July Meeting, 1992

2. The terms of the agreements include:

The letter agreement (1) will request the University to perform certain services as described in MERIT's proposal to NSF. The project will be conducted in compliance with NSF policies and with University policies regarding other sponsored activity conducted by the University. MERIT's obligations under its grant will be carried out by University employees. The University will receive $375,000 over approximately an eighteen-month period ending November 30, 1993. The proposed scope of work and budget are described in the MERIT's grant proposal.

The subgrant (2) will be issued subject to conditions imposed by the Federal Aviation Administration. The project will be conducted in compliance with FAA policies and with University policies regarding research conducted at the University. The University will receive $150,872 over approximately a twelve-month period beginning upon execution of the grant agreement. The proposed scope of work and budget are described in the MERIT's grant proposal.

3. Neither Van Houweling nor Aupperle receive a salary or other pecuniary benefit from MERIT and neither is receiving any portion of their University salary from the performance of this subcontract.

Proposed Name Change for School of Natural Resources

Regent Baker moved approval of a change in the name of the School of Natural Resources to the School of Natural Resources and Environment. Regent Smith seconded the motion, and following some discussion, it was approved unanimously, with the understanding that the change will require revisions to the Regents' Bylaws.

Revision of Regental Policy Regarding Research Using Recombinant DNA

Vice President Kelly reported that in response to regental action at the June Regents' Meeting, he had considered the administrative burden imposed by existing Regental policy regarding research using recombinant DNA and was recommending that the two requirements that go beyond those required by existing laws and regulations be removed from Regental policy. He stated that the vice president for research would notify the Regents of any major new developments, such as the initiation of research requiring the highest containment level.

Following some discussion, Regent Brown moved changing the Regental Policy on Recombinant DNA so as to read:

The University of Michigan shall adhere to all applicable federal and state laws regarding the approval, conduct, and safety monitoring of recombinant DNA research. The vice president for research shall report to the Regents upon request or when it is deemed appropriate by the vice president. The vice president will report to the Regents on any initiation of research requiring containment above BL3.
July Meeting, 1992

Regent Power seconded the motion, and it was approved unanimously.

History and Traditions Committee

The Regents received information on the establishment of the History and Traditions Committee.

401 East Stadium Boulevard, Ann Arbor

Regent Smith moved approval of acquisition of the property at 401 East Stadium Boulevard, Ann Arbor, at a price of $3.3 million, recognizing the University will be granted a first right of refusal to acquire the single story, brick office building at a later date and the existing tenant of the office space will be granted two years of free rent. Regent Varner seconded the motion.

Regent Baker observed that although he has always thought the University should acquire that property, he was troubled by the price and by the fact that the office building is not included in the transaction. Vice President Womack expressed agreement with Regent Baker’s sentiments, but stated that there were no other options. Regent Varner expressed the same concerns, but said that the property is valuable enough to the University to justify paying the premium price. She wished the price of the building, which is to be purchased in the future, could have been negotiated at this time.

Vice President Womack responded that the proposed transaction had been vigorously pursued, and this was the best arrangement that could be obtained.

Following further discussion, the vote was taken, with Regents Brown, Power, McFee, Smith, and Varner in favor and Regent Baker abstaining.

Proposed Research Subcontract between the University of Michigan and Stanford University

On a motion by Regent Smith, seconded by Regent Varner, all six Regents present unanimously approved a subcontract between the University of Michigan and Stanford University, which is issued under a prime contract between the University of Michigan and the National Aeronautics and Space Administration (NASA) involving the Shuttle Electrodynamic Tether System (SETS).

Because the project director of SETS, Peter M. Banks, is an employee of the University of Michigan and holds a no-salary appointment at Stanford University, this arrangement 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 will be Stanford University and the Regents of the University of Michigan.

2. The subcontract will obligate Stanford University to complete a portion of the SETS experiment. Specifically, Stanford will provide scientific expertise in the instrument function and data analysis activities. A total subcontract of $322,125 is planned over the one-year period. The proposed scope of work and budget are described in the subcontract.