

July 13, 2002

Lincoln, Nebraska
July 13, 2002

The Board of Regents of the University of Nebraska met on July 13, 2002, at 9:00 a.m. in the conference room at the Holiday Inn Express, 803 East Highway 20, Valentine, 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, Daily Nebraskan, The Gateway, The Antelope, Kearney Hub and Omaha World Herald on July 1, 2002.

Regents present:

Don S. Blank
Randolph M. Ferlic, Vice Chair
Chuck Hassebrook
Ryan Hatt
Jim McClurg
Drew Miller
Nancy L. O'Brien
Kent Schroeder, Chair
Charles S. Wilson
Brock Wentz

University officials present:

L. Dennis Smith, President
Nancy Belck, Chancellor, UNO
Harold Maurer, Chancellor, UNMC
Doug Kristensen, Chancellor, UNK
Harvey S. Perlman, Chancellor, UNL
John Owens, Vice President and Vice Chancellor for Agriculture and Natural Resources
Kim M. Robak, Vice President for External Affairs and Corporation Secretary
David Lechner, Vice President for Business and Finance
Richard R. Wood, Vice President and General Counsel

I. **CALL TO ORDER**

II. **ROLL CALL**

The Board convened at 9:00 a.m. in the Board Room at Varner Hall, 3835 Holdrege, Lincoln, Nebraska, Saturday, July 13, 2002. Attendance is indicated above. Regent Wilkins and Riggs were absent.

III. **APPROVAL OF MINUTES AND RATIFICATION OF ACTIONS**

Motion Moved by Hassebrook to amend minutes of June 1, 2002, as follows.

(page 30 -- add a second paragraph after Motion)

Regent Hassebrook expressed disagreement with the decision not to take a position on the subject. He stated that many such non-resident aliens have grown up in the

July 13, 2002

state and attended our school systems. It was not their choice to be here illegally. Rather they are victims of circumstance. Regent Hassebrook further stated that the best way to assist these individuals would be to make higher education affordable by allowing in-state tuition.

Further Discussion was held.

Regent Blank and Miller withdrew their motion but asked that the Board's consensus on this issue be put on the record – if this particular issue is brought back before the Nebraska Legislature, the Board requests that the university not take any position on the issue until the Board has discussed this issue and given direction to the president. Regent Hassebrook disagreed.

- Action The Motion died for a lack of a second.
- Motion Moved by Hassebrook and seconded by Miller to amend the minutes of the regularly scheduled meeting of June 1, 2002, by adding the language “Regent Hassebrook disagreed.” at the end of the second paragraph after the Motion on page 30.
- Discussion was held.
- Action Student Opinion: Aye: Wentz and Hatt. Absent: Riggs and Wilkins. Voting Aye: Ferlic, Hassebrook, McClurg, Miller, O’Brien, Schroeder, Wilson, and Blank. Voting Nay: None. Motion carried.
- Motion Moved by Miller and seconded by O’Brien to approve the minutes as amended and ratify the actions of the regularly scheduled meeting of June 1, 2002.
- Action Student Opinion: Aye: Wentz, and Hatt. Absent: Wilkins and Riggs. Voting Aye: Hassebrook, McClurg, Miller, O’Brien, Schroeder, Wilson, Blank, and Ferlic. Voting Nay: None. Motion carried.
- Chairman Schroeder asked for consensus of the Board to switch Kudos and Resolutions to number V and the Strategic Issue to number IV. The Board gave their consensus.

IV. STRATEGIC OR POLICY ISSUE

President Smith introduced the topic of Economic Development/21st Century Service and Extension. Smith stated that this topic addresses the issue of the University of Nebraska’s role in economic development and extension and its outreach to the people in all 93 counties of the state of Nebraska. Smith explained that the university provides service through Cooperative Extension, which offers training, information, and advice to farmers and ranchers, works with families on issues such as budget management and nutrition, offers the 4-H program to thousands of young people and assists rural residents in developing new entrepreneurial enterprises. Smith also stated that other examples of outreach include the university assisting the state through distance education and continuing studies courses, through rural health care programs, the food processing center, and through the college of education working with local schools districts and individual teachers.

Corporation Secretary Kim Robak introduced the panel who spoke about the benefits of the university’s local work and their partnership with the university.

July 13, 2002

The panelists and their presentations were as follows:

- Tim DeWaard, Superintendent of Valentine Rural High School, spoke about his experience at UNK while pursuing his education specialist degree when he became interim superintendent in Eustis, Nebraska.
- John Hanzlicek, City Clerk/Treasurer, Valentine, Nebraska, spoke about the annual Municipal Clerks School which is operated by UNO's College of Community Service and the START (Strategic Training and Resource Targeting) Program which is operated by the UNO Center for Public Affairs Research.
- Mary Claire Mohrfeld, Interim Director, Keya Paha Cherry County Developmental Services, spoke about a video conferencing training program that is conducted by UNMC's Munroe-Meyer Institute. This program provides high-quality training at affordable costs for those who work with people who have developmental disabilities.
- Annie Kime, Owner of Annie's Jellies and Jams, Valentine, Nebraska, spoke about starting a jellies and jams business. The University's Food Processing Center provided information to help the Kimes to start their business and sell the jellies and jams across the country and the world.

Discussion was held.

Chairman Schroeder thanked the panelists for coming and presenting their stories.

V.

KUDOS

None.

RESOLUTIONS

Motion

Moved by O'Brien and seconded by Wilson to adopt the following resolution.

WHEREAS, the fiscal situation of the State of Nebraska continues to decline to the extent that, despite cuts mandated during recent special and regular sessions of the Legislature, the state still experienced a year-end deficit of \$125 million; and

WHEREAS, the University of Nebraska has, during the past several years, taken positive steps to ensure that its business practices and administrative processes are efficient and cost-effective; and

WHEREAS, these efficiencies and cost-control measures have, to this point, been primarily accomplished on a campus-by-campus basis; and

WHEREAS, one of the primary advantages of a system-wide administration is the potential to apply decisive leadership and coordination to achieve efficiencies and cost savings across all four campuses;

NOW, THEREFORE, BE IT RESOLVED, that the University of Nebraska Board of Regents support the efforts of President L. Dennis Smith to identify areas in which consolidation of programs and elimination of duplication could reduce costs in such areas as:

July 13, 2002

- Continuing Studies
- Cooperative Extension
- Student Services
- Business and Finance functions, including purchasing, technology, physical plant management, and facilities maintenance, and
- Academic Programs

AND, BE IT FURTHER RESOLVED, that efforts to reduce costs and improve the use of existing resources be accomplished through vertical program cuts rather than through across-the-board reductions to the maximum extent possible.

Discussion was held.

Friendly Amendment

Regent Blank proposed to change the language in the fifth paragraph before the bulleted list to read “. . . reduce costs in such areas to include but not be limited to:” Regent O’Brien and Wilson agreed to the friendly amendment. (Amended Resolution follows.)

WHEREAS, the fiscal situation of the State of Nebraska continues to decline to the extent that, despite cuts mandated during recent special and regular sessions of the Legislature, the state still experienced a year-end deficit of \$125 million; and

WHEREAS, the University of Nebraska has, during the past several years, taken positive steps to ensure that its business practices and administrative processes are efficient and cost-effective; and

WHEREAS, these efficiencies and cost-control measures have, to this point, been primarily accomplished on a campus-by-campus basis; and

WHEREAS, one of the primary advantages of a system-wide administration is the potential to apply decisive leadership and coordination to achieve efficiencies and cost savings across all four campuses;

NOW, THEREFORE, BE IT RESOLVED, that the University of Nebraska Board of Regents support the efforts of President L. Dennis Smith to identify areas in which consolidation of programs and elimination of duplication could reduce costs in such areas to include but not be limited to:

- Continuing Studies
- Cooperative Extension
- Student Services
- Business and Finance functions, including purchasing, technology, physical plant management, and facilities maintenance, and
- Academic Programs

AND, BE IT FURTHER RESOLVED, that efforts to reduce costs and improve the use of existing resources be accomplished through vertical program cuts rather than through across-the-board reductions to the maximum extent possible.

Action

Student Opinion: Aye: Hatt and Wentz. Absent: Riggs and Wilkins. Voting Aye: Miller, O’Brien, Schroeder, Wilson, Blank, Ferlic, Hassebrook, and McClurg. Voting Nay: None. Resolution adopted as amended by the friendly amendment.

Motion

Moved by Hassebrook and seconded by Miller to adopted the following resolution.

The Board of Regents is strongly committed to expanding distance learning opportunities for Nebraskans. We support the priority the President has placed on distance learning and

July 13, 2002

request that no later than spring 2003 the Board receive a plan to expand distance learning opportunities that includes among other things strategies to accelerate new course development while reducing cost by collaborating across campuses and with other institutions and strategies to provide student support services to distance learners.

Discussion was held.

Action Student Opinion: Aye: Wentz and Hatt. Absent: Riggs and Wilkins. Voting Aye: O'Brien, Schroeder, Wilson, Blank, Ferlic, Hassebrook, McClurg, and Miller. Voting Nay: None. Resolution adopted.

VI. **HEARINGS**

None.

VII. **PUBLIC COMMENT**

None.

VIII. **COMMITTEE REPORTS**

Academic Affairs

Chairman Schroeder reported that the committee met on Friday afternoon and discussed the future of distance education.

IX. **UNIVERSITY CONSENT AGENDA**

Motion Moved by McClurg and seconded by O'Brien to approve items IX-A-1 (Revised), IX-A-2, IX-A-3, IX-A-4, IX-A-5, IX-A-6, IX-A-7, IX-A-8, IX-B-1, IX-B-2, and IX-B-3.

A. **ACADEMIC**

IX-A-1 President's Personnel Recommendations.

University of Nebraska-Lincoln

Leave of Absence

Effie F. Athanassopoulos, Assistant Professor (Specific Term), Anthropology/Classics; Leave of absence without pay effective 08/19/02 to 05/16/03, \$42,201 AY current salary, 1.00 FTE.

Trent Buskirk, Assistant Professor (Specific Term), Mathematics and Statistics; Leave of absence without pay effective 08/19/02 to 05/16/03, \$57,000 AY current salary, 1.00 FTE.

Terry B. Gutkin, Professor (Continuous), Educational Psychology; Leave of absence without pay effective 08/19/02 to 09/19/02, \$84,194 AY current salary, 1.00 FTE.

Yong Peng Lu, Assistant Professor (Specific Term), Electrical Engineering; Leave of Absence without pay effective 08/19/02 to 09/01/02, \$75,000 AY current salary, 1.00 FTE.

Kamlakar P. Rajurkar, Professor (Continuous), Industrial and Management Systems Engineering; Leave with 15% pay effective 08/18/02 to 01/05/03, \$179,171FY current salary (includes a \$10,000 professorship stipend), 1.00 FTE. (Intergovernmental Personnel Assignment (IPA) grant administered by UNL)

July 13, 2002

Suzanne Rohde, Associate Professor (Continuous), Mechanical Engineering; Leave of absence with full pay effective 08/19/02 through 01/05/03, \$110,133 FY current salary, 1.00 FTE.

Steven M. Sommer, Associate Professor (Continuous), Management; Leave of absence without pay effective 08/19/02 to 01/05/03, \$75,522 AY current salary, 1.00 FTE.

Christopher Y. Tuan, Associate Professor (Continuous), Civil Engineering; Faculty Development Fellowship with half pay effective 08/19/02 to 05/16/02, \$70,709 AY current salary, 1.00 FTE.

Xiaoying Winston Yan, Associate Professor (Continuous), Architecture, Leave of absence without pay effective 08/19/02 to 01/05/03, \$53,627 AY current salary, 1.00 FTE

University of Nebraska Medical Center

Leave of Absence

Yajun Guo, Professor (Special), Eppley Research Institute; and Professor (Courtesy), Pathology and Microbiology; Leave of absence without pay effective 08/01/02 to 07/31/03, \$103,500 FY current salary, 1.00 FTE

University of Nebraska at Omaha

Leave of Absence

Douglas Paterson, Professor (Continuous), Theatre; Halftime leave of absence without pay, effective 08/19/02 to 01/05/03, \$64,624 AY, current salary, 1.00 FTE.

University of Nebraska at Kearney

New Appointment

Jon McBride, Director of Athletics, University of Nebraska at Kearney (Special), effective 08/01/02, \$86,526 FY, 1.00 FTE.

- IX-A-2 Approve the request for outside employment at the University of Nebraska-Lincoln for Mary Ellen Ducey.
- IX-A-3 Approval to award Degrees and Certificates for the 2002-2003 academic year and 2003 summer sessions at the University of Nebraska at Kearney.
- IX-A-4 Approval to award Degrees and Certificates for the 2002-2003 academic year and 2003 summer sessions at the University of Nebraska-Lincoln.
- IX-A-5 Approval to award Degrees and Certificates for the 2002-2003 academic year and 2003 summer sessions at the University of Nebraska Medical Center.
- IX-A-6 Approval to award Degrees and Certificates for the 2002-2003 academic year and 2003 summer sessions at the University of Nebraska at Omaha.
- IX-A-7 Approve the establishment of The Center for At-Risk Children's Services at the University of Nebraska-Lincoln.
- IX-A-8 Approve the establishment of a center for Plains Humanities Alliance at the University of Nebraska-Lincoln.

July 13, 2002

B. BUSINESS

Central Administration

IX-B-1 Approve appointment of Nancy L. O'Brien to serve on the Ak-Sar-Ben Future Trust Board of Directors as the University of Nebraska appointee for a term of two years.

University of Nebraska-Lincoln

IX-B-2 Approve the modification of Subcontract with Abt Associates Inc. to evaluate the Tobacco Free Nebraska Program.

IX-B-3 Approve the Contract between the Nebraska Department of Education and the University of Nebraska-Lincoln for the project entitled "Reviewing Assessment Portfolios for Mathematics-2002."

Discussion was held.

Action Student Opinion: Aye: Wentz and Hatt. Absent: Wilkins and Riggs. Voting Aye: Schroeder, Wilson, Blank, Ferlic, Hassebrook, McClurg, Miller, and O'Brien. Voting Nay: None. Motion carried.

X. UNIVERSITY ADMINISTRATIVE AGENDA

A. ACADEMIC

Motion Moved by Blank and seconded by O'Brien to approve item X-A-1.

X-A-1 Approve an Undergraduate Major in Professional Golf Management with a Bachelor of Science Degree in Agricultural Sciences.

Regent Ferlic expressed his disagreement with this item and passed out a handout with his comments regarding the Professional Golf Management Program and information on Nebraska National (see documents file). Ferlic questioned whether the Foundation would eventually end up funding Nebraska National.

President Smith stated the Foundation is not interested in the Nebraska National golf course and has sent a letter to that effect to the Nebraska Alumni Association. Smith stated that Regent Ferlic's views are incorrect.

Ferlic asked why Nebraska National is on our website.

Chancellor Perlman stated that the UNL website links to the Alumni Association website. Perlman went on to state that the Alumni Association bears the cost associated with their own website and one of the projects the Alumni Association is pursuing is Nebraska National. Perlman stated that UNL has no financial interest or commitment in Nebraska National and that this Professional Golf Management program is not associated with or dependent upon the existence of Nebraska National.

Regent Hassebrook wanted confirmation that UNL and this program will not subsidize the Nebraska National. Perlman responded that if there is any subsidy, it will run in the other direction.

Further discussion was held.

July 13, 2002

Action Student Opinion: Aye: Hatt and Wentz. Absent: Wilkins and Riggs. Voting Aye: Wilson, Blank, Hassebrook, McClurg, Miller, O'Brien, and Schroeder. Voting Nay: Ferlic. Motion carried.

B. BUSINESS

Motion Moved by Blank and seconded by McClurg to approve item X-B-1.

X-B-1 Approve the 2003-05 University of Nebraska Biennial Operating Budget Request.

President Smith gave a PowerPoint presentation to the Board with regard to the budget request.

Discussion was held.

Action Student Opinion: Aye: Hatt and Wentz. Absent: Riggs and Wilkins. Voting Aye: Blank, Ferlic, Hassebrook, McClurg, O'Brien, Schroeder, and Wilson. Voting Nay: Miller. Motion carried.

Motion Moved by O'Brien and seconded by Hassebrook to confirm that the Board of Regents will not ask for any additional state tax revenues to fund salary increases for the next biennium.

O'Brien stated that her motion did not exclude the opportunity to give salary increases and did not exclude the use of tuition money or any state appropriation for future salary increases.

Discussion was held.

Action on Student Opinion: Aye: Wentz and Hatt. Absent: Riggs and Wilkins. Voting Aye: Hassebrook, O'Brien, and Wilson. Voting Nay: Ferlic, McClurg, Schroeder, and Blank. Abstain: Miller. Motion failed.

Motion Moved by Blank and seconded by McClurg to approve item X-B-2.

X-B-2 Approve the 2003-05 Nebraska College of Technical Agriculture Biennial Operating Budget Request.

Discussion was held.

Action Student Opinion: Aye: Wentz and Hatt. Absent: Wilkins and Riggs. Voting Aye: Hassebrook, McClurg, Miller, O'Brien, Schroeder, Wilson, Blank, and Ferlic. Voting Nay: None. Motion carried.

Motion Moved by Ferlic and seconded by McClurg to approve item X-B-3.

X-B-3 Approve the University of Nebraska Capital Construction Budget Request for the 2003-2005 Biennium.

President Smith stated that the only item on the proposed budget request was the renovation of the engineering building on the UNO campus to provide a home for the College of Public Affairs and Community Services. This was the university's number one priority at the last biennium. The Board unanimously approved it at that time and the university went to the state to request funding. At that time, the university requested \$500,000 in the first year of the biennium and the construction funds in the second year of the biennium. Due to the possible budget problems, the appropriations committee elected to defer the planning money and told the university that if the fiscal situation became

July 13, 2002

better, then the university probably could come back in the short session and request the money to begin the renovation. Since the fiscal situation didn't change, the project was not approved. Smith went on to explain that if the Board doesn't approve the item now, the building will be put on hold for at least three years because the university can't come back until the next biennium. With approval, this will give this project a placeholder, and if the funding situation does improve over the next biennium, the university would be in line for consideration.

Amendment

Moved by Hassebrook and seconded by O'Brien to reduce the request to \$500,000 for planning funds only.

Regent Hassebrook explained that this motion recognizes the extraordinary circumstances that the university is in with the state budget, but it would keep this project in the capital queue.

Discussion was held.

Action

Student Opinion: Nay: Hatt and Wentz. Absent: Wilkins and Riggs. Voting Aye: Miller, O'Brien, Wilson, and Hassebrook. Voting Nay: McClurg, Schroeder, Blank, and Ferlic. Motion failed.

Action on original
X-B-3 Motion

Student Opinion: Aye: Hatt and Wentz. Absent: Wilkins and Riggs. Voting Aye: Schroeder, Blank, Ferlic, and McClurg. Voting Nay: Miller, O'Brien, Wilson, and Hassebrook. Motion failed.

Motion to Reconsider

Moved by Blank and seconded by McClurg to reconsider agenda item X-B-3.

Action

Student Opinion: Aye: Wentz and Hatt. Absent: Riggs and Wilkins. Voting Aye: O'Brien, Schroeder, Wilson, Blank, Ferlic, Hassebrook, McClurg, and Miller. Voting Nay: None. Motion carried.

Agenda Item X-B-3 was placed back on table for discussion.

Motion to Reconsider
Amendment

Moved by O'Brien and seconded by Hassebrook to reconsider the amendment to reduce the request to \$500,000 for planning funds only.

Action

Student Opinion: Aye: Hatt. Nay: Wentz. Absent: Wilkins and Riggs. Voting Aye: Wilson, Blank, Hassebrook, Miller, and O'Brien. Voting Nay: Schroeder, Ferlic, and McClurg. Motion carried.

The Amendment was placed back on the table for discussion

Further Discussion was held on the motion to amend to reduce the request to \$500,000 for planning funds only.

Friendly Amendment

Regent Hassebrook proposed to change the amendment to reduce the capital construction budget request in the original motion to ask for \$500,000 in the first year of the 2003-2005 biennium and the remainder of the money (\$13 million) in the second year of the 2003-2005 biennium. Regent O'Brien agreed to the friendly amendment.

Action

Student Opinion: Aye: Hatt and Wentz. Absent: Wilkins and Riggs. Voting Aye: Wilson, Blank, Hassebrook, McClurg, Miller, O'Brien, and Schroeder. Voting Nay: Ferlic. Motion carried.

July 13, 2002

Action on X-B-3
as amended above

Student Opinion: Aye: Hatt and Wentz. Absent: Riggs and Wilkins. Voting Aye: Blank, Ferlic, Hassebrook, McClurg, Miller, O'Brien, Schroeder, and Wilson. Voting Nay: None. Motion carried as amended.

Motion

Moved by McClurg and seconded by Blank to approve item X-B-4.

X-B-4

Approve the Nebraska College of Technical Agriculture Capital Construction Budget Request for the 2003-2005 Biennium.

Action

Student Opinion: Aye: Wentz and Hatt. Absent: Riggs and Wilkins. Voting Aye: Ferlic, Hassebrook, McClurg, Miller, O'Brien, Schroeder, Wilson, and Blank. Voting Nay: None. Motion carried.

C. FOR INFORMATION ONLY

None.

D. REPORTS

X-D-1

Bids and Contracts for the period ended June 20, 2002.

X-D-2

Personnel Report for 2002-2003.

Chairman Schroeder accepted the reports.

XI.

ADDITIONAL BUSINESS

Chairman Schroeder passed out the Board of Regents meeting schedule for 2003. All dates had been approved by the Board. The dates are as follows:

January 17-18, 2003
February 28-March 1, 2003
March 28-29, 2003
April 25-26, 2003
June 6-7, 2003
July 25-26, 2003
September 5, 2003
October 17, 2003
December 12-13, 2003
January 23-24, 2004

Chairman Schroeder also passed out the Committee Topics for 2002. (For copy, see documents file.)

Chairman Schroeder thanked the staff at the Holiday Inn Express as their accommodations and service were great. Schroeder also thanked the Peppermill for their outstanding service and food. Schroeder also thanked the community members for attending.

July 13, 2002

ADJOURNMENT

There being no further business, the meeting was adjourned at 11:50 a.m.

Respectfully submitted,

Kim M. Robak
Corporation Secretary

Kent Schroeder
Chair of the Board