion that has been committed toward the cash goal of \$2.1 billion, 75% of these funds are from individuals. This means that the University of Michigan is one of the leading universities in the country in the percent of giving from individuals. He also pointed out, however, that many campaign goals have not yet been met, including \$180 million for buildings, \$240 million for faculty support, and \$120 million for student aid. About \$280 million is still needed to reach the goal for endowment.

President Coleman thanked Vice President May and his team for all of their efforts that have helped the campaign to reach its current level of success. She also thanked the donors, noting that given the long-term trends in state support, philanthropy is more important now than it has been in the past, and it crucial to helping the University maintain its competitive edge.

Personnel Actions/Personnel Reports. Interim Provost Gramlich submitted a number of personnel actions and personnel reports.

Regent McGowan commented on the establishment of the Angus Campbell Collegiate Professorship in Sociology and Survey Research, noting that Professor Angus Campbell had a great impact on developing ISR into the renown institution it is today. She also called attention to the Henry Pollack Endowed Professorship in Geological Sciences, noting that it was being made possible through funding by “a very satisfied student of his, and that’s the best kind of all.”

Retirement Memoirs. Vice President Churchill submitted memoirs for 10 retiring faculty members. Executive Vice President Kelch commented on the extraordinary careers of the five medical school faculty members who are retiring: Stanley Berent, Kenneth L. Casey, Bertram Pitt, Robert H. Bartlett, and Jeffrey K. Stross.

Memorials. Vice President Churchill reported the deaths of two active faculty members, Carol T. Mowbray and Mei-Yu Yu. Regent Maynard commented that she had known Carol Mowbray, and that she was not only a fine researcher, but was very committed to working in the community and making a difference.

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

Approval of Consent Agenda. On a motion by Regent Brandon, seconded by Regent White, the Regents unanimously approved the Consent Agenda.

The Regents then turned to consideration of the regular agenda. Regent Deitch left the meeting at this point.

2005-2006 All Campus Budget Book

Executive Vice President Slottow submitted the 2005-2006 budget book that provides details of the budget approved at the July meeting.

The University of Michigan Financial Statements for the Year Ended June 30, 2005

Executive Vice President Slottow submitted the consolidated financial statements for fiscal year 2005, as well as separate audited financial statements for the Hospitals and Health Centers, the Department of Intercollegiate Athletics, Michigan Health Corporation, M-CARE, and the Veritas Insurance Corporation. He noted that the Finance, Audit and Investment Committee had reviewed the statements at their meeting, and they will be submitted for approval at the October meeting.

Alternative Asset Commitments (Westbrook Real Estate Fund, VI, L.P.; Lime Rock Resources, L.P.; JOG Limited Partnership III; Russia Partners II, L.P.; TDF Capital China II, L.P.)

On a motion by Regent Brandon, seconded by Regent Taylor, the Regents approved the following investments from the Long Term Portfolio: Commitment of \$20 million to Westbrook Real Estate Fund VI, L.P.; \$25 million to Lime Rock Resources, L.P.; \$10 million (Canadian funds) to JOG Limited Partnership III; \$15 million to Russia Partners II, L.P.; and \$10.0 million to TDF Capital China II, L.P.

Athletic Department Alumni Field Renovation

On a motion by Regent Brandon, seconded by Regent White, the Regents unanimously approved the Athletic Department Alumni Field Renovation Project as described and authorized commissioning HOK Sport + Venue + Event, Inc. for its design.

Athletic Department Fisher Stadium Renovation

On a motion by Regent Brandon, seconded by Regent Maynard, the Regents unanimously approved the Athletic Department Fisher Stadium Renovation Project as described, and authorized commissioning HOK Sport + Venue + Event, Inc. for its design.

Michigan Stadium 2006 Concrete Repairs

On a motion by Regent White, seconded by Regent Brandon, the Regents unanimously approved the Michigan Stadium 2006 Concrete Repairs Project as described, and authorized issuing the project for bids and awarding construction contracts providing that bids are within the approved budget.

Regent White left the meeting at this point, at 3:55 p.m.

Naming of the Advanced Technology Laboratory and addition in honor of Ann and Robert Lurie

On a motion by Regent Taylor, seconded by Regent Brandon, the Regents unanimously approved formally designating the Advanced Technology Laboratory Building and its new wing the Ann and Robert H. Lurie Biomedical Engineering Building.

Naming of the New Drama Center in honor of Charles R. Walgreen, Jr.

On a motion by Regent Taylor, seconded by Regent Maynard, the Regents unanimously approved designating the new drama center building the Charles R. Walgreen, Jr. Drama Center.

President Coleman noted that this building will house the Arthur Miller Theatre, and will be the only facility in the country that will be named in honor of Arthur Miller.

Hoover Avenue Heating Plant Boiler Replacement

On a motion by Regent Brandon, seconded by Regent Newman, the Regents unanimously approved the Hoover Avenue Heating 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.

Bursley Residence Hall 2006 Infrastructure Updates and Dining Improvements

On a motion by Regent McGowan, seconded by Regent Newman, the Regents unanimously approved the Bursley Residence Hall 2006 Infrastructure Updates and Dining Improvements Project as described, and authorized issuing the project for bids and awarding construction contracts providing that bids are within the approved budget.

Mosher-Jordan Hall Renovation and Hill Dining Center

Executive Vice President Slottow noted that this project will be the first major, deep renovation of this residence hall, which dates back to 1930. He introduced Mr. Geoffrey Wooding from Goody Clancy & Associates to present the schematic design.

Mr. Wooding displayed site maps and detailed plans for each level of the structure, including a cross-section of the building that indicates the security features separating the residence hall private living space from the public, common areas of the dining facility. He noted that the dining center would be as transparent and light and unobtrusive as possible in order to respect the historic architecture of the building it adjoins. The current loading zone will be relocated to a more unobtrusive spot, and the current dining hall in Mosher-Jordan would become classroom and seminar spaces. He displayed several renderings of the new dining center, as well as an architectural model.

Mr. Wooding said that the new dining center is intended to service the “Hill” residence halls of Stockwell, Mosher-Jordan, Alice Lloyd, and Couzens, but any student would be allowed to use it. It was noted that the other halls will retain a limited food service capacity for providing off-hours snacks.

Regent Newman commented that the Regents were told there may be some deed restrictions on a small portion of the land designated for the Hill Dining Center dating back to the early

1900s, and asked Vice President Krislov if this is cause for concern. Vice President Krislov responded that there are some very old deed restrictions in the original grant dating from around 1910. However, the Office of the General Counsel has analyzed the documents and the law and has concluded that to the extent that deed restrictions were originally in place at this proposed site, they have been waived many decades ago by University use and practice. So the general counsel's office is confident that there are no deed restrictions that would raise legal concerns about this project at the proposed location.

Mr. Woody responded to questions from Regent McGowan about aesthetic considerations regarding the exhaust stack on the new building. He noted that architects are working with engineers on mechanical and architectural means for addressing this design challenge. In response to a question from Regent Richner about operational expenses associated with the new facility, Executive Vice President Slottow emphasized that significant operational efficiencies will be gained through consolidating the four major hill dining operations into one facility.

Regent Maynard moved approval of the schematic design for the Mosher-Jordan Hall Renovation and Hill Dining Center Project as presented at the meeting. Regent Newman seconded the motion, and it was approved unanimously.

Oxford Housing Fire Alarm System Upgrade and Fire Suppression System Installation

On a motion by Regent Brandon, seconded by Regent Maynard, the Regents unanimously approved the Oxford Housing Fire Alarm System Upgrade and Fire Suppression System Installation 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 (UMHHC) East Ann Arbor Health Center Geriatric Clinic Renovations

On a motion by Regent Maynard, seconded by Regent Brandon, the Regents unanimously approved the Geriatric Clinic Renovations Project as described, authorized commissioning the architectural firm of HarleyEllis for its design, 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 (UMHHC) University Hospital Linear Accelerator Replacement

On a motion by Regent Brandon, seconded by Regent Maynard, the Regents unanimously approved the UMHHC University Hospital Linear Accelerator Replacement Project as described, authorized commissioning of the architectural firm of Integrated Design Solutions for its design, and authorized issuing the project for bids and awarding construction contracts providing that bids are within the approved budget.

Medical Science Unit I Anechoic Chamber Relocation Renovations

On a motion by Regent Newman, seconded by Regent Maynard, the Regents unanimously approved the Medical Science Unit I Anechoic Chamber Relocation Project as described, and authorized issuing the project for bids and awarding construction contracts providing that bids are within the approved budget.

Biomedical Science Research Building Animal Imaging Facility

On a motion by Regent Newman, seconded by Regent Maynard, the Regents unanimously approved the Biomedical Science Research Building Animal Imaging Facility project as described, and authorized issuing the 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 nine conflict of interest items, each of which requires six votes for approval. It was decided that eight of the items would be considered as a group, and one involving Athletic Director William C. Martin would be voted on separately.

On a motion by Regent Newman, seconded by Regent Maynard, the Regents unanimously approved the following eight items.

Purchasing Contract with Kaleidoscope Graphic Design

The Regents approved a purchasing contract with Kaleidoscope Graphic Design for graphic design services for the Rackham Development Office. Because Rose Anderson, sole owner of Kaleidoscope Graphic Design, is also a University of Michigan employee, this agreement falls under the State of Michigan Conflict of Interest Statute. 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 its Rackham Development Office and Kaleidoscope Graphic Design.
2. The services provided are graphic design services through June 30, 2008, in the amount of \$6,000.
3. The pecuniary interest arises from the fact that Ms. Anderson, a University of Michigan employee, is sole owner of Kaleidoscope Graphic Design.

Payment to Sharon VanRiper

The Regents approved a payment to Sharon VanRiper for a rental house for a visiting professor. Because Ms. VanRiper is also a University of Michigan employee, this agreement falls under the State of Michigan Conflict of Interest Statute. 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 its Center for Theoretical Physics and Sharon VanRiper.
2. The service provided is house rental for 22 nights in the amount of \$1,200.
3. The pecuniary interest arises from the fact that Ms. VanRiper, a University of Michigan employee, is owner of the house.

Subcontract Agreement with Opteos, Inc.

The Regents approved a subcontract agreement with Opteos, Inc., to fund a Small Business Technology Transfer Phase II of an AFOSR-funded project for work to be conducted by Dr. Theodore Norris. Because Drs. John Whitaker and Kamal Sarabandi have an ownership interest in Opteos, Inc., and are also University of Michigan employees, this agreement falls under the State of Michigan Conflict of Interest Statute. 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 Opteos, Inc.
2. The agreement terms include a total subcontract to the University of \$225,000 for the period September 1, 2005 through August 31, 2006. Since research agreements are often amended, the agreement includes provisions for changes in time, amount, and scope. University procedures for approval of these changes will be followed and additional review by the Conflict of Interest Committee will be done as appropriate.
3. The pecuniary interests arise from the fact that Drs. Whitaker and Sarabandi, University of Michigan employees, have an ownership interest in Opteos, Inc.

Option Agreement with Electrodynamic Applications, Inc.

The Regents approved an option agreement with Electrodynamic Applications, Inc., for “A Tip-Less Electron Field Emission Technology using BN Coated Surface and MEMS Based Gate Structures” (UM File No. 2988). Because Drs. Brian Gilchrist and Alec Gallimore, partial owners of Electrodynamic Applications, Inc., are also University of Michigan employees, this agreement falls under the State of Michigan Conflict of Interest Statute. 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 Electrodynamic Applications, Inc.
2. The option terms include giving Electrodynamic Applications, Inc., a one-year, exclusive option to negotiate an exclusive license with the right to grant sublicenses. Electrodynamic Applications, Inc. Will reimburse patent costs during the term of the agreement and would pay a royalty on sales and reimburse patent costs if the option is exercised and a license is executed. The University will retain ownership of the licensed technology and may continue to further develop it and use it internally.

No use of University services or facilities, nor any assignment of University employees, is obligated or contemplated under the agreement. Standard disclaimers of warranties and indemnification apply, and the contract may be amended by consent of the parties. University procedures for approval of these changes will be followed and additional review by the Conflict of Interest Review Committee will be done as appropriate.

3. The pecuniary interests arise from the fact that Drs. Gilchrist and Gallimore, University of Michigan employees, are partial owners of Electrodynamic Applications, Inc. They have waived any personal participation in the sharing of revenue received by the University, and Dr. Gallimore is not an inventor on the above referenced invention.

License Agreement with McCreadie Group, Inc.

The Regents approved a license agreement with McCreadie Group, Inc., for “WebIDS” (UM OTT File No. 3138). Because Mr. Scott McCreadie and Dr. Barbara McCreadie have an ownership interest in McCreadie Group, Inc. and are also University of Michigan employees, this agreement falls under the State of Michigan Conflict of Interest Statute. 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 McCreadie Group, Inc.
2. License terms include giving McCreadie Group an exclusive license with the right to grant sublicenses. McCreadie Group will pay a royalty on sales, and the University will retain ownership of the licensed technology and may continue to further develop it and use it internally.

No use of University services or facilities, nor any assignment of University employees, is obligated or contemplated under the agreement. Standard disclaimers of warranties and indemnification apply, and the contract may be amended by consent of the parties. University procedures for approval of these changes will be followed and additional review by the Conflict of Interest Review Committee will be done as appropriate.

3. The pecuniary interests arise from the fact that Mr. McCreadie and Dr. McCreadie, University of Michigan employees, have ownership interest in McCreadie Group, Inc. Mr. McCreadie has waived any personal participation in the sharing of revenue received

by the University, and Dr. McCreadie is not an inventor on the technology being licensed.

Amendment to License Agreement with Michigan Critical Care Consultants, Inc.

The Regents approved an amendment to a license agreement with Michigan Critical Care Consultants, Inc., for “Biocatalytic Generation of Nitric Oxide” (UM OTT File No. 1937p1) and “Multi-Functional Biocompatible Coatings for Intravascular Devices” (UM OTT File No. 2936). Because Dr. Robert Bartlett has ownership interest in Michigan Critical Care Consultants and is also a University of Michigan employee, this agreement falls under the State of Michigan Conflict of Interest Statute. 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 Michigan Critical Care Consultants, Inc.
2. The terms of the agreement will add two technologies to Michigan Critical Care Consultants’ current exclusive right to grant sublicenses. Michigan Critical Care Consultants will pay a royalty on sales and reimburse patent costs, and the University will retain ownership of the licensed technology and may continue to further develop it and use it internally.

No use of University services or facilities, nor any assignment of University employees, is obligated or contemplated under the agreement. Standard disclaimers of warranties and indemnification apply, and the contract may be amended by consent of the parties. University procedures for approval of these changes will be followed and additional review by the Conflict of Interest Review Committee will be done as appropriate.

3. The pecuniary interest arises from the fact that Dr. Bartlett, a University of Michigan employee, has ownership interest in Michigan Critical Care Consultants, Inc. He has waived any personal participation in the sharing of revenue received by the University.

Research Agreement with Pipex, Inc.

The Regents approved a research agreement with Pipex, Inc., to assist with the development of antifibrotic and anti-inflammatory studies of ammonium tetrathiomolybdate. Because Dr. George Brewer has ownership interest in Pipex and is also a University of Michigan

employee, this agreement falls under the State of Michigan Conflict of Interest Statute. 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 Pipex, Inc.
2. Under this agreement, \$1,378,500 is anticipated to cover the period June 1, 2005 through May 31, 2008.

Since research agreements are often amended, the agreement includes provisions for changes in time, amount, and scope. University procedures for approval of these changes will be followed and additional review by the Medical School Conflict of Interest Board will be done as appropriate.

3. The pecuniary interest arises from the fact that Dr. Brewer, a University of Michigan employee, has ownership interest in Pipex, Inc.

Subcontract Agreement with University Renal Research Education Association (URREA)

The Regents approved a subcontract agreement with University Renal Research Association (URREA) to provide services for year two of a project funded by a grant from the Centers for Medicare and Medicaid Services. Because Dr. Robert A. Wolfe, vice-president of biostatistics at URREA, is also a University of Michigan employee, this agreement falls under the State of Michigan Conflict of Interest Statute. 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 University Renal Research Education Association (URREA).
2. The terms of the agreement conform to University policy. The project at the University is to be conducted over an initial twelve month period at an estimated total cost of \$688,250 including indirect cost at the University's negotiated federal indirect cost rate.

The agreement contains a provision allowing for amendment by mutual agreement of the parties. University procedures for approval of changes will be followed, and additional review by the Conflict of Interest Review Committee will be done as appropriate.

3. The pecuniary interest arises from the fact that Dr. Wolfe, a University of Michigan employee, is vice-president of biostatistics at URREA.

Lease Agreement with William C. Martin

On a motion by Regent McGowan, seconded by Regent Taylor, the Regents approved a lease agreement with William C. Martin for approximately 4,000 square feet of space located at 555 South Forest Avenue. Because Mr. Martin is also a University of Michigan employee, this agreement falls under the State of Michigan Conflict of Interest Statute. 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 William C. Martin.
2. The service to be provided is the execution of a lease agreement for approximately 4,000 square feet in a building at 555 South Forest Avenue (also known as 1301 South University Avenue) in Ann Arbor from October 1, 2005 through June 30, 2008. The monthly rental rate is \$3,667 from October 1, 2005 through March 31, 2006, and \$7,333 per month for the remainder of the term. Tenant will be responsible for gas and electric usage plus janitorial service and for improvements to the space that will not exceed \$50,000.
3. The pecuniary interest arises from the fact that Mr. Martin, a University of Michigan employee, is owner of the property being leased.

Revision of Regents' Bylaw 11.60. The Advisory Board on Intercollegiate Athletics: Functions

On a motion by Regent Taylor, seconded by Regent McGowan, the Regents unanimously approved revisions to Regents' Bylaw 11.60 to change the appointment authority for the Intercollegiate Conference of Faculty Representatives from the Advisory Board on Intercollegiate Athletics to the president, as noted below:

Sec. 11.60. The Advisory Board on Intercollegiate Athletics: Functions

The Advisory Board will function as advisor to the director on the program in intercollegiate athletics. The director will seek and consider the advice of the Advisory Board on all major financial and policy decisions with respect to the program on intercollegiate athletics.

Upon the request of the Advisory Board, the president will meet with the Advisory Board at least once in each of the fall and winter semesters.

Subject only to the ultimate authority of the president and the Board of Regents, the Advisory Board will make, adopt, and enforce the necessary rules and regulations governing all questions pertaining to the eligibility of players, intercollegiate relations, and membership in associations of universities and colleges organized for the regulation of athletics.

The ~~Advisory Board~~ *president* will appoint the University representative in the Intercollegiate Conference of Faculty Representatives *after seeking nominees from the Advisory Board*, the ~~appointment to be~~

~~approved by the Senate Assembly, and others, and after consultation with the Advisory Board. Such representative will be a member of the University Senate and; will hold office for a term of five years and may serve unlimited terms.~~

The Advisory Board will report all of its official actions, through the president to the Board of Regents for approval, and will report annually to the University Senate, through the Senate Advisory Committee on University Affairs. At any time, the Advisory Board may consult with the University Senate through its advisory committee; and at any time, the Senate Advisory Committee may request full information on matters within the province of the Advisory Board. The Advisory Board will at all times receive and consider recommendations from the University Senate and petitions from the student body.

Public Comments

The Public Comments session began at 4:15 p.m. The Regents heard comments from the following people on the topic of amending the Regents Bylaws to include a nondiscrimination statement regarding gender identity or expression: Bruce Frier, faculty member, Russell Stambaugh, alumnus and director of the American Association of Sex Educators, Counselors and Therapists, Jaya Kalra, student, Denise Brogan, student, and Liz Goodnick, student. They heard comments from the following individuals on the topics indicated: Bonnie Halloran, faculty member and president of the Lecturers' Employee Organization, on ongoing lecturer concerns about School of Art and Design policies; Cristina Mezuk, alumna, on School of Art and Design curriculum changes; Jim Mogensen, citizen, on town-gown relationship updates; James Shields, citizen, on food service improvement; Alice Ralph, alumna and member of the Washtenaw County Historic District Commission, on the Gordon Hall Historic District; and Allie Dakroub, student, on formation of a committee to investigate military investments in Israel.

There being no further business, the meeting was adjourned at 5:00 p.m. The next meeting is scheduled for October 21, 2005.