

The Board of Regents of the University of Nebraska met on October 23, at 1:00 p.m. in the Board Room at Varner Hall, 3835 Holdrege, Lincoln, Nebraska, in a 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 October 12, 2009.

Regents present:  
Timothy F. Clare  
Randolph M. Ferlic  
Chuck Hassebrook  
Howard Hawks  
Jim McClurg  
Bob Phares, Vice Chairman  
Kent Schroeder, Chairman  
Bob Whitehouse  
Brad Bohn  
Neal Bonacci  
Megan Collins  
Cade Craig

University officials present:  
James B. Milliken, President  
Linda Pratt, Executive Vice President and Provost  
Donal J. Burns, Corporation Secretary  
John Christensen, Chancellor, UNO  
Harold Maurer, Chancellor, UNMC  
Douglas A. Kristensen, Chancellor, UNK  
Harvey S. Perlman, Chancellor, UNL  
David Lechner, Vice President for Business and Finance  
Joel Pedersen, Vice President and General Counsel  
Peter G. Kotsiopoulos, Vice President for University Affairs

**I. CALL TO ORDER**

**II. ROLL CALL**

The Board convened at 1:00 p.m. in the Board Room at Varner Hall, 3835 Holdrege, Lincoln, Nebraska on October 23, 2009. Attendance is indicated above.

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

Motion Moved by Hawks and seconded by Ferlic to approve the minutes and ratify the actions of the regularly scheduled meeting of September 4, 2009.

Action Student Opinion: Voting Aye: Bonacci, Collins, Craig, and Bohn. Voting Aye: Ferlic, Hassebrook, Hawks, McClurg, Phares, Schroeder, Whitehouse, and Clare. Motion carried.

Regent Schroeder announced the location of the Open Meetings Act in the Board room.

**IV.**

**KUDOS**

Regent Whitehouse presented a KUDOS award to Joan DeHaven, accounts payable manager at the University of Nebraska at Kearney.

Regent Phares presented a KUDOS award to Nick Knopic, construction project manager at the University of Nebraska medical Center.

Regent Bonacci presented a KUDOS award to Tim Fitzgerald, manager of photography at the University of Nebraska at Omaha.

Regent Collins presented a KUDOS award to Suzanne Becking, instruction design technology specialist in the office of Extended Education and Outreach at the University of Nebraska-Lincoln.

Regent Clare presented a KUDOS award to Jeri Cunningham, office associate in the Entomology Department in the Institute of Agriculture and Natural Resources at the University of Nebraska-Lincoln.

Regent Schroeder introduced Professor Joe Benz, Faculty Senate President at the University of Nebraska at Kearney.

**V.**

**PUBLIC COMMENT**

1. Ms. Ivy Harper spoke on the topic of Land Grant University Reform [For handout, see documents file]

The following individuals spoke on the subject of embryonic stem cell research:

1. Mr. Chip Maxwell, Nebraska Coalition for Ethical Research [For handout, see documents file]
2. Dr. Sheryl Pitner
3. Mr Greg Schleppenbach, Representing Catholic Bishops of Nebraska
4. Ms. Julie Albin-Schmit, Nebraska Right-to-Life [For handout, see documents file]
5. Mr. Al Riskowski, Nebraska Family Council
6. Dr. Lou Safranek
7. Dr. Larry Goldstein, University of California-San Diego, Nebraska Coalition for Lifesaving Cures
8. Mr. Richard Holland, Nebraska Coalition for Lifesaving Cures
9. Ms. Monnie Lindsay, Nebraska Coalition for Lifesaving Cures [For handout, see documents file]
10. Ms. Lynne Boyer, Nebraska Coalition for Lifesaving Cures
11. Ms. Haley Capek and Mr. James Randazzo, Nebraska Coalition for Lifesaving Cures
12. Mr. Rik Bonness and Mr. Eric Bonness, Nebraska Coalition for Lifesaving Cures

Chairman Schroeder indicated that the hour for public testimony had passed and asked the remaining speakers to identify themselves, if they were representing an organization identify the organization, and share with the Board their position on embryonic stem cell research

13. Ms. Karon Osborne
14. Mr. Alan Worth
15. Ms. Mary Jane Ziola, Nebraskans United for Life
16. Mr. Justin Nabity
17. Mr. Ted Simonson
18. Mr. Jim Cook [For handout, see documents file]
19. Mr. David Nabity
20. Dr. John Safranek

VI.

**POLICY ISSUES**

Board of Regents Consideration of Human Embryonic Stem Cells

President Milliken made the following statement on the status of human embryonic stem cell research at the University of Nebraska:

Over some period of time, I have written to the members of the Board and made public statements regarding embryonic stem cell research at the University of Nebraska and the consequences of the president's executive order and the new NIH guidelines. The essence of my messages since March of this year have been that notwithstanding the changes in federal policy, until the Board of Regents had an opportunity to consider the new guidelines, the University would not conduct research that would not have been allowed under the previous Bush administration guidelines. This was to give the Board adequate time to consider whether its policies were appropriate.

The NIH guidelines were finalized in July and they have received considerable attention. I know members of the Board have been contacted by both supporters of the current federal guidelines and those who wish to limit research to the prior Bush administration guidelines. Time has been provided at this meeting to hear comment from both sides and I expect there will be additional consideration in November.

I recently wrote to the Board to confirm my understanding of the existing policy of the University and to make clear my own position. I understand, of course, that there are strongly held views on this matter, and I respect individuals' rights to express their views and to seek policy decisions consistent with those views.

I know the Board is familiar with the pertinent history and so I will refer to it only briefly. To me, the key points are three: (1) the 2001 resolution of the Board of Regents requiring University researchers to follow federal policy and use only federally approved stem cell lines, (2) the 48-0 passage and signing by the Governor of LB 606, establishing guidelines in state law for embryonic stem cell research, and (3) the NIH guidelines on stem cell research which became effective July 7, 2009.

Board policy today permits embryonic stem cell research at the University of Nebraska consistent with state and federal law. Any limitation of that policy--such as restricting research to that permissible under previous federal guidelines--would require additional Board action. This is supported by an opinion of the General Counsel of the University, distributed to the Board on October 2, 2009.

When the LB 606 compromise was negotiated, I believe it was clearly understood by all parties that it would constitute a resolution of the public policy considerations regarding embryonic stem cell research in Nebraska. The Legislative history is clear that a change in federal guidelines expanding available embryonic stem cell lines would not be grounds for changing Nebraska law on this matter. Nor, in my view, should it trigger a change in the Board's policies. When the issue was raised shortly after the elections in November of 2008, I wrote to the Board to explain why I believed LB 606 resolved the issue of limitations on research in Nebraska, regardless of the outcome of the elections, and that the Board policy and state law would permit research permitted by new federal guidelines without additional action of the Board.

While I would prefer to have a resolution adopted by a clear majority of the Board affirmatively endorsing this position, such a resolution is not necessary to establish the University's policy. I believe we need to move beyond this period of consideration so that our faculty, our students and members of the public understand the University's policy. As I said earlier, I expect this consideration will continue in November. I am not suggesting it will be finished today, that's a decision for the members of the Board of Regents. But absent Board action to the contrary--and consistent with previous Board action and a thoughtful, overwhelmingly endorsed legislative compromise--the University must adhere to applicable federal and state laws, regulations and guidelines. Not only is this required by Board policy it is permissible under the laws of Nebraska--agreed to by all parties—. I strongly believe it is the right thing to do for the University and our state.

Embryonic stem cell research holds enormous promise, and if the University of Nebraska is to be a leading research university it should be appropriately engaged in this research. The guidelines for that engagement are now set by federal law and regulations, state law and Board policy. I believe that to do otherwise would unnecessarily limit the opportunities for discoveries to save and improve lives. In my view, it would also risk great harm to the reputation of the University and damage our ability to recruit and retain outstanding research and clinical faculty.

Thus my recommendation to the Board to be considered today or at any time in the future is that it maintain its current policy that permits embryonic stem cell research authorized by federal and Nebraska law. Thank you.

Chancellor Maurer and Chancellor Perlman made remarks in support of human embryonic stem cell research at the University of Nebraska being consistent with state and federal laws and associated regulations and guidelines. [For Chancellor Maurer's comments, see document file]

**VII. HEARINGS**

None

**VIII. UNIVERSITY CONSENT AGENDA**

Motion Moved by Hawks and seconded by Ferlic to approve items VIII-A-1, VIII-B-1, and VIII-B-2

**A. ACADEMIC AFFAIRS**

VIII-A-1 The President's Personnel Recommendations

**B. BUSINESS AFFAIRS**

University of Nebraska-Lincoln

VIII-B-1 Authorize the Chancellor to approve a contract for a 2009 postseason football game

University of Nebraska at Omaha

Approve the selection of Holland Basham Architects to provide architectural design services for the renovation of Roskens Hall at the University of Nebraska at Omaha

Student Opinion: Voting Aye: Collins, Craig, Bohn, and Bonacci. Voting Aye: Hassebrook, Hawks, McClurg, Phares, Schroeder, Whitehouse, Clare, and Ferlic. Motion carried.

**UNIVERSITY ADMINISTRATIVE AGENDA**

**A. ACADEMIC AFFAIRS**

Moved by Hawks and seconded by McClurg to approve items IX-A-1 and IX-A-2

Approve dissolution or merger of University of Nebraska Medical Center Multi-Departmental Academic Centers for Research, Teaching and/or Service

Approve dissolution of University of Nebraska-Lincoln Centers for Research, Teaching and/or Service

Student Opinion: Voting Aye: Craig, Bohn, Bonacci, and Collins. Voting Aye: Hawks, McClurg, Phares, Schroeder, Whitehouse, Clare, Ferlic, and Hassebrook. Motion carried.

**B. BUSINESS AFFAIRS**

Moved by McClurg and seconded by Phares to approve items IX-B-1 and IX-B-2

University of Nebraska-Lincoln

Approve the attached Resolution to authorize expenditure of up to \$1,694,154 for capital improvements for the Nebraska Unions, University Health Center and University Housing facilities from the Replacement Fund of the Student Fees and Facilities Revenue Bonds at the University of Nebraska-Lincoln

Approve the Resolution to authorize the expenditure of up to \$1,116,500 from the Surplus Fund of the UNL Parking Revenue Bonds to improve certain property and equipment

There was discussion

Student Opinion: Aye: Bohn, Bonacci, Collins, and Craig. Voting Aye: McClurg, Phares, Schroeder, Whitehouse, Clare, Ferlic, Hassebrook, and Hawks. Motion carried.

Moved by Whitehouse and seconded by McClurg to approve items IX-B-3 and IX-B-4

University of Nebraska at Omaha

IX-B-3 Approve the Purchase Agreement by and between NS-The Heritage, L.L.C. (Heritage), the Pappas-Missouri River Natural Resources District (NRD) and the Board of Regents for approximately 83 acres of land adjacent to University of Nebraska at Omaha's Allwine Prairie Preserve

IX-B-4 Approve the attached Resolution authorizing the expenditure of \$300,000 from the Sixth Series Surplus Fund to partially fund parking lot addition

There was discussion

Action Student Opinion: Voting Aye: Bonacci, Collins, Craig, and Bohn. Voting Aye: Phares, Schroeder, Whitehouse, Clare, Ferlic, Hassebrook, Hawks, and McClurg. Motion carried.

Motion Moved by McClurg and seconded by Hassebrook to approve items IX-B-5 and IX-B-6

University of Nebraska Medical Center

IX-B-5 Approve the interlocal agreement with the Omaha Public Power District for the implementation of energy related products and services on the UNMC Campus

IX-B-6 Approve the attached Resolution relating to OPPD Land Exchange Transaction at the University of Nebraska Medical Center (UNMC): (the OPPD Project) which (1) approves the issuance of not to exceed \$13,500,000 principal amount of Lease Rental Revenue Bonds, Series 2009 (OPPD Project, Series 2009) by The University Nebraska Facilities Corporation pursuant to a Trust Indenture, and (2) authorizes the execution and delivery of a Site Lease, a Lease-Purchase Agreement, a Continuing Disclosure Agreement, a Tax Compliance Agreement, an Inducement Letter and a Preliminary Official Statement in connection with the sale of such Series 2009 Bonds, (3) authorizes the sale of such Series 2009 Bonds at a negotiated sale pursuant to a Bond Purchase Agreement and authorizes the Vice President for Business and Finance to determine interest rates (not to exceed a true interest cost of 3.75%), principal amounts, principal maturities and redemption provisions of such Series 2009 Bonds, and (4) approves the preparation and use of a final Official Statement

There was discussion.

Action Student Opinion: Voting Aye: Collins, Craig, Bohn, and Bonacci. Voting Aye: Schroeder, Whitehouse, Clare, Ferlic, Hassebrook, Hawks, McClurg, and Phares. Motion carried.

Motion Moved by Ferlic and seconded by Hawks to approve items IX-b-7 and IX-B-9

University of Nebraska Medical Center

IX-B-7 Approve the program statement of a new Eye Institute building on the campus of the University of Nebraska Medical Center (UNMC), which authorizes UNMC to hire outside consultants and spend up to 3% of the preliminary Total Project Cost estimate to complete design through Intermediate Design

IX-B-9 Approve naming the UNMC Eye Institute building the “Stanley M. Truhlsen Eye Institute”

There was discussion

Action Student Opinion: Voting Aye: Craig, Bohn, Bonacci, and Collins. Voting Aye: Whitehouse, Clare, Ferlic, Hassebrook, Hawks, McClurg, Phares, and Schroeder. Motion carried.

Motion Moved by Hawks and seconded by Whitehouse to approve item IX-B-8

University of Nebraska Administration

IX-B-8 Approve the attached Resolution (1) approving the adoption of a Bond Resolution by the University of Nebraska Facilities Corporation authorizing the issuance of not to exceed \$80,000,000 aggregate principal amount of University of Nebraska Facilities Corporation Deferred Maintenance Bonds, Series 2009, (2) approving and authorizing the execution and delivery of a Financing Agreement, a Continuing Disclosure Certificate, a Tax Compliance Agreement, an Amended and Restated Depository and Disposition Agreement, an Inducement Letter, and a Preliminary Official Statement, (3) authorizing the sale of such Bonds at a negotiated sale and authorizing the Vice President for Business and Finance to determine interest rates (not to exceed a true interest cost of 4.0%), principal amounts, principal maturities and redemption provisions of such Bonds, and (4) approving the preparation and use of a Final Official Statement

There was discussion that the original agenda item had been modified to increase the aggregate principal amount from \$60,000,000 to \$80,000,000

Action Student Opinion: Voting Aye: Bohn, Bonacci, Collins, and Craig. Voting Aye: Clare, Ferlic, Hassebrook, Hawks, McClurg, Phares, Schroeder, and Whitehouse. Motion carried.

**C. FOR INFORMATION ONLY**

IX-C-1 Board of Regents agenda items related to the University of Nebraska Strategic Framework

IX-C-2 Calendar of establishing and reporting accountability measures

IX-C-3 Current version of the University of Nebraska Strategic Framework

IX-C-4 Current version of the University of Nebraska Strategic Dashboard Indicators

**D. REPORTS**

IX-D-1 Fall 2009 Headcount and Semester Credit Hour

IX-D-2 Periodic Review of Multi-Departmental Academic Centers for Research, Teaching, and/or Service

IX-D-3 Bids and Contracts

IX-D-4 Report on the Othmer-Topp Endowment Fund, second priority uses, for the fiscal year ended June 30, 2009

IX-D-5 Disposal of Real Property at 3805 North 16th Street, Omaha, Nebraska by the University of Nebraska at Omaha

Strategic Framework Reports

IX-D-6 Need-based Financial Aid [1-a-iii]

IX-D-7 Merit-based Scholarships [3-b-ii]

IX-D-8 Administrative Efficiencies [6-a-iii]: Short-term Investments

Chairman Schroeder accepted the reports.

**X. ADDITIONAL BUSINESS**

Closed Session

Motion Moved by Bohn and seconded by Whitehouse that the Board go into closed session as authorized by Section 84-1410 of the Revised Statutes of Nebraska for the protection of the public interest, and to prevent needless injury to the reputation of persons who have not requested a public hearing, for the purpose of holding a discussion limited to the following subject:

- (a) Honorary Degrees; and
- (b) Personnel matters.

Action Student Opinion: Voting Aye: Bonacci, Collins, Craig, and Bohn. Voting Aye: Ferlic, Hassebrook, Hawks, McClurg, Phares, Schroeder, Whitehouse, and Clare. Motion carried.

Regent Schroeder declared that the closed session would be strictly limited to a discussion of:

- (a) Honorary Degrees, and
- (b) Personnel matters.

The Board went into closed session at 3:06 p.m. and reconvened the open meeting at 3:40 p.m.

**ADJOURNMENT**

There being no further business, the meeting was adjourned by Chairman Schroeder at 3:40 p.m.

Respectfully submitted,

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Donal J. Burns  
Corporation Secretary

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Kent Schroeder  
Chairman of the Board