

SEPTEMBER MEETING, 2001

*The University of Michigan
Ann Arbor
Thursday, September 20, 2001*

The Regents convened at 1:40 p.m. in the Regents' Room. Present were President Bollinger and Regents Brandon, Deitch, Horning, McGowan, and Taylor. Also present were Vice President Feagin, Vice President Harper, Executive Vice President Kasdin, Vice President and General Counsel Krislov, Chancellor Little, Chancellor Mestas, Executive Vice President Omenn, Vice President Rudgers, Interim Provost and Vice President and Secretary Tedesco, Vice President Ulaby, and Vice President Wilbanks. Regent White joined the meeting by phone at about 2:35 p.m.; Regents Maynard and Newman were absent.

Regents Resolution in Honor of Solar Car Team

President Bollinger called the meeting to order and introduced Stephen Director, dean of the College of Engineering. Dean Director praised the accomplishments of the University of Michigan's solar car team, noting that the University of Michigan had finished first in three of the six times the race has been run. He introduced the team's faculty advisors, Professors Brian Gilchrest and Ken Coors, who discussed the benefits derived by the more than 150 students who have participated in this competition, representing a wide variety of majors and interests. Team members were called to the podium, and Nader Shwayhat, the team leader, thanked the University community and the greater Ann Arbor community for the tremendous support they had given. He introduced all of the team members present, after which Regent Horning read the following resolution:

Regents' Resolution

The Regents of the University of Michigan congratulate Michigan's 2001 solar car team on its impressive victory in the 2,300-mile American Solar Challenge. The 150-member interdisciplinary team worked intensively for two years to design and build M-Pulse, devoting an average of 200 person-hours per week during the school year and even more during vacations.

Fueled by teamwork, attentiveness to detail, and enthusiastic community and sponsor support, as well as by the sun, M-Pulse successfully scaled mountains, plains, and desert along old Route 66 from Chicago to Los Angeles. M-Pulse completed the arduous trek in 56 hours, 10 minutes, and 46 seconds – some 80 minutes faster than the closest competitor. Rallying after a pothole-related accident nearly destroyed M-Pulse less than a month before the final race, team members worked around the clock to rebuild the car, finishing just in time to qualify. They also learned from the mishap. To avert a second major accident, M-Pulse's advance team painted white circles around potholes along the route during the actual race. Also contributing to M-Pulse's victory was a sophisticated weather-tracking system that team members used to map their racing strategy.

The Regents commend the entire M-Pulse team, its advisors, and sponsors. As the team prepares for the World Solar Challenge across the Australian Outback in November, we offer this cheer: "Hail to the colors that float in the light; Hurrah for the Yellow and Blue!"

A round of applause followed.

President's Remarks

President Bollinger commented that the horrific events of September 11 had had a profound impact on the campus. He noted that a wide variety of gatherings and events had been held around the campus, including a candlelight vigil on the Diag attended by 15,000 people, symposia, teach-ins, and a musical event at Hill Auditorium. The Trauma Burn Center had shipped a supply of a temporary skin substitute to Washington to treat burn victims. He and Jean Magnano Bollinger had hosted students at an open house at the President's House. Additional events will be held that will make use of the expertise available at the University on a wide range of issues related to the tragedy.

University of Michigan Hospitals Biomedical Science Research Building

President Bollinger noted that the Biomedical Science Research Building (BSRB) is an extremely important project for the University, representing a key aspect of the University's Life Sciences Initiative. He noted that the BSRB will be a crucial part of Ann Arbor's cityscape and of the University's campus, and will replace out-of-date research facilities on the medical campus.

Executive Vice President Kasdin observed that the matter before the board -- approval of the schematic design for the BSRB--represents the second of a three-step process for approval of building projects. Given the size of this project, a concurrent separate request is being made for approval to bid the excavation and utility relocation that will be required before construction can begin.

Executive Vice President Omenn reiterated that the BSRB would provide replacement space for the outdated Kresge Medical Research Buildings and incremental space for the Medical School's involvement in the Life Sciences Initiative. Its location is designed to stimulate collaboration among faculty in the Medical School and other schools and colleges. He observed that both the overall architectural design and functionality of the proposed new building are spectacular. He pointed out that the building had been designed around scientific investigatory areas, as opposed to classical academic departments.

Dean Lichter commented that a multitude of Medical School faculty members had been involved in the planning of this building, and that research space would be allocated thematically and programmatically. The scientific areas of research to be incorporated are neuroscience, organogenesis, cancer, and the cardiovascular system.

Executive Vice President Kasdin introduced Mr. Todd Schliemann, of Polshek Partnership Architects, who gave a detailed presentation describing the building's architectural plan and schematic design. Mr. Schliemann displayed a map illustrating the location of the proposed building, noting that it will be a transitional, highly visible building situated between the main campus and the Medical School. A pedestrian movement system is being planned to connect the Life Sciences Institute (LSI) with the BSRB.

Mr. Schliemann displayed a typical floor plan for the building, which will include research labs and offices for principal investigators that will be separated by an atrium spanning the full height of the building. The ground floor of the atrium will include a 300-seat theatre, a small conference area, and a cafe, and there will be two elevator banks. He noted that the exterior building materials will combine elements, such as red brick and beige brick, seen in both the main campus and Medical School, and will include a double glass wall made of two clear glass panels.

Mr. Schliemann displayed drawings of various views of the building and concluded by showing a computer-generated video depicting three dimensional views of the exterior and interior of the building from a number of different perspectives. He also pointed out that sustainable design is an important factor in the design of this building, noting that the double glass wall would create a kind of thermal blanket around it.

Regent McGowan commented that the building design is spectacular, and asked about the status of the pedestrian bridge across Washtenaw Avenue connecting the Life Sciences Institute with the BSRB. Executive Vice President Kasdin stated that the engineers and architects are working to create the lightest, most efficient, and most esthetically pleasing design for this overpass before bringing the project to the Regents for approval.

Regent Deitch commented on the beautiful design and asked how heat build-up within the building caused by the glass walls would be prevented. Mr. Schliemann explained that heat build-up will not occur and noted that a significant amount of energy will be saved by using this type of facade.

President Bollinger observed that this building will have very prominent placement for both the city and the campus, and for this reason, great attention has been paid to the esthetics of the building. Regarding the notion of the interior office space being visible from the glass facade, it was noted that the double glass wall would obscure the interior, and that from a distance the glass would be hazy. In addition, each office will have window shades for privacy. Mr. Schliemann also pointed out that the sculptural element of the auditorium would help lend scale to the building. He noted that the plans also include an underground vivarium (animal facility).

Regent Deitch moved approval of the design of the Biomedical Science Research Building as presented. Regent McGowan seconded the motion, and it was approved unanimously.

University of Michigan Medical School Biomedical Science Research Building Utility Relocation and Excavation Package

On a motion by Regent Deitch, seconded by Regent McGowan, the Regents unanimously approved the Biomedical Science Research Building Utility Relocation and Excavation Project as described in the Regents Communication, and authorized issuing the project for bids and awarding construction contracts providing that bids are within the approved budget.

Regent White joined the meeting at this point (2:35 p.m.) via telephone.

Consent Agenda

Minutes. Vice President Tedesco submitted for approval the minutes of the July 19-20, 2001 meeting.

Reports. Executive Vice President Kasdin submitted reports of Investment, Plant Extension, and Human Resources and Affirmative Action. He reported that two members of the University's Investment Advisory Committee, David Alger and Josh Rosenthal, had been killed in the terrorist attack on the World Trade Center on September 11.

Regarding the investment portfolio, he noted that times of economic uncertainty highlight the importance of the endowment spending rule, under which approximately 5 percent of the asset value of the portfolio is spent in support of operations, calculated under a 12-quarter lag. Thus, the effects of both large gains and large losses, as well as the impact of recent events, are tempered and averaged over time. He also commented about the importance of the diversified allocation strategy into assets whose values do not all rise or fall at the same time.

Executive Vice President Kasdin observed that in 1997, the last time the market was at the current level, the University had \$667 million worth of debt, compared to \$666 million currently. Then, the endowment totaled \$1.7 billion, as opposed to about \$3.7 billion currently. This illustrates that the University is in a far stronger financial position now than it was during the last market low point.

Litigation Report. Vice President Krislov submitted the Litigation Report.

Research Report. Vice President Ulaby submitted the Report of Projects Established for July 1 - August 31, 2001.

University of Michigan Health System. Executive Vice President Omenn reported that the health system is extremely busy and is working very hard to accommodate the needs of patients and families.

Division of Student Affairs. Vice President Harper reported that welcome week activities had been very successful, with record numbers of students participating in the numerous activities that were offered. In the wake of the national disaster of September 11, she commented that extensive counseling support and printed material had been made available. She noted that numerous gatherings and memorial ceremonies had been held in a wide variety of venues, and many activities had taken place within the residence halls, and reported that the climate within the residence halls has been somber.

University of Michigan-Dearborn. Chancellor Little described what the reaction to the tragedy had been on the Dearborn campus. Because the city of Dearborn is home to a large Middle Eastern population, a major concern was preserving a supportive climate on campus. He noted that no incidents of harassment, violence, or friction had been reported.

UM-Flint. Chancellor Mestas called attention to a photograph of the William S. White Building on the cover of a national contractors' publication. He reported that the campus had experienced deep feelings of sadness and some amount of anger following the World Trade Center disaster, but observed that the object of the anger is so elusive that there is a danger of its being misdirected. He noted that there is a large Muslim and Arabic community on the Flint campus, and that the campus has taken significant steps to create a climate of support and community. He commented that a candlelight vigil sponsored by the student government and Muslim student association had drawn the largest crowd he had seen since coming to the Flint campus.

Voluntary Support. Vice President Feagin reported on the FY2000-2001 fiscal year, noting that total gifts had exceeded \$200 million. There was an increase in outright gifts from individuals to over \$105 million, compared with a total of \$98 million for the previous year, which is very encouraging. She observed that Michigan development officers are stationed in major cities around the country, and that despite current events, people are still willing to discuss giving gifts to Michigan. Regarding the upcoming campaign, she stated that the timetable is flexible and no goal has been set.

Personnel Actions/Personnel Reports. President Bollinger highlighted the appointment of four distinguished University professors. He also recognized the appointment of Lisa A. Tedesco as interim provost and executive vice president for academic affairs, noting that she would retain her post as vice president and secretary of the university.

Retirement Memoirs. Vice President Tedesco submitted for adoption four retirement memoirs.

Memorials. No deaths of active faculty members were reported this month. President Bollinger noted the deaths of Professor Harold Jacobson and Professors Emeriti Beverly Pooley, and Max Wingo.

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

Approval of Consent Agenda. On a motion by Regent McGowan, seconded by Regent Horning, the Regents unanimously approved the Consent Agenda. It was noted that the MSA report would be given after Public Comments.

The University of Michigan Financial Statements for the Year ended June 30, 2001

The Regents received the University's comprehensive financial statements for fiscal year 2001 under separate cover.

2001-2002 Budget Report Book

The Regents received the University's Budget Report Book for fiscal year 2001-2002.

Alternative Asset Commitments

The Regents were informed of the recent commitment of approximately \$25 million from the Long Term Portfolio to two follow-on funds of previously approved alternative asset partnerships: Morgenthaler Partners VII, L.P. and Candover 2001, L.P.

University of Michigan Hospitals and Health Centers (UMHHC) Neonatal Intensive Care Unit Expansion

Executive Vice Presidents Kasdin and Omenn informed the Regents that the Hospital Executive Board had approved the expansion of the Neonatal Intensive Care Unit (NICU) by three beds and the submission of an application for a Certificate of Need with the Michigan Department of Consumer and Industry Services.

It was decided that Finance-Property agenda items 5-7 would be considered as a group. On a motion by Regent Brandon, seconded by Regent White, the Regents unanimously approved the following:

Fixed Income Management

The Regents approved broadening the mandate of Payden & Rygel to include fixed income management and duration overlay for the Long Term Portfolio.

1244 South Estate Point, Inverness, Florida

The Regents approved an adjustment to the list price of the property at 1244 South Estate Point, Inverness, Florida, as described in the Regents Communication.

Naming of the Plaza Adjacent to the Naval Architecture and Marine Engineering Building

The Regents approved the naming of the plaza in front of the Naval Architecture and Marine Engineering Building the Irwin Chase Plaza.

On a motion by Regent Brandon, seconded by Regent Taylor, the Regents unanimously approved the following actions:

University of Michigan Hospitals and Health Centers (UMHHC) University Hospital (UH) Ethylene-Oxide Sterilizer Replacement Project

The Regents approved the UMHHC Ethylene -Oxide Sterilizer Replacement Project as described in the Regents Communication 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) Mott Children's Hospital Chilled Water and Condenser Water Pumps Replacement Project

The Regents approved the UMHHC UM Mott Children's Hospital Chilled Water and Condenser Water Pumps Replacement Project as described, and authorized issuing the project for bids and awarding construction contracts providing that bids are within the approved budget of \$980,000.

University of Michigan Hospitals and Health Centers (UMHHC) North Campus Administrative Complex Heating and Cooling Upgrade Project

The Regents approved the University of Michigan Hospitals and Health Centers (UMHHC) North Campus Administrative Complex Heating and Cooling Upgrade Project as described in the Regents Communication 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) Clinical Call Center Project

The Regents approved the UMHHC Clinical Call Center Project at the North Campus Administrative Complex as described in the Regents Communication 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) Canton Health Center Shell Space Utilization Project

The Regents approved the UMHHC Canton Health Center Shell Space Utilization Project as described in the Regents Communication and authorized issuing the project for bids and awarding construction contracts providing that bids are within the approved budget of \$2,175,000.

University of Michigan Hospitals and Health Centers (UMHHC) Cancer and Geriatric Center Infusion Pharmacy Expansion/Relocation Project

The Regents approved the UMHHC Cancer and Geriatric Center Infusion Pharmacy Expansion/Relocation Project as described in the Regents Communication, and authorized issuing the project for bids and awarding construction contracts, providing that bids are within the approved budget of \$1,200,000.

Lease with Milcom, Inc.

On a motion by Regent White, seconded by Regent Taylor, the Regents unanimously approved a lease with Milcom, Inc. Because Robert C. Arends is both president of Milcom, Inc. and a University of Michigan employee, the lease agreement falls under the State of Michigan Conflict of Interest Statute. The following information is provided in compliance with statutory requirements:

1. Parties to the contract are the Regents of the University of Michigan and its Department of Ophthalmology and Visual Sciences and Milcom, Inc.
2. The service to be provided is the lease of a building at 320 Commerce Road in Milford for 48 months, beginning November 1, 2001 at a monthly rate of \$4,415.00.
3. The pecuniary interest arises from the fact that Dr. Robert C. Arends, a University of Michigan employee, is the president of Milcom, Inc.

Lease Agreement with First Martin Corporation (College of Literature, Science, and the Arts)

On a motion by Regent Brandon, seconded by Regent McGowan, the Regents unanimously approved a lease agreement with First Martin Corporation for property located at 555 South Forest, for the College of Literature, Science, and the Arts. Because the president of First Martin Corporation, William C. 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. Parties to the contract are the Regents of the University of Michigan and its College of Literature, Science, and the Arts and First Martin Corporation.
2. The service to be provided is a lease for property located at 555 South Forest. The lease will begin no later than October 1, 2001, for a period of 10 years at a cost of \$4,140.00 per month.
3. The pecuniary interest arises from the fact that William C. Martin, a University of Michigan employee, is the president of First Martin Corporation.

Lease Agreement with First Martin Corporation (School of Public Health)

On a motion by Regent Brandon, seconded by Regent Horning, the Regents unanimously approved a lease agreement with First Martin Corporation for property located at 555 South Forest, for the School of Public Health. Because the president of First Martin Corporation, William C. 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. Parties to the contract are the Regents of the University of Michigan and its School of Public Health and First Martin Corporation.
2. The service to be provided is a lease for a long term project. The lease for 555 South Forest will begin no later than October 1, 2001, for a period of 10 years at a cost of \$5,989.00 per month.
3. The pecuniary interest arises from the fact that William C. Martin, a University of Michigan employee, is the president of First Martin Corporation.

License Agreement between the University of Michigan and Originus Inc.

On a motion by Regent Brandon, seconded by Regent Horning, the Regents unanimously approved a license agreement between the University of Michigan and Originus Inc. Because Drs. John Greden, Stanley Watson, Huda Akil, Michael Uhler, and Fan Meng, are University of Michigan employees who also hold an equity interest in Originus Inc., this agreement falls under the State of Michigan Conflict of Interest Statute. The following information is provided in compliance with statutory requirements:

1. Parties to the agreement are the University of Michigan and Originus Inc.
2. Licensing terms:

Field of Use: All fields

Grant: Exclusive world-wide license, with a right to grant sublicenses. Term of the agreement is for the life of the patent.

License Fee: \$10,000 creditable toward patent expenses

Maintenance Fees: \$10,000 per year initially and stepped up through 2010 creditable against royalty.

Patent Costs: All current and future patent costs will be paid by Originus.

Equity: 7.5% to be held by the University of Michigan in Originus subject to dilution corresponding to that of the founders.

Royalties: 4% of therapeutic Net Sales; 3% on other Net Sales; 16% of Gross Sublicensing Revenues for the first 12 month stepped down to 10% after 2004. Minimum annual royalties in 2003, 2004 and 2005: \$10,000 each year, in 2006, 2007, 2008 and 2009: \$15,000 each year and in 2010 and in each year thereafter during the term of this agreement: \$40,000 each year.

Performance criteria: Specified milestones must be met in order to maintain the rights granted by the license.

3. Pecuniary interest: The pecuniary interests of Drs. Uhler, Watson, Akil, Meng, and Greden arises from their ownership interest in Originus, Inc. They have waived any personal participation in the sharing of royalties received by the University from the company.

Reassignment Agreement with David M. Kurnit and Pei-Wen Chiang

On a motion by Regent Brandon, seconded by Regent Horning, the Regents unanimously approved a reassignment agreement with David M. Kurnit and Pei-Wen Chiang for the invention “Early Detection of Hypertension by Non-Invasive RT-PCR of Urine Sediment Cells.” Because Drs. Kurnit and Chiang 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. Parties to the agreement are the University of Michigan and Drs. Kurnit and Chiang.
2. Contract terms include reimbursement to the University for all patent expenses; payment to the University of 15% of any royalties, equity, or other value received by Mr. Wang through subsequent marketing and licensing of the invention; the University retains an irrevocable, royalty-free license to use and practice the invention internally. No continuing development of the Invention will take place with the use of University funds, facilities, or funds administered by the University, unless appropriate formal University approvals are obtained.
3. The pecuniary interests of Drs. Kurnit and Chiang arise from their involvement in future commercialization efforts of the invention.

Research Agreement from Originus Inc. to the University of Michigan

On a motion by Regent White, seconded by Regent Brandon, the Regents unanimously approved a research agreement with Originus Inc. for research to be conducted with Dr. Fan Meng. Because Dr. Meng is a faculty member who also has an ownership interest in Originus, and because several other faculty members (Michael Uhler, Stanley Watson, Huda Akil, and John Greden) also have ownership interests in Originus Inc., this agreement falls under the State

of Michigan Conflict of Interest Statute. The following information is provided in compliance with statutory requirements:

1. Parties to the agreement are the University of Michigan and Originus Inc.
2. The terms of the proposed agreement conform to University policy. The study does not involve human participants or animals. The period of performance is expected to be one year at an estimated total cost of \$156,000.
3. The faculty members' pecuniary interests arise from their ownership interest in Originus Inc.

Research Agreements from Thromgen Inc. to the University of Michigan

On a motion by Regent Brandon, seconded by Regent White, the Regents unanimously approved research agreements ("Agreements") from Thromgen Inc. to the University of Michigan for the funding of three research projects. Because an owner of Thromgen, Alvin Schmaier, is also a University of Michigan faculty member, the proposed agreements fall under the State of Michigan Conflict of Interest Statute. The following information is provided in compliance with statutory requirements:

1. Parties to the agreements are the University of Michigan and Thromgen Inc.
2. Agreement terms: Dr. Benedict Lucchesi will direct the STTR project in the Department of Pharmacology over a one-year period at an estimated cost of \$93,795 including indirect cost at applicable federal rates. Dr. Henry Mosberg will direct the STTR project in the College of Pharmacy over a one-year period at an estimated total cost of \$251,181 including indirect costs at applicable federal rates. The MLSCF project also will be directed by Dr. Mosberg over a three-year period at an estimated total cost of \$745,793 including indirect cost at 20% (the rate applicable to the MLSCF). All appropriate animal and human use approvals have been obtained for these studies. The terms of the proposed Agreements conform to University policy.
3. Dr. Schmaier's pecuniary interest arises from his ownership interest in Thromgen, Inc.

Subcontract Agreement from the University of Michigan to the National Center for Atmospheric Research

On a motion by Regent Brandon, seconded by Regent Horning, the Regents unanimously approved a subcontract agreement with the National Center for Atmospheric Research (NCAR),

involving collaboration with Timothy Killeen, director of NCAR. Because Timothy Killeen is both a co-investigator on the subcontract work at NCAR and is an adjunct professor at the University of Michigan, this agreement falls under the State of Michigan Conflict of Interest Statute. The following information is provided in compliance with statutory requirements:

1. Parties to the agreement are the University of Michigan and the National Center for Atmospheric Research (NCAR).
2. Under the project, a total subcontract of approximately \$60,834 is anticipated to cover the period of May 1, 2001 through September 30, 2002. The University's standard subcontract provisions will apply.
3. Timothy Killeen's appointment at the University of Michigan is without salary or effort.

Subcontract Agreement from the University of Michigan to Mott Children's Health Center

On a motion by Regent Brandon, seconded by Regent White, the Regents unanimously approved a subcontract agreement with Mott Children's Health Center. Because Daniel M. Briskie, D.D.S. is a faculty member at the Mott Children's Health Center and also holds an adjunct assistant professorship appointment at the University of Michigan, this agreement falls under the State of Michigan Conflict of Interest Statute. The following information is provided in compliance with statutory requirements:

1. Parties to the agreement are the University of Michigan and Mott Children's Health Center.
2. Per the agreement terms, the University of Michigan will issue a subcontract to Mott Children's Health Center in the amount of \$12,585 for the period of January 15, 2001 through August 1, 2003. The terms of the proposed subcontract are acceptable and conform to University policy.
3. Dr. Briskie's appointment at the University of Michigan is without effort or compensation.

Subcontract Agreement from the University of Michigan to The University of Texas at Austin ("*Understanding Social Disparities in Health and Aging*")

On a motion by Regent Brandon, seconded by Regent Taylor, the Regents unanimously approved a subcontract agreement to The University of Texas at Austin involving collaboration

with Dr. Marc Musick of The University of Texas at Austin on the project “Understanding Social Disparities in Health and Aging.” Because Dr. Musick also holds an adjunct assistant research scientist position at the University of Michigan, this agreement falls under the State of Michigan Conflict of Interest Statute. The following information is provided in compliance with statutory requirements:

1. Parties to the agreement are the University of Michigan and The University of Texas at Austin.
2. The terms of the agreement involve a total subcontract of \$35,309 to cover the period July 1, 2001 through June 30, 2003. The University’s standard subcontract provisions will apply.
3. Dr. Musick’s appointment at the University of Michigan includes approximately one summer month each year.

Subcontract Agreement from the University of Michigan to The University of Texas at Austin (“Michigan Interdisciplinary Center on Social Inequalities, Mind and Body”)

On a motion by Regent Brandon, seconded by Regent Taylor, the Regents unanimously approved a subcontract agreement to The University of Texas at Austin involving collaboration with Dr. Marc Musick of The University of Texas at Austin on the project “*Michigan Interdisciplinary Center on Social Inequalities, Mind and Body.*”

Because Dr. Musick also holds an adjunct assistant research scientist position at the University of Michigan, this agreement falls under the State of Michigan Conflict of Interest Statute. The following information is provided in compliance with statutory requirements:

1. Parties to the agreement are the University of Michigan and The University of Texas at Austin.
2. Under the terms of the agreement, a total subcontract of \$113,265 is anticipated to cover the period August 1, 2000 through July 31, 2004. The University’s standard subcontract provisions will apply.
3. Dr. Musick’s appointment at the University of Michigan includes approximately one summer month each year.

University of Michigan-Dearborn Committee for the Economic Status of the Faculty 2000-2001 Annual Report to the Regents

The Regents received the University of Michigan-Dearborn Committee for the Economic Status of the Faculty 2000-2001 Annual Report to the Regents.

Vice President for Research

President Bollinger noted that the change in the reporting relationship of the vice president for research several years ago from the president to the provost had not worked out as well as had been expected, so he was now requesting that the reporting relationship be changed back to reporting to the president.

Regent McGowan moved that the reporting relationship of the vice president for research be changed from reporting to the provost and executive vice president for academic affairs to reporting to the president. Regent Deitch seconded the motion, and it was approved unanimously.

Motion to Meet in Informal Session

Regent Deitch moved that the Regents adjourn this formal session of the Board of Regents and begin a nonformal session. Regent Taylor seconded the motion, and it was approved unanimously.

Following a 5-minute break, the Regents continued meeting in informal session from 3:05 to 4:10 p.m., after which they reconvened in formal session to hear public comments.

Public Comments

The Regents heard comments from the following individuals on the topics indicated: Vikas Parekh and Misty Fewel, students, on the Residency Guidelines; Gil Campbell, citizen and member of the Dexter Historical Society, on Gordon Hall; Bishop Carl F. Mengeling, Monsignor

Michael Murphy, and Attorney Harry Iwasko, Roman Catholic Diocese of Lansing, regarding plans for Whitehall Boulevard; and Stephen Rassi, regarding the University's participation in the United Way campaign.

MSA Report

Mr. Matt Nolan, president of Michigan Student Assembly, reported on MSA's activities since the start of the fall term. He described events that had been organized in response to the terrorist attack of September 11. He noted that student government leaders from around the state have been lobbying the state legislature to rescind the tuition tax credit. He noted that later on MSA was planning to sponsor a ballot initiative to raise the MSA student fee so that it could meet the increased demand for funding from student groups. Mr. Nolan reported that MSA was in support of those urging the University not to support the United Way because of its support of the Boy Scouts of America. Finally, Mr. Nolan reported that there had been a great deal of unity among the student body in showing support for Arab-American and Muslim students. in the aftermath of the terrorist attacks of September 11.

There being no further business, the meeting was adjourned at 4:45 p.m. The next meeting will take place October 18-19, 2001.