

September 16, 2005

Lincoln, Nebraska
September 16, 2005

The Board of Regents of the University of Nebraska met on September 16, 2005, at 1:34 p.m. in the Board Room at Varner Hall, 3835 Holdrege, Lincoln, Nebraska, in publicly convened session, the same being open to the public and having been preceded by advance publicized notice, a copy of which is attached to the minutes of this meeting as Attachment 1.

In compliance with the provisions of Neb. Rev. Stat. Section 84-1411, printed notice of this meeting was sent to each member of the Board and was posted in the first floor lobby of Varner Hall. In addition, copies of such notice were sent to the Lincoln Journal Star, Omaha World Herald, the Daily Nebraskan, the Gateway, the Antelope, the Kearney Hub, and the Lincoln office of the Associated Press on September 2, 2005.

Regents present:
Howard Hawks, Chairman
Randolph M. Ferlic
Chuck Hassebrook
C. David Hergert
Jim McClurg
Drew Miller, Vice Chair
Kent Schroeder
Charles S. Wilson
Omaid Zabih
Elizabeth Kraemer
Nicholas Behrendt
Brad Bohn

University officials present:
James B. Milliken, President
Jay Noren, Executive Vice President and Provost
Nancy Belck, Chancellor, UNO
Harold Maurer, Chancellor, UNMC
Douglas A. Kristensen, Chancellor, UNK
Harvey S. Perlman, Chancellor, UNL
John Owens, Vice President for Agriculture and Natural Resources
Donal J. Burns, Associate Executive Vice President and Provost and Corporation Secretary
David Lechner, Vice President for Business and Finance
Richard R. Wood, Vice President and General Counsel
Peter G. Kotsiopoulos, Vice President for University Affairs

I. **CALL TO ORDER**

II.

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IV.

KUDOS

Regent Zabih presented a KUDOS award to Laura Damuth, Undergraduate Research Coordinator and Fellowship Advisor in the Office of the Dean of Undergraduate Studies at the University of Nebraska - Lincoln.

Regent Hassebrook presented a KUDOS award to Kathleen Ann French, Education Coordinator at the University of Nebraska State Museum.

Regent Bohn presented a KUDOS award to Tim Danube, Associate Director of the Nebraska Student Union at the University of Nebraska at Kearney.

Regent Wilson presented a KUDOS award to Oleg Shats, Information Systems and Network Administrator at the University of Nebraska Medical Center.

Regent Schroeder presented a KUDOS award to John Rejda, Workstation Specialist II at the University of Nebraska Medical Center.

Regent Kraemer presented a KUDOS award to Ron Zank, Staff Secretary III for the Theater and the Writer's Workshop at the University of Nebraska at Omaha.

Regent Miller presented a KUDOS award to the AMCIS Group from the University of Nebraska at Omaha.

RESOLUTIONS

Regent McClurg presented the following resolution:

Whereas, members of the university faculty, staff, students, and administration recognize the need to expand opportunities to Nebraskans to benefit from a university education, and have successfully encouraged prospective students and their parents to consider the opportunities available on all four campuses of the University of Nebraska; and

Whereas, the university has taken important steps to increase enrollment and access to the university in a variety of ways, from recruiting more aggressively, both in-state and out-of-state, to working with students to retain them at the university through graduation, to maintaining affordability through moderate increases in tuition rates and providing increased financial aid; and

Whereas, enrollment for the 2005-06 academic year shows positive trends university-wide, including an impressive 6.1 percent increase in first-time freshmen, with an all-time high average ACT score for new freshmen on all three undergraduate campuses, an indication that the university's efforts to increase enrollment are having a positive impact on the size and academic strength of the incoming class;

Now, therefore, be it resolved, that the University of Nebraska Board of Regents commends the university-wide commitment to providing educational opportunities for Nebraskans through increasing university enrollment, the planning and execution of campus recruiting efforts, and the good work of the faculty, staff, students and administrators who have been involved in efforts to increase student recruitment and retention, and pledges its support for continued success in this important endeavor.

Regent Ferlic presented the following resolution

Whereas, people in the State of Nebraska, the United States and throughout the world have been affected and inspired to action by stories of the destruction caused by Hurricane Katrina in the Gulf Coast region; and

Whereas, the higher education community in that area was affected by the hurricane in numerous ways, including the destruction of property, loss of personal safety and security of students, staff and faculty, and the indefinite closing of some college and university campuses; and

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VIII. **COMMITTEE REPORTS**

Academic Affairs

The Academic Affairs committee met on Friday morning and the topic of discussion was the University of Nebraska P-16 Initiative.

Business Affairs

The Business Affairs committee met on Friday morning and the topics of discussion were the LB605 deferred maintenance update and the University of Nebraska at Omaha land acquisition.

V. **STRATEGIC OR POLICY ISSUE**

The strategic issue was Water Resources, presented by Dr. Kyle Hoagland, Director of the Water Center at the University of Nebraska - Lincoln.

VI. **HEARINGS**

A hearing on the following item was opened by the Chairman:

Approve Amendment of Section 5.6 of the *Bylaws of the Board of Regents* relating to public information regarding students.

There was discussion.

Chairman Hawks closed the hearing.

A hearing on the following item was opened by the Chairman:

Approve amendment of Section 3.4.5 of the *Bylaws of the Board of Regents* relating to outside professional employment.

Chairman Hawks closed the hearing.

A hearing on the following item was opened by the Chairman:

Approve the proposed changes to the procedures of the Academic Rights and Responsibilities Committee at the University of Nebraska-Lincoln.

Chairman Hawks closed the hearing.

A hearing on the following item was opened by the Chairman:

Approve the proposed amendment of the Rules of Order of the University of Nebraska-Lincoln Academic Senate.

Chairman Hawks closed the hearing.

A hearing on the following item was opened by the Chairman:

Approve the proposed revisions from the Academic Senate outlining Faculty Government at the University of Nebraska-Lincoln.

Chairman Hawks closed the hearing.

IX. **UNIVERSITY CONSENT AGENDA**

Regent Miller asked that item IX-B-4 be removed from the Consent Agenda.
Regent Hergert asked that item IX-B-8 be removed from the Consent Agenda.

Motion Moved by Wilson and seconded Hergert to approve items IX-A-1, IX-A-2, IX-A-3,

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IX-A-4, IX-A-5, IX-A-6, IX-A-7, IX-A-8, IX-A-9, IX-B-1, IX-B-2, IX-B-3, IX-B-5, IX-B-6, IX-B-7, AND IX-B-9.

A. ACADEMIC

- IX-A-1 President's Personnel Recommendations.
- IX-A-2 Approval is requested to establish The Center for Digital Research in the Humanities at the University of Nebraska-Lincoln.
- IX-A-3 Approval is requested for designation of the Center for ePortfolio-Based Assessment at the University of Nebraska at Omaha.
- IX-A-4 Approval to Award Degrees and Certificates for the 2005-2006 academic year and 2006 summer sessions at the University of Nebraska at Kearney.
- IX-A-5 Approval to Award Degrees and Certificates for the 2005-2006 academic year and 2006 summer sessions at the University of Nebraska-Lincoln.
- IX-A-6 Approval to Award Degrees and Certificates for the 2005-2006 academic year and 2006 summer sessions at the University of Nebraska Medical Center.
- IX-A-7 Approval to Award Degrees and Certificates for the 2005-2006 academic year and 2006 summer sessions at the University of Nebraska at Omaha.
- IX-A-8 Approve the requests for outside employment at the University of Nebraska Medical Center.
- IX-A-9 Approve the request for outside employment at the University of Nebraska-Lincoln.

B. BUSINESS

University of Nebraska at Kearney

- IX-B-1 Approve the naming of the athletic stadium at the University of Nebraska at Kearney the "Ron and Carol Cope Stadium."

University of Nebraska-Lincoln

- IX-B-2 Authorize the University of Nebraska-Lincoln Vice Chancellor for Business and Finance to approve Amendment #1 to the Service Agreement with the Nebraska Department of Natural Resources.
- IX-B-3 Authorize the University of Nebraska-Lincoln Vice Chancellor for Business and Finance to execute subcontracts and related amendments in conjunction with the Department of Health and Human Services National Institutes of Health Kaposi's Sarcoma and Human Herpes Virus in Africa award.
- IX-B-5 Authorize the University of Nebraska-Lincoln Vice Chancellor for Business and Finance to execute subcontracts and related amendments in conjunction with the NIH Lung and Blood Institute award for development of a therapy for the global hemophilia patient population.
- IX-B-6 Authorize the University of Nebraska-Lincoln Vice Chancellor for Business and Finance to execute subcontracts and related amendments in conjunction with the National Science Foundation Math in the Middle Institute Partnership award.
- IX-B-7 Authorize the University of Nebraska-Lincoln Vice Chancellor for Business and Finance to execute a sub-award in conjunction with the U. S. Army Medical Research Acquisition Activity agreement for "Production and Purification of Fibrinogen Components for the Production of a Fibrin Sealant Hemostatic Dressing."
University of Nebraska at Omaha
- IX-B-9 Approve the designation of the Marilyn J. Schoneck College of Education Scholarship Fund as a quasi-endowment.

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There was discussion.

Action Student Opinion: Aye: Zabih, Behrendt, Bohn and Kraemer. Voting Aye: Wilson, Hergert, Ferlic, Hassebrook, Hawks, McClurg, Miller and Schroeder. Voting Nay: None. Motion carries.

Motion Moved by Ferlic and seconded by Miller to approve item IX-B-4.

IX-B-4 Authorize the University of Nebraska-Lincoln Vice Chancellor for Business and Finance to execute subcontracts and related amendments in conjunction with the National Association of State Universities and Land-Grant Colleges (NASULGC) award for the National E-Extension Project for the development of an Internet-based land-grant university education and information system.

There was discussion.

Action Student Opinion: Aye: Behrendt, Bohn, Kraemer and Zabih. Voting Aye: Ferlic, Hassebrook, Hawks, McClurg, Miller, Schroeder, Wilson and Hergert. Voting Nay: None. Motion carries.

Motion Moved by Hergert and seconded by Schroeder to approve item IX-B-8.

IX-B-8 Authorize the disposal of two tracts of real property at the West Central Research and Extension Center.

There was discussion.

Action Student Opinion: Aye: Bohn, Kraemer, Zabih and Behrendt. Voting Aye: Hergert, Ferlic, Hassebrook, Hawks, McClurg, Miller, Schroeder and Wilson. Voting Nay: None. Motion carries.

X. UNIVERSITY ADMINISTRATIVE AGENDA

A. ACADEMIC

Motion Moved by Wilson and seconded Miller to approve item X-A-1.

X-A-1 Approval is requested for the Master of Arts in Language Teaching (MALT) at the University of Nebraska at Omaha.

There was discussion.

Action Student Opinion: Aye: Kraemer, Zabih, Behrendt and Bohn. Voting Aye: Wilson, Hergert, Ferlic, Hassebrook, Hawks, McClurg, Miller and Schroeder. Voting Nay: None. Motion carries.

Motion Moved by Wilson and seconded by McClurg to approve items X-A-2, X-A-3 and X-A-4.

X-A-2 Approval is requested to create a major in Hospitality, Restaurant and Tourism Management at the University of Nebraska-Lincoln.

X-A-3 Approval is requested to create a new Bachelor of Science degree of Landscape Architecture at the University of Nebraska-Lincoln.

X-A-4 Approval is requested to create a new Bachelor of Science degree of Construction Engineering in the College of Engineering and Technology at the University of Nebraska-Lincoln.

There was discussion.

Action Student Opinion: Aye: Zabih, Behrendt, Bohn and Kraemer. Voting Aye: Wilson, Hergert, Ferlic, Hassebrook, Hawks, McClurg, Miller and Schroeder. Voting Nay: None. Motion carries.

Motion Moved by Wilson and seconded by Ferlic to approve items X-A-5, X-A-6 and X-A-7.

X-A-5 Approve the proposed changes to the procedures of the Academic Rights and Responsibilities Committee at the University of Nebraska-Lincoln.

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- X-A-6 Approve the proposed amendment of the Rules of Order of the University of Nebraska-Lincoln Academic Senate.
- X-A-7 Approve the proposed revisions from the Academic Senate outlining Faculty Government at the University of Nebraska-Lincoln.
- There was discussion
- Action Student Opinion: Aye: Behrendt, Bohn, Kraemer and Zabih. Voting Aye: Wilson, Hergert, Ferlic, Hassebrook, Hawks, McClurg, Miller and Schroeder. Voting Nay: None. Motion carries.

B. BUSINESS

Central Administration

- Motion Moved by Wilson and seconded McClurg to approve items X-B-1 and X-B-2

- X-B-1 Approve Amendment of Section 5.6 of the *Bylaws of the Board of Regents* relating to public information regarding students:

5.6 Public Information Regarding Students. Public information regarding students attending the University shall be the (i) student's name, (ii) local address, (iii) permanent address, (iv) telephone listings, (v) year at the University, (vi) dates of attendance, and (vii) academic college and major field of study, (viii) enrollment status (e.g., undergraduate or graduate; full-time or part-time), (ix) participation in officially recognized activities and sports, (x) degrees, honors and awards received, and (xi) most recent educational agency or institution attended. The names of students mentioned in some kinds of campus security or campus police reports concerning accidents and incidents may also be released to the public. Each major administrative unit shall define the kinds of reports and information that may be released to the public. Information contained in personal files of the student is considered confidential and requires written authorization by the student for release; provided such records with names and personal identification deleted, and kept confidential, may be made available for governmental or University approved research and analysis.

- X-B-2 Approve amendment of Section 3.4.5 of the *Bylaws of the Board of Regents* relating to outside professional employment.

3.4.5 Outside Employment.

Staff members employed on a part-time basis by the University, such as practicing lawyers or physicians, may engage in outside employment or activities unless it is expressly stipulated to the contrary in the conditions of employment.

Staff members employed by the University, other than those covered in the preceding paragraph, shall be encouraged to engage in professional activities outside the University as a means of contributing to the economic growth and development of the state as well as broadening their experience and keeping them abreast of the latest developments in their specialized fields; provided such activities do not interfere with their regular duties at the University, or represent a conflict of interest. Staff members may accept temporary or occasional employment for such professional services when such employment is recommended by the Dean of the college or director of the division involved and approved by the Chancellor or President, or their designees.

Specific approval of the Board is required before any members of the full-time professional staff:

s outside the Universi001 Tc4ces when such employment

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~~(d) Provide professional services for remuneration to departments or agencies of state government.~~

The President shall promulgate such executive po

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There was discussion.

Action Student Opinion: Behrendt, Bohn, Kraemer and Zabih. Voting Aye: Miller, Schroeder, Wilson, Hergert, Ferlic, Hassebrook, Hawks and McClurg. Voting Nay: None. Motion carries.

Motion Moved by McClurg and seconded Wilson to approve item X-B-7

X-B-7 Approve an agreement with Valentino's of America, Inc. for a sponsorship of the intercollegiate athletic programs of the University of Nebraska-Lincoln and approve an amendment to the present catering agreement with Valentino's.

There was discussion.

Action Student Opinion: Aye: Bohn, Kraemer, Zabih and Behrendt. Voting Aye: McClurg, Miller, Schroeder, Wilson, Hergert, Ferlic, Hassebrook and Hawks. Voting Nay: None. Motion carries.

Motion Moved by McClurg and seconded Wilson to approve item X-B-8

X-B-8 Approve the purchase and installation of video screens in Memorial Stadium.

There was discussion.

Action Student Opinion: Aye: Kraemer, Zabih, Behrendt and Bohn. Voting Aye: McClurg, Schroeder, Wilson, Hergert, Ferlic, Hassebrook and Hawks. Voting Nay: Miller. Motion carries.

University of Nebraska Medical Center

Motion Moved by McClurg and seconded Ferlic to approve item X-B-9 and X-B-10

X-B-9 Approve leasing of space at Gorman Building located at 5155 South 36th Street, Omaha, Nebraska.

X-B-10 Approve a Services Contract between the Wyoming Health Care Commission and the University of Nebraska by and for the University of Nebraska Medical Center's Health Professions Tracking Center.

There was discussion.

Action Student Opinion: Aye: Zabih, Behrendt, Bohn and Kraemer. Voting Aye: McClurg, Miller, Schroeder, Wilson, Hergert, Ferlic, Hassebrook and Hawks. Voting Nay: None. Motion carries.

Closed Session

Motion Moved by Hergert and seconded by Ferlic that the Board of Regents go into closed session as authorized by Section 84-1410 of the Revised Statutes of Nebraska for the protection of the

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MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (this "MOU") is entered into on September , 2005, by and between Ak-Sar-Ben Future Trust, a Nebraska non-profit corporation ("AFT") and the BOARD OF REGENTS OF THE University of Nebraska, a public body corporate of the State of Nebraska (the "University").

1. **Real Property.** AFT owns or intends to obtain ownership or control of the parcels of real property identified in Exhibit A attached to this MOU as follows: (a) the approximately 2-acre parcel identified as parcel A-3 (the "University Target") and (b) the approximately 54-acre parcel identified as parcel A-1 ("Chili Greens"). The University owns or intends to obtain ownership or control of the parcels of real property identified in Exhibit A attached to this MOU as follows: (a) the approximately 4-acre parcel identified as parcel A-4 (the "AFT Target") and (b) the approximately 17-acre parcel identified as parcel A-2 (the "Center Street 17").

2. **Transaction.** Subject to the terms and conditions set forth in this MOU:

- a. AFT shall convey fee title to the University Target and Chili Greens to the University or its designee;
- b. the University shall convey fee title to the AFT Target to AFT or its designee;
- c. the University shall acquire ownership or control of all of the real property comprising the Center Street 17 (the "Assemblage");
- d. AFT and the University shall take all actions and execute and deliver all instruments necessary to dedicate to the City of Omaha (the "City"), at no cost to the City or the parties hereto, any land they may own or control sufficient to extend the 67th Street right-of-way from Pine Street to Center Street, including but not limited to parcel A-5 identified in Exhibit A;
- e. the University shall take all actions and execute, deliver and record all instruments necessary to ensure that any real property located south of Pacific Street owned or controlled by the University or any of its affiliates shall be developed in a manner consistent with the basic urban design principles employed in connection with the development of the area depicted in Exhibit A (the "Project"). Such principles generally include:
 - i. Wide, pedestrian-friendly sidewalks with extensive landscaping and specialty lighting;
 - ii. Plazas and other small gathering spaces incorporated into the pedestrian system;
 - iii. Buildings that front on the sidewalks with little or no set-backs;

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- b. AFT shall convey fee title to the University Target and Chili Greens to the University or its designee subject to any matters of record other than liens, leaseholds and other possessory rights (which AFT shall release and terminate at its sole cost and expense) and the University shall accept such conveyance;
 - c. the University shall pay or cause to be paid to AFT the sum of \$1,750,000, as adjusted for closing expenses and prorations in accordance with local custom, as consideration for AFT's conveyance of Chili Greens to the University;
 - d. AFT shall evaluate the status of the Assemblage of the Center Street 17 to ensure, in AFT's reasonable opinion, that the Assemblage shall be completed and that the Center Street 17 shall be developed for use by the University or its affiliates;
 - e. the University shall have taken all actions and executed and delivered all instruments necessary to dedicate land sufficient to extend the 67th Street right-of-way as described above; and
 - f. the University shall take all actions and execute, deliver and record all instruments necessary to fulfill the terms of Sections 2(e) and 2(f) above.
4. **Closing Date; Due Diligence Costs.** The Agreement, as defined below, shall provide that the parties shall satisfy the conditions set forth above and close the transaction set forth above on or before October 31, 2005. Each party shall be solely responsible for any due diligence it desires to conduct with respect to the real property which is the subject of this MOU.
5. **Approvals/Consents.** The Agreement shall provide that the University shall use reasonable efforts to obtain any required approval or consent of First Data Resources or its affiliates to any of the proposed development activities of AFT, the University or their assignees in connection with the Agreement. The Agreement shall provide that AFT shall use reasonable efforts to obtain the release of any mortgage or other debt instrument encumbering any real property to be conveyed by AFT to the University as contemplated in this MOU. Any and all said debt instruments shall be removed prior to or coincident with the closing of the Chili Greens property.
6. **Non-Binding Nature of MOU.** AFT and the University intend and desire to enter into the transaction generally described in this MOU, subject to the terms and conditions set forth in this MOU. This MOU is merely a general statement of the parties' intent to proceed, does not create any binding obligations upon the parties and should not be considered an offer binding on the parties hereto. Any closing of the transaction described herein is conditioned upon the execution and delivery of a definitive purchase/swap agreement (the "Agreement") by and among the parties hereto. The parties agree to negotiate the terms of the Agreement in good faith and to use their best efforts to finalize, execute and deliver the same on or before October 15, 2005.
7. **Counterparts.** This MOU may be executed in one or more counterparts, each of which shall be deemed an original.

IN WITNESS WHEREOF, the parties hereto have executed this MOU as of the date first set forth above.

AK-SAR-BEN FUTURE TRUST, a Nebraska non-profit corporation

By:

Name:

Title:

Attest: BOARD OF REGENTS OF THE University of Nebraska, a public body corporate of the State of Nebraska

By: _____

James B. Milliken, President

By: _____

Donal J. Burns, Corporation Secretary.

There was discussion.

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- X-D-2 University of Nebraska-Lincoln Agriculture Research and Development Center Maintenance Facility Report.
- X-D-3 University of Nebraska-Lincoln International Quilt Study Center Schematic Design Report.
- X-D-4 Semi-annual report of licenses for the period ended June 30, 2005.
- X-D-5 Changes in Construction Projects by Budget Categories.
- X-D-6 Status of Capital Projects exceeding \$2 million as of June 30, 2005.
- X-D-7 Bids and Contracts for the period ended August 25, 2005.
- X-D-8 Gifts, Grants, Contracts and Bequests for the period April 1-June 30, 2005.

Chairman Hawks accepted the reports.

XI.

ADDITIONAL BUSINESS

None.

ADJOURNMENT

There being no further business, the meeting was adjourned at 5:17 p.m.

Respectfully submitted,

Donal J. Burns
Corporation Secretary

Howard Hawks
Chairman of the Board