

April 18, 2008

Lincoln, Nebraska  
April 18, 2008

The Board of Regents of the University of Nebraska met on April 18, 2008, at 1:00 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 April 7, 2008.

Regents present:  
Randolph M. Ferlic  
Chuck Hassebrook, Chairman  
Howard Hawks  
Bob Phares  
Kent Schroeder, Vice Chairman  
Bob Whitehouse  
Charles S. Wilson  
Tim Hruza  
Curtis McKnight  
Lucas Seiler  
Emily Zimmer

Not present:  
Jim McClurg

University officials present:  
James B. Milliken, President  
Linda R. 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  
John Owens, Vice President for Agriculture and Natural Resources  
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 April 18, 2008. Attendance is indicated above.

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

Motion Moved by Hawks and seconded by Schroeder to approve the minutes and ratify the actions of the regularly scheduled meeting of March 7, 2008.

Action Student Opinion: Voting Aye: McKnight, Seiler, Zimmer, and Hruza. Voting Aye: Hassebrook, Hawks, Phares, Schroeder, Whitehouse, Wilson, and Ferlic. Absent: McClurg. Motion carried.

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

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Regent Hassebrook welcomed newly-elected Student Regents Tim Hruza from the University of Nebraska at Kearney and Emily Zimmer from the University of Nebraska-Lincoln.

IV.

#### **KUDOS**

**Regent Wilson presented a KUDOS award to Vicki Hamm**, Administrative Director of the Graduate Medical Education Program at the University of Nebraska Medical Center.

**Regent Ferlic presented a KUDOS award to Janet Padrnos**, Administrative Technician with Cashiering and Student Accounts at the University of Nebraska at Omaha.

**Regent McKnight presented a KUDOS award to Stacy Adams**, Manager of the Greenhouse for the Department of Agronomy and Horticulture in the Institute of Agriculture and Natural Resources at the University of Nebraska-Lincoln.

**Regent Whitehouse presented a KUDOS award to Elaine Gokie**, Associate Director for Student Records at the University of Nebraska at Kearney.

**Regent Hawks presented a KUDOS award to Jeff Burdic**, academic adviser for the College of Business Administration at the University of Nebraska-Lincoln.

#### **Resolution**

Regent Schroeder presented the following Resolution:

WHEREAS, the University of Nebraska at Kearney wrestling team, under the leadership of Head Coach Marc Bauer and his staff, has represented the University and the State of Nebraska in an exemplary manner, and

WHEREAS, their competitive record includes seven consecutive conference championships in the Rocky Mountain Athletic Conference and seven consecutive NCAA Division II West Region titles, and

WHEREAS, the team has placed in the Top 10 at the national championship meet in eight of the last ten years, and has had two individual champions at the past three consecutive national meets, and

WHEREAS, at the 2008 NCAA Division II National Championships held in Cedar Rapids, Iowa, on March 14 and 15, the Lopers were crowned national champions by scoring 108 ½ points, which was ½ point better than the runner-up team, and

WHEREAS, this was UNK's first-ever national team title at the NCAA Division II level, and

WHEREAS, eight members of the team achieved All-American status and all nine athletes who qualified for the national meet won at least one match, and

WHEREAS, the team recorded Division II's second highest team grade point average (3.334) during the 2007-2008 academic year, and

WHEREAS, Coach Bauer was named the Division II Coach of the Year, a title he was also awarded in 2003,

NOW, THEREFORE, be it resolved that the University of Nebraska Board of Regents congratulates Head Wrestling Coach Marc Bauer, his assistant coaches and the University of Nebraska at Kearney student athletes for the national recognition they have achieved, for the sportsmanship they have exhibited, for the advancement of intercollegiate athletics and for the honor they have bestowed on themselves and this University.

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President Milliken recognized the outgoing Faculty Senate Presidents: Professor Steve Bradford, University of Nebraska-Lincoln; Dr. Scott Tarry, University of Nebraska at Omaha; Dr. Gordon Todd, University of Nebraska Medical Center; and Dr. Richard Miller, University of Nebraska at Kearney.

The resolution was adopted by acclamation.

**V. PUBLIC COMMENT**

Mr. Dayton Headlee, UNO Student Government Speaker, addressed the Board on UNO Student Fees and the Crossroads Parking Structure item.

Mr. Alan Slattery, Rembolt Ludtke Law Firm, addressed the Board on the UNL Follett Higher Education item.

Mr. David Solheim addressed the Board on the UNL library fee increase.

Mr. Adam Morfeld addressed the Board on the UNL library fee increase.

Mr. Greg Gifford addressed the Board on the UNL library fee increase.

**VI. RESOLUTIONS**

None

**VII. HEARINGS**

None

Regent Phares reported that the Business Affairs Committee met on April 1, 2008, and the committee recommends approval of the following projects: [1] UNL item IX-B-2, the program statement and budget for Barkley Memorial Center Renovation Phase 2, and [2] UNL item IX-B-3, the program statement and budget for the 17<sup>th</sup> & R Street residence hall.

**VIII. CONSENT AGENDA**

Motion Moved by Wilson and seconded by Schroeder to approve the Consent Agenda consisting of items VIII-A-1, VIII-B-1, VIII-B-2, VIII-B-3, and VIII-B-4

**A. ACADEMIC AFFAIRS**

VIII-A-1 The President's Personnel Recommendations

**B. BUSINESS AFFAIRS**

University of Nebraska Central Administration

VIII-B-1 Approve the acceptance of the audited financial statements of the University of Nebraska

University of Nebraska-Lincoln

VIII-B-2 Approve two license agreements for the operation of fast food service operations in the Nebraska Union: [1] Authorize operation of a Hamburger/Chicken/Mexican fast food service operation for an initial five year term under a license agreement with Runza National, Inc. d/b/a Runza Restaurants, [2] Authorize operation of a Deli Sandwich fast food service operation for an initial five year term under a license agreement with Golddiggers, Inc. d/b/a Planet Sub

VIII-B-3 Approve the sole source purchase of a Genome Sequencer for the Department of Food Science and Technology

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University of Nebraska Medical Center

VIII-B-4 Approve the sole source purchase of a Thermo Electron LTQ Orbitrap for the Department of Pharmacology and Experimental Neuroscience

Action Student Opinion: Voting Aye: Seiler, Zimmer, Hruza, and McKnight. Voting Aye: Hawks, Phares, Schroeder, Whitehouse, Wilson, Ferlic, and Hassebrook. Absent: McClurg. Motion carried.

**IX. UNIVERSITY ADMINISTRATIVE AGENDA**

A. ACADEMIC AFFAIRS

None

B. BUSINESS AFFAIRS

University of Nebraska-Lincoln

Motion Moved by Wilson and seconded by Whitehouse to approve item IX-B-1

IX-B-1 Approve the Residence Hall Room and Board Rates for Academic Years 2008-09 through 2012-2013

There was discussion

Action Student Opinion: Voting Aye: Zimmer, Hruza, McKnight, and Seiler. Voting Aye: Phares, Schroeder, Whitehouse, Wilson, Ferlic, Hassebrook, and Hawks. Absent: McClurg. Motion carried.

Motion Moved by Phares and seconded by Seiler to approve item IX-B-2

IX-B-2 Approve the Program Statement and Budget for Barkley Memorial Center Renovation Phase 2

There was discussion

Action Student Opinion: Voting Aye: Hruza, McKnight, Seiler, and Zimmer. Voting Aye: Phares, Schroeder, Whitehouse. Wilson, Ferlic, Hassebrook, and Hawks. Absent: McClurg. Motion carried.

Motion Moved by Phares and seconded by Schroeder to approve items IX-B-3 and IX-B-4

IX-B-3 Approve the Program Statement and Budget for the 17th & R Street Residence Hall

IX-B-4 Approve the Resolution (1) adopting a Supplemental Resolution authorizing the issuance of not to exceed \$48,500,000 aggregate principal amount of UNL Student Fees and Facilities Revenue Bonds, Series 2008, (2) authorizing the execution and delivery of a Supplemental Master Indenture and the related Master Note, (3) authorizing the negotiated sale of such Revenue Bonds, approving the Bond Purchase Agreement, the Preliminary Official Statement and related documents, and authorizing the Vice President for Business and Finance to determine interest rates (not to exceed an average of 5.75%), principal amounts, principal maturities and redemption provisions of such Revenue Bonds, and (4) approving the preparation and use of a Final Official Statement.

There was discussion

Motion to Amend Moved by Hawks and seconded by Phares to amend item IX-B-4 and the Resolution, Subsection III as follows:

Amendments to item IX-B-4:

RECOMMENDED ACTION: Approve the attached Resolution (1) adopting a Supplemental Resolution authorizing the issuance of not to exceed \$48,500,000 aggregate principal amount of UNL Student Fees and Facilities Revenue Bonds, Series

2008, (2) authorizing the execution and delivery of a Supplemental Master Indenture and the related Master Note, (3) authorizing the negotiated sale of such Revenue Bonds, approving the Bond Purchase Agreement, the Preliminary Official Statement and related documents, and authorizing the Vice President for Business and Finance to determine interest rates (not to exceed an average of 5.375% unless approved by the Chairman of the Board and the Chairman of the Business Affairs Committee), principal amounts, principal maturities and redemption provisions of such Revenue Bonds, and (4) approving the preparation and use of a Final Official Statement.

EXPLANATION: The Series 2008 UNL Student Facilities Revenue Bonds will finance the construction of the 17<sup>th</sup> and R Residence Hall at the University of Nebraska-Lincoln. The issue will have up to a 35 year maturity. Current bond market conditions would provide an average interest rate of 5.25%. ~~Using the “not to exceed” rate disclosed above,~~ ~~This would result in average annual debt service payments of approximately \$3 million. Projected revenues received from residents (using rates of 5.75%) gives an annual debt service coverage ratio in excess of 1.15, which is recommended for issues of this kind. This project will be a part of the Obligated Group under the Master Trust Indenture, which covenants pledged revenues as defined in the Master Indenture.~~

Amendment to Resolution, Subsection III:

BE IT FURTHER RESOLVED BY THE BOARD that the sale of not to exceed forty-eight million five-hundred thousand dollars (\$48,500,000) University of Nebraska-Lincoln Student Fees and Facilities Revenue Bonds of The Board of Regents of the University of Nebraska (the **“UNL Student Fees and Facilities Bonds”**) authorized by the Supplemental Resolution shall be sold by negotiated sale at an average interest rate not to exceed five and ~~thirty-five hundredths~~ ~~three fourths~~ percent (5.375%), unless approved by the Chairman of the Board and the Chairman of the Business Affairs Committee, to Ameritas Investment Corp. pursuant to a Bond Purchase Agreement dated the date determined by the Vice President for Business and Finance on behalf of the Board in substantially the form executed by the Board in connection with the issuance of the 2003 UNL Bonds, which Bond Purchase Agreement is hereby adopted, ratified, affirmed and approved, together with such changes or modifications as the Chair of this Board, University counsel and bond counsel shall approve as being in the best interests of the Board and the University of Nebraska. The Vice President for Business and Finance, on behalf of the Board, is hereby authorized and directed to approve the principal amount of UNL Student Fees and Facilities Bonds to be issued and the principal maturities, interest rates and redemption provisions thereof and to take all necessary actions and execute all necessary documents to effect the sale of the UNL Student Fees and Facilities Bonds.

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|---------------------|---|
| Action on Amendment | Approve amendment to item IX-B-4 and associated resolution<br><br>Student Opinion: Voting Aye: McKnight, Seiler, Zimmer, and Hruza. Voting Aye: Schroeder, Whitehouse, Wilson, Ferlic, Hassebrook, Hawks, and Phares. Absent: McClurg. Motion to amend carried. |
|                     | Approve item IX-B-3 and amended item IX-B-4   |
| Action              | Student Opinion: Voting Aye: Seiler, Zimmer, Hruza, and McKnight. Voting Aye: Whitehouse. Wilson, Ferlic, Hassebrook, Hawks, Phares, and Schroeder. Absent: McClurg. Motion carried.  |
| Motion              | Moved by Schroeder and seconded by Whitehouse to approve item IX-B-5  |
| IX-B-5              | Replace the roof and construct a new clerestory at the C.Y. Thompson Library  |
| Action              | Student Opinion: Voting Aye: Zimmer, Hruza, McKnight, and Seiler. Voting Aye: Wilson, Ferlic, Hassebrook, Hawks, Phares, Schroeder, and Whitehouse. Absent: McClurg. Motion carried.  |

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- Motion Moved by Ferlic and seconded by Hawks to approve item IX-B-6
- IX-B-6 Accept a gift from the University of Nebraska Foundation of the Quilt Center facility, equipment and improvements and a related parcel of land
- Action Student Opinion: Voting Aye: Hruza, McKnight, Seiler, and Zimmer. Voting Aye: Ferlic, Hassebrook, Hawks, Phares, Schroeder, Whitehouse, and Wilson. Absent: McClurg. Motion carried.
- Motion Moved by Hruza and seconded by Schroeder to approve item IX-B-7
- IX-B-7 Approve an agreement between Follett Higher Education Group, Inc. and the University of Nebraska-Lincoln, granting the exclusive right to lease, operate and manage the bookstore operations on the UNL campus for period of ten years
- There was discussion
- Action Student Opinion: Voting Aye: McKnight, Seiler, Zimmer, and Hruza. Voting Aye: Hassebrook, Hawks, Phares, Schroeder, Whitehouse, Wilson, and Ferlic. Absent: McClurg. Motion carried.
- Motion Moved by Wilson and seconded by Seiler to approve items IX-B-8, IX-B-9, and IX-B-10
- IX-B-8 Approve the Fund B, University Program and Facilities Fees (UPFF) 2008-09 Allocation
- University of Nebraska at Kearney
- IX-B-9 Approve the Fund B, University Program and Facilities Fees (UPFF) 2008-09 Allocation
- University of Nebraska at Omaha
- IX-B-10 Approve the Fund B, University Program and Facilities Fees (UPFF) 2008-09 Allocation
- There was discussion
- A friendly amendment was offered by Regent Hawks to include item IX-B-11 along with items IX-B-8, IX-B-9 and IX-B-10. Item IX-B-10 includes parking fees and if the Board approves it they are, in essence, approving IX-B-11.
- The friendly amendment was accepted by Regent Wilson and Regent Seiler
- IX-B-11 Approve the Parking Use Agreement for the Crossroads Parking Garage for the 2008-09 academic year
- There was discussion
- Action Student Opinion: Voting Aye: Seiler, Zimmer, Hruza, and McKnight. Voting Aye: Hawks, Phares, Schroeder, Whitehouse, Wilson, Ferlic, and Hassebrook. Absent: McClurg. Motion carried.
- Motion Moved by Schroeder and seconded by Hawks to approve item IX-B-12
- IX-B-12 Approve the Optional Board Plan available to housing students and the Room Rates for Scott Village and Maverick Village for the 2008-09 Academic Year
- Action Student Opinion: Voting Aye: Zimmer, Hruza, McKnight, and Seiler. Voting Aye: Phares, Schroeder, Whitehouse, Wilson, Ferlic, Hassebrook, and Hawks. Absent: McClurg. Motion carried.
- Motion Moved by Hawks and seconded by Phares to approve item IX-B-13

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IX-B-13 Approve the continuation of the current Room and Board Rates for 2008-09 at the Nebraska College of Technical Agriculture

Action Student Opinion: Voting Aye: Hruza, McKnight, Seiler, and Zimmer. Voting Aye: Phares, Schroeder, Whitehouse, Wilson, Ferlic, Hassebrook, and Hawks.. Absent: McClurg. 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 Laboratory, Student, and Miscellaneous Fees for 2008-2009

There was discussion

IX-D-2 Bids and Contracts

Regent Phares requested an alternative presentation of the information provided on construction projects that are included on this report in the future

IX-D-3 Changes in Construction Projects by Budget or Use Categories

IX-D-4 Residence Hall Room and Board Rates for the Academic Year 2008-09 at the University of Nebraska at Kearney

IX-D-5 Naming two rooms in the Weigel Williamson Center for Visual Rehabilitation at the University of Nebraska Medical Center

IX-D-6 Naming of the Jackie Gaughan Multicultural Center at the University of Nebraska-Lincoln

IX-D-7 Design report for the renovation of Abel-Sandoz Residence Halls project at the University of Nebraska-Lincoln

IX-D-8 Design report for the Hubbard Family Foundation Rhino Barn at the Ashfall Fossil Beds State Historical Park near Royal, Nebraska

Chairman Hassebrook accepted the reports

**XI. ADDITIONAL BUSINESS**

At the March 7 meeting, Regent Phares commended the students on each campus for their work in the community. He asked the campus administrators to bring to the Board a list of student service projects and that the Board consider a resolution of appreciation acknowledging the students for their many hours of community involvement. Provost Pratt indicated that the report is in progress.

President Milliken met with Margaret Spellings, Secretary of Education in Washington D.C. on April 10 to discuss issues related to access, accountability and the current credit situation. They discussed her authority and her plans for contingency with lending limits and the lender of last resort programs. He feels somewhat assured that the administration and now the Congress through action in the House and expected action in the Senate on new lending authority, limits and funding authorization will help prevent any impact on our students who will be enrolling in the fall and their ability to have the credit available to them.

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President Milliken expressed his appreciation to Ron Withem, Associate Vice President for University Affairs and Director of Governmental Relations, his colleagues, the Board, faculty, and students for their work with the Legislature this session.

The next meeting of the Board of Regents will be held on Friday, June 13 2008.

Closed Session

Motion

Moved by Seiler and seconded by Ferlic 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 subjects:

- (a) A strategy session with respect to real estate improvements and possible purchases;
- (b) Proposed private gifts to the University of Nebraska Foundation for the benefit of the University; and
- (c) A personnel matter involving members of the University staff.

Action

Student Opinion: Voting Aye: McKnight, Seiler, Zimmer, and Hruza. Voting Aye: Schroeder, Whitehouse, Wilson, Ferlic, Hassebrook, and Hawks. Absent: McClurg. Motion carried.

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

- (a) A strategy session with respect to real estate improvements and possible purchases;
- (b) Proposed private gifts to the University of Nebraska Foundation for the benefit of the University; and
- (c) A personnel matter involving members of the University staff.

The Board went into closed session at 2:53 p.m. and reconvened the open meeting at 3:58 p.m.

#### **ADJOURNMENT**

There being no further business, the meeting was adjourned by Chairman Hassebrook at 3:59 p.m.

Respectfully submitted,

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Donal J. Burns  
Corporation Secretary

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Chuck Hassebrook  
Chairman of the Board