

**Minutes of the Formal Meeting
of the
Oakland University Board of Trustees
April 3, 2002**

- Present:** Chair Ann V. Nicholson; Trustees Henry Baskin, Penny M. Crissman, David J. Doyle, Louis Grech-Cumbo, and Rex E. Schlaybaugh, Jr.
- Absent:** Trustees David T. Fischer and Linda S. Hotchkiss
- Also Present:** President Gary D. Russi; Vice Presidents Susan Goepf, Lynne C. Schaefer and Mary Beth Snyder; Interim Vice President Virinder K. Moudgil; General Counsel and Secretary to the Board of Trustees Victor A. Zambardi and Assistant Rhonda G. Saunders; and Student Liaison Kimberly A. Langley

I. Call to Order

Chair Ann V. Nicholson called the meeting to order at 2:08 p.m. in the Auditorium of the Elliott Hall of Business and Information Technology.

II. Roll Call

Mr. Victor A. Zambardi, General Counsel and Secretary to the Board of Trustees, conducted a roll call. All of the Board members were present except Trustees David J. Doyle, David T. Fischer, and Linda S. Hotchkiss. Trustee Doyle joined the meeting at the time noted in the minutes.

III. President's Report

President Gary D. Russi reported the following information:

- Ms. Sarah Mullin, Ms. Willie Mae Jones, Mr. Hazen Wilcox, and Ms. Julie Delaney were recognized as the December, January, February, and March Employees of the Month, respectively.
- The University Student Congress conducted a successful on-line vote for Student Congress leaders. The new officers are Mr. Brian Tomina, President, and Ms. Michelle Jamian, Vice President.

- The April 17, 2002 Founder's Day event will include the following activities:
 - Dedicate the new Varner Memorial Garden and sculpture.
 - Initiate a new seminar series by celebrating the arts.
 - Conduct the Annual Faculty Recognition Luncheon.
 - Open the new Graduate Admissions Office in North Foundation Hall.
 - Break ground for the university's first parking structure.

Chair Nicholson thanked President Russi for his report and congratulated the honorees for their accomplishments and commendable service to the university. She also congratulated the new Student Congress officers and commented that she is looking forward to working with them throughout the next year.

Trustee Doyle joined the meeting at 2:19 p.m.

IV. Action Items

A. Consent Agenda

Chair Nicholson moved approval of the following recommendations:

1. Approval of the Minutes of the Formal Meeting of December 5, 2001

2. Approval of the Minutes of the Special Formal Meeting of March 6, 2002

3. Approval of University Personnel Actions

New Appointment

Aloi, Daniel N., Assistant Professor of Engineering (\$70,000) (new appointment filling a vacant authorized position) effective January 1, 2002.

Emerita Appointment

Bingham, Jane M., Professor Emerita of Education, effective April 3, 2002.

Administrative Appointments

Dean - Effective October 1, 2001 through August 1, 2006.

<u>College/School</u>	<u>Dean</u>	<u>Term</u>
School of Business Administration	John C. Gardner	2 nd

Department Chairs

<u>Department</u>	<u>Chair</u>	<u>Term</u>
Music, Theatre & Dance	Karl E. Boelter	January 1, 2002 – August 14, 2004 (1st term)
Biological Sciences	John D. Cowlshaw	February 15, 2002 – August 14, 2004 (1st term)

Appointments Withdrawn

Amira, Abbas, Instructor in Engineering effective August 15, 2001.

Blackhawk, Terry M., Assistant Professor of Education effective January 1, 2002.

Faculty Promotions

The faculty bargaining agreement requires that certain reviews for possible promotion be completed by April 15. The following recommendations are made by the President and Interim Vice President for Academic Affairs and Provost. Standard review processes were followed.

Optional Promotions – Effective August 15, 2002:

Associate Professors with tenure considered for promotion to full Professor:

Callaghan, Joseph H.	Accounting and Finance	Promote
Connery, Brian A.	English	Promote
Mabee, Barbara	Modern Languages and Literatures	Promote
Wiggins, Jacqueline H.	Music, Theatre & Dance	Promote

Faculty Reappointment

The faculty agreement requires that certain reviews for possible reemployment and promotion be completed by March 1. The following recommendation is made by the President and Interim Vice President for Academic Affairs and Provost. Standard review processes were followed.

Reappointment (probationary) - Effective August 15, 2002, through August 14, 2004:

Assistant Professor eligible for reemployment to a final, two-year probationary term as Assistant Professor:

Kubicek, Paul J.	Political Science	Reemploy
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Change of Status

Berne, Jennifer I., from Visiting Assistant Professor of Education to Assistant Professor of Education, School of Education and Human Services, effective August 15, 2002.

Bhatt, Bhushan L., from Professor of Engineering and Interim Dean, School of Engineering and Computer Science to Professor of Engineering and Associate Dean, School of Engineering and Computer Science, effective October 15, 2001.

Gillespie, Michael E., from Associate Professor of Theatre and Chairperson, Department of Music, Theatre and Dance to Associate Professor of Theatre, effective January 1, 2002.

Grudzien, Thaddeus A., from Associate Professor of Biological Sciences and Acting Chairperson, Department of Biological Sciences to Associate Professor of Biological Sciences, effective February 15, 2002.

Larson, Cathy A., from Visiting Instructor in Physical Therapy to Adjunct Instructor in Physical Therapy, effective January 1, 2002.

Latcha, Michael A., from Associate Professor of Engineering and Associate Dean, School of Engineering and Computer Science to Associate Professor of Engineering, effective November 15, 2001.

Mayer, Donald O., from Professor of Management and Associate Dean, School of Business Administration, to Professor of Management, effective January 1, 2002.

Schwartz, Howard S., from Professor of Management and Interim Chairperson, Department of Management and Marketing to Professor of Management, effective January 1, 2002.

Corrections

Papzian, Mary A., Administrative Leave effective September 1, 2001 through April 30, 2002 (previously reported effective September 1, 2001 through August 31, 2002).

4. Approval of Recommendation of Final Undergraduate and Graduate School Reports dated December 18, 2001

(A copy of the Final Undergraduate and Graduate School Reports dated December 18, 2001 is on file in the Board of Trustees Office.)

5. Recommendation to Accept Gifts to Oakland University and Oakland University Foundation for the Periods of October 1 through October 31, 2001, November 1 through November 30, 2001, December 1 through December 31, 2001, January 1 through January 31, 2002, and February 1 through February 28, 2002, and to Accept Grants and Contracts to Oakland University for the Periods November 1, 2001 through December 31, 2001 and January 1, 2002 through February 28, 2002

(A list of the gifts, grants and contracts is on file in the Board of Trustees Office.)

Trustee Rex E. Schlaybaugh, Jr. seconded the motion. The motion was unanimously approved by those present.

B. Approval of Alfred G. Wilson and Matilda R. Wilson Awards and Human Relations Award

Dr. Mary Beth Snyder, Vice President for Student Affairs, stated that the Alfred G. and Matilda R. Wilson Awards are presented annually to an Oakland University senior man and woman who have contributed as scholars and leaders during their undergraduate years. Dr. Snyder also noted that the Human Relations Award is presented annually to a graduating senior who has contributed significantly to the improvement of intergroup relations on the campus.

Dr. Snyder presented the following resolutions for Board approval:

A Resolution of Commendation to Mr. Adam Lytle Kochenderfer

WHEREAS, Mr. Adam Lytle Kochenderfer entered Oakland University as a freshman to pursue majors in both Political Science and English from Dakota High School in Macomb; and

WHEREAS, Mr. Kochenderfer demonstrated academic excellence as a member of the Golden Key International Honor Society; and

WHEREAS, Mr. Kochenderfer demonstrated leadership capabilities and commitment to the University as Student Liaison to the Board of Trustees, Student Body President, served as President of the Oakland University Law Society and PAUSE mentor; received the Center for Student Activities Lifetime Achievement Award, Oakland University Alumni Scholarship and served on the Academic Review Committee and University Senate; and

WHEREAS, Mr. Kochenderfer has been selected as the 2002 recipient of the Alfred G. Wilson Award given annually to a graduating senior who has maintained high academic standards, who has demonstrated extraordinary leadership capabilities and involvement in the Oakland University community, and who has expressed social concern; now, therefore, be it

RESOLVED, that the Board of Trustees expresses its appreciation to Mr. Adam Lytle Kochenderfer for his commitment to campus life at Oakland University; and, be it further

RESOLVED, that the Board of Trustees commends Mr. Adam Lytle Kochenderfer for the quality of his leadership and extends to him its best wishes for continued success in all of his future endeavors.

A Resolution of Commendation to Ms. Lani Morgan

WHEREAS, Ms. Lani Morgan entered Oakland University as a freshman from Mount Zion High School in Jonesboro, Georgia to pursue a major in Communication; and

WHEREAS, Ms. Morgan demonstrated academic excellence as a member of the Honors College; and

WHEREAS, Ms. Morgan demonstrated leadership capabilities and commitment to the University and greater community as a Trustee Academic Success Scholar; an Honors College Advisory Council member; as an Office of Equity Peer Mentor; served as Resident Assistant, Hispanic Celebration Volunteer, and founding member of Oakland University's 'The Set' Improvisational Troupe; and

WHEREAS, Ms. Morgan has been selected as the 2002 recipient of the Matilda R. Wilson Award given annually to a graduating senior who has maintained high academic standards, who has demonstrated extraordinary leadership capabilities and involvement in the Oakland University community, and who has expressed social concern; now, therefore, be it

RESOLVED, that the Board of Trustees expresses its appreciation to Ms. Lani Morgan for her commitment to campus life at Oakland University; and, be it further

RESOLVED, that the Board of Trustees commends Ms. Lani Morgan for the quality of her leadership and extends to her its best wishes for continued success in all of her future endeavors.

A Resolution of Commendation to Mr. Napoleon Harrington

WHEREAS, Mr. Napoleon Harrington entered Oakland University as a freshman from Flint Southwestern Academy; and

WHEREAS, Mr. Harrington distinguished himself as a conscientious student leader committed to increasing unity and understanding among diverse groups of students; and

WHEREAS, Mr. Harrington demonstrated leadership capabilities and commitment to the University and the community through his unwavering dedication to improve race relations and multi-cultural understanding as Vice President of the Association of Black Students and founder and Vice President of Men of Umoja (Unity); served as a Resident Hall Director and Admissions Liaison, Orientation Assistant, King/Chavez/Program Student Coordinator; served as President of Apostolic Lighthouse Campus Ministries and received the Sidney Fink Memorial Award; and

WHEREAS, Mr. Harrington has been selected as the 2002 recipient of the Human Relations Award given annually to a graduating senior who has made an outstanding contribution to intergroup understanding and conflict resolution in the Oakland University community; now, therefore, be it

RESOLVED, that the Board of Trustees expresses its appreciation to Mr. Napoleon Harrington for his commitment to campus life at Oakland University; and, be it further

RESOLVED, that the Board of Trustees commends Mr. Napoleon Harrington for the quality of his leadership and extends to him its best wishes for continued success in all of his future endeavors.

Trustee Penny M. Crissman, seconded by Trustee David J. Doyle, moved approval of the resolutions. Those present unanimously approved the motion.

Chair Nicholson congratulated the recipients of the awards.

C. Approval of Agreement with Comcast Cablevision to Provide Cable Television Services to Residence Halls and University Apartments

Chair Nicholson stated that this item was tabled at the last Board meeting, and she asked for a motion to remove it from the table.

Trustee Doyle, seconded by Trustee Crissman, moved to remove this item from the table.

The motion to remove the item from the table was unanimously approved by those present.

Dr. Mary Beth Snyder, Vice President for Student Affairs, stated that this item was tabled pending further negotiations with Comcast over four contract provisions. Since the General Counsel conducted the discussions with Comcast, she deferred to him for further commentary.

The General Counsel briefly addressed the four contract provisions. The first provision was the clarification and fixing of the annual rate increases at the lesser of 3% or the percent increase for Comcast's residential customers. The second provision was Comcast's willingness to guarantee that the programming available to students would be the identical to the programming available to Comcast's other residential customers. The third provision was Comcast's unwillingness to fix the rates for expanded services other than by execution of a separate bulk bill addendum. However, such an agreement would have an impact on the room and board rates, given that just adding converter boxes into that equation adds about \$95,000 to the cost. The better thought process was that we would go back and see if the students were willing to assume that cost in their room and board rates. To that extent, specific language was added to the agreement permitting the university to "reopen" that issue to negotiate a bulk bill addendum and fix that rate of expanded services. The fourth provision was Comcast's unwillingness to add a termination without cause provision. However, the University's underlying concern was that transmission technology could change, and the University would want to take advantage of the most innovative technology. In that regard, Comcast agreed to provide the University with any comparable products and services available in connection with cable transmission equipment. That, of course, would generate a potential default of the agreement if Comcast failed to provide such products or service. All of those changes are reflected in the document before the Board.

Trustee Henry Baskin stated that he was concerned that the 3% is tied to the City of Auburn Hills or Rochester and not statewide. Mr. Zambardi responded that the language includes an "or" clause which reads "the lesser of 3% 'or' the percent imposed upon their residential customers." He noted that "city" is a defined term under the contract to be their franchise area of Auburn Hills and Rochester Hills, and not statewide. Trustee Baskin added that he believed the rate could be less if the

residents in this area did what the residents in other areas have done by negotiating less rates comparable to those charged in the State or the eastern portion of Michigan. Mr. Zambardi stated that he would be happy to try to negotiate such a provision, although he questioned the willingness of Comcast to tie their franchise area to other sectors of the State. Trustee Baskin stated that it was not necessary, although he wanted to ensure that the students get the best rate possible.

Dr. Snyder commented that the current contract rate is significantly less than what is paid by Auburn Hills and Rochester Hills community members.

Trustee Baskin thanked Mr. Zambardi for his efforts to renegotiate the contract in the best interest of the residents who will be using the services.

Trustee Doyle moved approval of the following resolution:

RESOLVED, that the Vice President for Finance and Administration be authorized to execute the proposed Service Agreement (Attachment A), the proposed Bulk Billing Addendum (Attachment B), and the Memorandum of Agreement (Attachment C), with Comcast for residential cable television services; and, be it further

RESOLVED, that the total annual cost of the cable television service in the first year shall not exceed \$139,920.

(Copies of Attachments A, B, and C are on file in the Board of Trustees Office.)

Trustee Crissman seconded the motion.

The motion was unanimously approved by those present.

D. Approval of Authorization for Two-Month Contract Extension with ARAMARK Educational Services Inc. for Residential and Retail Food Service

Dr. Snyder stated that last month she had reported to the Board that the university had decided to enter into negotiations with ARAMARK Educational Services for campus-wide food service for another five-year term. She noted that in order to complete the negotiations over contract terms and language, both parties have agreed to extend the existing contract by two additional months to June 30th. Dr. Snyder added that all existing program and financial terms would remain in effect.

Trustee Baskin moved approval of the following resolution:

RESOLVED, that the vice President for Finance and Administration is authorized to execute the Third Amendment to Food Service Agreement between ARAMARK Educational Services, Inc. and Oakland University attached hereto.

(A copy of the agreement is on file in the Board of Trustees Office.)

Trustee Louis Grech-Cumbo seconded the motion.

Trustee Crissman commented that she had concerns about the quality of ARAMARK's food service during the food service bid process, but the cost to the students was the primary goal.

Trustee Schlaybaugh questioned the length and total aggregate value of the contract.

Ms. Peggy Cooke, Director of Auxiliary Services, replied that ARAMARK will receive \$5 Million gross per year of the five-year contract, with a \$2 Million net cost to the university.

Trustee Grech-Cumbo asked how those figures compare to other institutions, and whether the university benchmarked it against others. Dr. Snyder replied that the university has not recently conducted benchmarking against others, but that it does keep track of other board rates at Michigan schools. She added that the university knows which schools work with management firms and which schools do self-operations, and she has a good sense that Oakland University is comparable to its peers.

Trustee Grech-Cumbo commented that he believes that margin sounds low based on the revenue and on what that industry does. Ms. Cooke replied that different components are looked at in terms of the net cost to the university and that ARAMARK's investment dollars and the retail commission are netted against what would be paid for the board.

Dr. Snyder added that the goal is to keep the room and board rates increases at a reasonable level.

Trustee Grech-Cumbo asked if Trustee Crissman's concerns about quality will be addressed in the contract language, and Dr. Snyder replied that it will be addressed as a part of a set of performance objectives.

The motion was unanimously approved by those present.

E. Approval of Authorization to Develop Schematic Designs for an Oakland Center Expansion

Trustee Baskin stated that he wanted to remind the Board and the university community that the current capital projects include the \$31.5 Million School of Education and Human Services Building construction to be completed in August 2002, the \$21 Million Student Apartment project, the \$6 Million parking structure, and the

\$5 Million primary electrical power upgrade. He noted that all of these projects will hopefully serve to improve the quality of education and student life at the university.

Trustee Baskin stated that there have been numerous discussions about the need to expand the Oakland Center to accommodate student enrollment growth. He noted that, as a result, the university will require design services to expand the Oakland

Center by 29,097 additional square feet to address current and anticipated student body growth up to 20,000 students. The expansion will include a dining area/multipurpose space with 400 seats, coffee shop/lounge with 100 seats, restroom expansion, catering space improvements, student organization and activity offices and event space, computer lab and lounge with 24-hour access, and renovated and expanded kitchen and catering areas as discussed by the Baker Group at the last Working Session. Based on preliminary work by TMP and the Baker Group, the project will cost about \$8 Million. The Funds will come from three sources: Bond Proceeds: \$6.8 Million; Food Service Co. Investment: \$900,000; and Oakland Center Budget Reserves: \$300,000.

Trustee Baskin moved approval of the following resolution:

RESOLVED, that the Vice President for Finance and Administration be authorized to proceed with the completion of design for the Oakland Center phase-one expansion consistent with the project scope and budget; and, be it further

RESOLVED, that the contract for design services shall be reviewed and approved by the office of the General Counsel prior to execution and shall be in compliance with the law and university policies and regulations and shall conform to the legal standards and policies of the Board of Trustees; and, be it further

RESOLVED, that the Vice President for Student Affairs shall return to the Board with schematic designs for final approval; and, be it further

RESOLVED, that the total cost of design work including architect, reimbursables, consultants, site survey and building commissioning shall not exceed \$650,000.

Trustee Doyle seconded the motion.

Trustee Baskin moved that the third resolved clause be amended to include the following language:

“within 60 days from the date the contract is executed.”

Trustee Baskin added that the 60-day period is from the date of execution of the agreement.

Trustee Crissman seconded the amended motion.

Trustee Schlaybaugh asked if selection of the final architect will be approved by the Board. Ms. Schaefer replied that the three finalists were just interviewed and a decision is expected soon. Trustee Schlaybaugh asked if the selection of the architect will be the administration's decision and not the Board's decision. Ms. Schaefer replied that Trustee Schlaybaugh was correct. Trustee Schlaybaugh asked if that means of approval is a change in policy, since the Board approved architectural recommendations on some of the other major construction projects, including construction managers. Ms. Schaefer responded that typically the Board has approved those selections because the process has been completed by the time the item came to the Board. She noted that the university has been on a fast track with this project, and anticipates a final decision very soon.

Trustee Schlaybaugh commented that all of these contracts have the phrase "shall conform to the legal standards and policies of the Board of Trustees." He noted that he, Mr. Zambardi, and Trustee Baskin have been reviewing the university's contracting policy and determined that there is really no standard to say whether the administration should bring an architectural firm or a construction manager to the Board for selection approval. Trustee Schlaybaugh commented that when we start to get into contracts such as the food service contract that has \$25 million in revenue over five years, he believes such a set of standards needs to be developed. He added that the Board would feel more comfortable if that could be brought to a conclusion so the Board knows exactly when specific proposed architects, contracting firms, or suppliers will be submitted for Board approval and what amount triggers them. Trustees Baskin and Grech-Cumbo concurred with Trustee Schlaybaugh that those decisions should continue to come to the Board for approval.

Ms. Schaefer stated that there are not a lot of design elements in this project, and that it is primarily a renovation and a bump out of an existing building. She noted that there will be some design elements and the intent is that the Board will see those in the schematic design 60 days from the time that the contract is executed. Ms. Schaefer added that the same process was followed on this project as on other projects in determining the final three candidates, who are TMP, Duce Simmons, and SOE. She commented that she believes any one of the three architects would do an outstanding job.

Trustee Baskin stated that he moves this item with the hope that there would be some prudence in the choice of architectural firms.

The motion was approved with five affirmative votes and one negative vote by Trustee Grech-Cumbo. The amended motion was also approved with five affirmative votes and one negative vote by Trustee Grech-Cumbo.

F. Appointment of Distinguished Professors

Trustee Crissman stated that the Board would like to recognize the following three distinguished professors: Sheldon Appleton, Ronald Cramer, and Jane Donahue Eberwein. She called on Dr. Virinder Moudgil, Vice President for Academic Affairs and Provost, to present a brief biography of the three honorees.

Dr. Moudgil stated that it is his honor to share a summary of the numerous accomplishments of the three truly distinguished colleagues. The following are his comments on the honorees:

Sheldon (Shelley) Appleton, Professor of Political Science, is a recognized authority on presidential politics and public opinion. He is an exemplary teacher, who won Oakland University's first Teaching Excellence Award, and he is an energetic provider of service support to students, the university, and the local community. Professor Appleton's early scholarship focused on communist China and Taiwan, and includes a book on the study of U.S. China policy. His other book, *American Foreign Policy – An Introduction with Cases*, is a widely adopted textbook. At various times during his career, Professor Appleton has developed his expertise through appointments as a United States Foreign Service officer, as a Ford Foundation training fellow in East Asia, and a Visiting Professor at the University of Hawaii. Professor Appleton's low-key but highly effective teaching style is legendary. In the classroom, he skillfully encourages interaction, rationale discourse, and discovery, and he challenges students to reconsider unsubstantiated assumptions and to support generalization with evidence. He has also served admirably as Associate Dean of the College of Arts and Sciences and as Associate Provost for Undergraduate Studies. While holding these administrative positions, he continued to teach a course almost every semester. Professor Appleton is often consulted by the press and by the community and university organizations for his expertise on electoral politics and public policy.

Ronald Cramer, Professor of Education, is widely published and a recognized authority on the teaching of language arts. He is an exemplary teacher, an energetic leader of the faculty association, and a builder in the School of Education and Human Services. Between 1968 and the present, he has published seven books on reading and language arts -- the most recent being *Creative Power – The Nature and Nurture of Children's Writing*. Professor Cramer has also published 68 scholarly articles and book chapters. He has been author or co-author of 13 reading and spelling textbooks. In 1996, he received the Oakland University Teaching Excellence Award. He has directed the doctoral dissertations of 25 students, and has served on doctoral committees of another 18 students as part of Oakland's Ph.D. program in Reading and Language Arts. He has been deeply committed to the goals of the faculty association and has served two terms as the president. He has also served four times on the Faculty Review and Promotion Committee and numerous other committees vital to the smooth functioning of the academic governance. Because of his expertise and extensive publication, and his work with teaching professionals through Oakland

University graduate programs, Professor Cramer has exerted a significant positive influence on the teaching of reading and language arts in southeastern Michigan and throughout the nation.

Jane Donahue Eberwein, Professor of English, is an internationally recognized authority on the poetry of Emily Dickinson. She is a demanding and widely admired teacher and a paragon of dedicated professional and university service. Her long list of publications on American literature include most recently serving as editor of an Emily Dickinson encyclopedia, a monumental and authoritative undertaking that will remain a tendered reference work for many years to come. As a teacher, Professor Eberwein is widely known to be rigorous and demanding, but also very supportive and dedicated to the success of her students. She extends her scholarly work into the classroom by helping students understand the complex social, cultural, and religious context of the study of American literature. The clarity and grace of Professor Eberwein's writing style has made her a valuable contribution in the area of service. During her 12 years as the Secretary of the University Senate her exclusively wrought minutes of the meetings have brought delight even while they have become a reliable record of academic governance. Professor Eberwein has served on and chaired a long list of important committees, most notably the University Committee on Undergraduate Instruction where her vast knowledge of undergraduate curriculum has become indispensable.

Dr. Moudgil commented that in honoring these three distinguished colleagues, we are honoring and acknowledging the potential of excellence in all of us.

Trustee Crissman moved approval of the following resolution:

RESOLVED, that the Board of Trustees approves the appointment of the following Professors to the rank of Distinguished Professor upon the conditions set forth in the Board of Trustees November 16, 1988 resolutions:

New Appointments

Appleton, Sheldon L., Distinguished Professor of Political Science, effective August 15, 2002.

Cramer, Ronald L., Distinguished Professor of Education, effective August 15, 2002.

Eberwein, Jane Donahue, Distinguished Professor of English, effective August 15, 2002.

Trustee Schlaybaugh seconded the motion. The motion was unanimously approved by those present. Chair Nicholson congratulated the new distinguished professors and commended the university for reinstituting this tradition.

G. Approval of Authorization to Proceed with Repair and Expansion of Parking Lot 11

Trustee Doyle stated that in the university's ongoing efforts to improve campus parking, a recommendation is proposed to expand Parking Lot 11, located near the upper athletic fields, from 75 to 200 parking spaces. He notes that the project will be competitively bid with the contract awarded in June 2002 and construction completed by mid-August 2002.

Trustee Doyle moved approval of the following resolution:

RESOLVED, that the Vice President for Finance and Administration be authorized to execute a contract with the lowest responsible bidder for the repair and expansion of Parking Lot 11; and, be it further

RESOLVED, that the contract shall be reviewed and approved by the Office of the General Counsel prior to execution, and shall be in compliance with the law and University policies and regulations and shall conform to the legal standards and policies of the Board of Trustees; and, be it further

RESOLVED, that the project budget shall not exceed \$275,000.

Trustee Grech-Cumbo seconded the motion.

Trustee Baskin questioned why this proposal is for \$275,000, when the overflow parking lot south of Pioneer Drive cost \$150,000. Ms. Schaefer replied that this project requires more construction work because of the wooded areas and poor soil in that location. She added that the hope is to not have to spend the full amount on the project.

Mr. Rusty Postlewaite, Associate Vice President for Facilities Management, stated that the criteria for Parking Lot 11 is different than it was for Parking Lot 37. He noted that the overflow was built as a temporary lot and was constructed for expediency with less base course and a shorter life than permanent construction. Parking Lot 11 will be a permanent construction for a longer life.

The motion was unanimously approved by those present.

H. Approval of Authorization to Contract for Utility Line Metering and Monitoring System

Trustee Doyle stated that utility costs continue to rise at the university and this proposal is designed to help monitor the university's utility usage for water, electric, and gas to reduce costs by allowing the university to efficiently manage usage. He noted that the proposed system will monitor the west campus utilities. It will include

the upgrade of existing campus metering for most of the campus' heating hot water, electricity, natural gas, and domestic water through connection to the existing campus Ethernet network. Trustee Doyle added that the net annual cost savings from the system are projected to be approximately \$160,000 and the total project cost of \$392,000 represents a payback period of less than 2.5 years for the project.

Trustee Doyle moved approval of the following resolution:

RESOLVED, that the Vice President for Finance and Administration be authorized to execute a contract with the lowest responsible bidder who meets the system specifications for the installation of utility metering and automated utility monitoring system; and, be it further

RESOLVED, that the contract shall be reviewed and approved by the Office of the General Counsel prior to execution, and shall be in compliance with the law and University policies and regulations and shall conform to the legal standards and policies of the Board of Trustees; and, be it further

RESOLVED, that the project budget for the project shall not exceed \$392,000.

Trustee Grech-Cumbo seconded the motion.

Trustee Schlaybaugh stated that this item seems to indicate that there will be other proposals to come before the Board for cost saving devices or expenditures. He asked Ms. Schaefer to elaborate on what those proposals are. Ms. Schaefer stated that the university has already identified a very large number of opportunities to reduce costs. She introduced the new Energy Manager, James Leidel, who joined the university eight months ago. Ms Schaefer stated that this project is the first step in order to effect many of the other changes that will result in big dollar savings over time in all of the utilities. She offered to share that information with the Board once the plans are completed.

Trustee Schlaybaugh inquired if this proposal was sold to the university as in the Viron project where a certain savings level was guaranteed, measured, and audited by the university. Ms. Schaefer responded that this would not be managed by a company, although a number of vendors provide this kind of service. She stated that the university actually identified this approach of metering utilities with a web-based monitoring system to better manage utilities.

Trustee Grech-Cumbo commented that, with the current world economy and last year's energy efficiency budget savings, he supports this project as a good business-thought process. He requested an annual report on the process cost and money savings of these initiatives. Ms. Schaefer stated that she would be happy to share those initiatives possibly as part of the annual budget process.

Trustee Schlaybaugh also requested that the annual report include the result of the investment and that someone be accountable for that expenditure, since there are other areas where the money could be spent on projects like this one where the university is spending capital with a specific payback.

The motion was unanimously approved by those present.

I. Approval of Authorization to Increase Solid Waste Disposal Purchase Order

Trustee Grech-Cumbo stated that Oakland University has a purchase order with Great Lakes Waste Services, representing a solid waste disposal contract covering the period July 1, 2000 to June 30, 2002, totaling \$151,882.80. He noted that the service was competitively bid prior to the award. The university has continued to experience growth and expansion, in addition to a rise in campus population. Because of these events and an unanticipated increase in auxiliary call-ins for trash pickups, during the first year of this contract the cost of trash pickups totaled \$105,481. The supplement to this purchase order to cover the estimated cost of trash pickups for the second year is \$135,000, thus exceeding \$200,000.

Trustee Grech-Cumbo moved approval of the following resolution:

RESOLVED, that the Vice President for Finance and Administration be authorized to execute a supplement to purchase order PC 000052 totaling \$135,000; and, be it further

RESOLVED, that purchase order PC 000052 will not exceed \$250,000.

Trustee Doyle seconded the motion.

In response to a question posed by Trustee Baskin, Ms. Schaefer stated that in the first year of the contract, the total of the original award was \$151,000 for two years, and that \$105,000 or two-thirds of it was used up in the first year. Thus, the university needs to increase the original award of \$151,000 to \$250,000 in order to meet the needs for the second year. Ms. Schaefer noted that the reason for the increased cost is because the university has asked Great Lakes to exceed the originally anticipated services.

Mr. Postlewaite added that the contract of \$151,000 is based on so many size containers and so many locations with so many pickups.

Trustee Baskin asked why the service went over budget, and Ms. Schaefer replied that campus population expansion and additional unanticipated campus activities resulted in more trash.

Ms. Schaefer added that funding for the increase will be from existing university funds, such as the Auxiliary units (housing, golf course, Oakland Center, Health Center, and Athletics revenues), that are outside of the General Fund.

Trustee Baskin inquired if the university has another bid for this service, since the current contract ends on June 30, 2002. Ms. Schaefer replied that the project will be rebid effective July 1, 2002, and the next two-year contract will come back to the Board during the May/June sequence.

Ms. Schaefer also informed the Board that the additional service was based on a number of factors and that more detail on where the demand fell can be provided to the Board. She noted that it is her understanding that it was primarily in the Auxiliary units, such as housing and the Oakland Center, as their business has grown greatly over the last couple of years.

Trustee Baskin cautioned the administration to be more conscious of ways to save money to accommodate projects such as this one, since the State of Michigan has mandated that tuition rates must remain at a certain level in order for institutions to receive certain appropriations.

Chair Nicholson inquired about whether efforts have been taken to recycle more or to figure out ways to reduce the amount of trash. Ms. Schaefer responded that some recycling programs have been instituted through Vice President Snyder's area, but they are still limited because of their expense. Chair Nicholson added that there may be possibilities to reduce trash cost if the cost of recycling is still less than the cost of the trash pick up.

Trustee Crissman expressed concern over the bid process for campus trash collection, since many trash companies are limited now with many of them combining their businesses. Ms. Schaefer replied that bids for this service will be received within the next month.

The motion was approved with five affirmative votes and one abstention by Trustee Baskin.

J. Approval of Authorization of Reserve for Campus Facilities Investment Earnings

Trustee Schlaybaugh stated that in December 1997 the Board approved a plan to invest the "campus facilities reserve" in the same manner the endowment was invested. In addition, a Board resolution was passed authorizing the expenditure of earnings beyond the Higher Education Price Index to be expended for the specific purposes of the Campus Facilities Reserves. Trustee Schlaybaugh noted that the earnings, as a result of that investment and spending authorization, have been volatile and have not provided predictable amounts of money to spend on campus maintenance matters. Therefore, the administration is recommending adoption of a new spending policy where 5% of the investment earnings are spent on a twelve-quarter-moving-average, which would allow a predictable amount of money to be used for expenditures out of Campus Facilities Reserve.

Trustee Schlaybaugh moved the approval of the following resolution:

WHEREAS, the Oakland University Board of Trustees wishes to see consistent, annual investment in the effort to mitigate deferred maintenance requirements of the University; and

WHEREAS, the Board has previously established a fund entitled the "Reserve for Campus Facilities" and directed that this fund be invested as part of the endowment pool; now, therefore, be it

RESOLVED, that a spending policy for this fund be implemented beginning fiscal year 2002 that allows an annual expenditure equal to five percent of a twelve-quarter-moving-average market value at the beginning of each quarter, with a one-quarter lag.

Trustee Doyle seconded the motion.

Trustee Grech-Cumbo asked if the expenditure of this money will be reported with the General Fund Budget. Ms. Schaefer replied that it will not be reported in the General Fund, since it is not a General Fund revenue source, but a Plant Fund source. She stated that she could provide the Board with a list of the projects that are being funded, since they are prioritized on an annual basis. Mr. Steve W. Roberts, Associate Vice President for Finance and Administration, added that the unaudited portion of the financial statements does show those transfers, although it is very detailed and it may be difficult to discriminate which data is exactly from this fund. He stated that a separate report would be most beneficial to the Board.

In response to a question from Trustee Grech-Cumbo, Ms. Schaefer stated that the endowment is currently about \$4 Million, with \$200,000 a year available for use in addition to \$450,000 from General Fund allocation.

Trustees Schlaybaugh and Grech-Cumbo requested that the list of proposed projects be provided to the Board along with the General Fund Budget material.

The motion was unanimously approved by those present.

V. Discussion of June 5, 2002 Board of Trustees Formal Meeting Agenda

Trustee Baskin requested that the June 5, 2002, agenda include an item on the administration's initiative to reduce cost of existing foods and services that are supplied to the university. In addition, he asked for information on the campus security force, given the increases in student residents in the student apartments.

Trustee Grech-Cumbo requested information on proposed infrastructure costs to accommodate increased enrollment.

Chair Nicholson stated that if any Board member has additional changes or questions regarding the June 5, 2002 Board agenda, please contact the Secretary to the Board of Trustees.

VI. Other Items that May Come Before the Board

There were no other items presented to the Board.

VII. Adjournment

Chair Nicholson adjourned the meeting at 3:33 p.m.

Submitted,

Approved,

Victor A. Zambardi
Secretary to the Board of Trustees

Ann V. Nicholson
Chair, Board of Trustees