

**Minutes of the Formal Meeting  
of the  
Oakland University Board of Trustees  
October 4, 2006**

- Present:** Chair Dennis K. Pawley; Vice Chair David T. Fischer;  
Trustees Henry Baskin, David J. Doyle, Penny M. Crissman,  
Jacqueline S. Long, and Ann V. Nicholson
- Absent:** Trustee Rex E. Schlaybaugh, Jr.
- Also Present:** President Gary D. Russi; Vice Presidents John W. Beaghan,  
Susan Davies Goepp, Mary Beth Snyder, and Virinder K. Moudgil;  
General Counsel and Secretary to the Board of Trustees  
Victor A. Zambardi and Assistant Rhonda G. Saunders; and  
Student Liaisons Frederick A. DeNault and James V. Gammicchia

**A. Call to Order**

Chair Dennis K. Pawley called the meeting to order at 2:05 p.m. in the Auditorium of Elliott Hall of Business and Information Technology.

**B. 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 Trustee Rex E. Schlaybaugh, Jr.

**C. Action Items**

**Tab 1. Consent Agenda**

**Tab 2. Approval of the Minutes of the Special Formal Meeting of July 24, 2006**

**Tab 3. Approval of University Personnel Actions**

New Appointments (effective August 15, 2006)

Bednarski, Mary A., Special Instructor in Biological Sciences (\$42,000.00) (New appointment filling a newly authorized position)

Epstein, Alan D., Special Instructor in Political Science (\$40,000.00) (New appointment filling a newly authorized position)

Giberson, Gregory A., Assistant Professor of Rhetoric (\$50,000.00) (New appointment filling a vacant authorized position)

Qu, Hongwei, Assistant Professor of Engineering (\$74,000.00) (New appointment filling a vacant authorized position)

Sharp, Janet M., Associate Professor of Education (\$64,215.00) (New appointment filling a vacant authorized position)

Stone, Mark A., Special Instructor in Music (\$34,000.00) (New appointment filling a vacant authorized position)

Tardella, Sally S., Special Instructor in Studio Art (\$35,000.00) (New appointment filling a newly authorized position)

#### Administrative Appointments

Yih, Tachung C., Vice Provost for Research and Professor of Engineering with tenure, effective August 15, 2006 (\$145,000) pursuant to the Employment Agreement between Tachung C. Yih and Oakland University that was reviewed and approved by the Office of the General Counsel prior to execution and is in compliance with the law and University policies and regulations and conforms to the legal standards and policies of the Board of Trustees.

#### Department Chairs

<u>Department</u>	<u>Chair</u>	<u>Term</u>
Reading & Language Arts	James F. Ciplewski	August 15, 2006-August 14, 2009 (1st term)

#### Emeritus Appointments

Tepley, Norman, Professor Emeritus of Physics, effective August 14, 2006.

#### Change of Status

Edwards, Kyle, from Instructor in English to Assistant Professor of English, effective August 15, 2006.

Ostergaard, Lori A., from Instructor in Rhetoric to Assistant Professor of Rhetoric, effective August 15, 2006.

Yu, Shuishan, from Instructor in Art History to Assistant Professor of Art History, effective August 15, 2006.

Corrections

Morrison, Linda J., Assistant Professor of Sociology, reemployed to a final, two-year probationary term as Assistant Professor commencing August 15, 2006 through August 14, 2008 (previously reported dates of August 15, 2007 through August 14, 2009).

**Tab 4. Recommendation to Accept Gifts to Oakland University for the Period of July 1 through August 31, 2006 and to Accept Grants and Contracts to Oakland University for the Period of July 1 through August 31, 2006**

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

**Tab 5. Approval of Recommendation of Final Undergraduate and Graduate School Reports dated April 26, 2006**

(A copy of the Final Undergraduate and Graduate School Reports dated April 26, 2006 is on file in the Board of Trustees Office.)

**Tab 6. Approval of Annual Financial Statements, June 30, 2006 and 2005**

RESOLVED, that the Board of Trustees accept the Financial Statements, June 30, 2006 and 2005, which were audited by the public accounting firm of PricewaterhouseCoopers, LLP.

**Tab 7. Approval of the Schedule of Expenditures of Federal Award Programs in Accordance with OMB Circular A-133 – June 30, 2006**

RESOLVED, that the Board of Trustees accept the Schedule of Expenditures of Federal Award Programs in Accordance with OMB Circular A-133 – June 30, 2006 as presented by the public accounting firm of PricewaterhouseCoopers, LLP.

**Tab 8. Approval of an Electrical Backup Power System**

RESOLVED, that the Board of Trustees approve redirecting \$786,000 of the funding for the Energy Services Agreement to Phase 1 for purchase and installation of a generator to support Central Heat Plant, North Foundation Hall, South Foundation Hall, Meadowbrook Theatre, Graham Health Center, and O'Dowd Hall; and, be it further

RESOLVED, that the Board of Trustees approve the use of \$500,000 of the deferred maintenance budget to fund Phase 2 to simultaneously purchase and install a generator to support Dodge Hall of Engineering, Hannah Hall, Oakland Center and Public Safety Buildings; and, be it further

RESOLVED, that the Vice President for Finance and Administration is authorized to execute these purchases and installations; and, be it further

RESOLVED, that the purchase orders/contracts 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 a report on actual energy savings from the project will be presented to the Board upon completion of the project and periodically thereafter as part of the Treasurer's Reports and/or the Annual Energy Report.

Trustee David T. Fischer, seconded by Trustee Penny M. Crissman, moved approval of the Consent Agenda. The motion was unanimously approved by those present.

**D. Action Item**

**Tab 9. Approval of Resolution Honoring Penny Crissman**

Chair Pawley presented the following recommendation for Board approval:

WHEREAS, Trustee Penny Crissman's term as Chair of the Oakland University Board of Trustees concluded at the July 24, 2006 meeting of the Board; and

WHEREAS, Trustee Crissman has served two terms as Chair of the Board of Trustees, from August 4, 2004 to August 2, 2006; and

WHEREAS, Trustee Crissman has also served the Board as a member of the standing Finance, Audit and Investment Committee, Ad Hoc Budget Process Committee, Ad Hoc Student Housing Development Committee, and various other ad hoc committees, contributing her knowledge and insight and expending much time on the responsibilities associated with all of those duties; and

WHEREAS, Trustee Crissman has spent countless hours coordinating the Board's activities, promoting trustee to trustee communication at Board meetings, and attending and addressing numerous student functions; and

WHEREAS, Trustee Crissman's leadership as Chair of the Board resulted in Board approval of a fee waiver for dual-enrolled high school students, a second Energy Services Agreement, consolidation of mandatory student fees into tuition, and new master and doctoral level degree programs in Safety Management, Music Education, Nursing Practice, and Biological Communications; and

WHEREAS, with Trustee Crissman's leadership as Chair of the Board major capital improvements were completed and are continuing, including renovation of Meadow Brook Hall, Vandenberg Dining Center, South Foundation Hall, and Hamlin Hall; and

WHEREAS, Trustee Crissman's leadership and support also aided in keeping tuition and fee increases as low as possible during a time of dramatic economic change,

while maintaining a firm commitment to the integrity of Oakland University's core educational experience; and

WHEREAS, Trustee Crissman has generously contributed to the fiscal and academic wellbeing of Oakland University; and

WHEREAS, Trustee Crissman has provided valuable assistance in Oakland University's relationship with the Governor, the Legislature and other governmental entities; now, therefore, be it

RESOLVED, that the Board of Trustees, President Gary D. Russi, and the entire Oakland University community publicly express their deep appreciation and gratitude to Trustee Penny Crissman for the dedicated service she has rendered as Chair of the Board of Trustees; and, be it further

RESOLVED, that the Board of Trustees wishes to recognize Trustee Crissman's outstanding service as Chair and as a Board member through the adoption of this resolution; and, be it further

RESOLVED, that a copy of this resolution be provided to Trustee Crissman to convey the esteem in which she is held by the Board of Trustees, the President, and the University community.

Trustee Henry Baskin, seconded by Trustee Ann V. Nicholson, moved approval of the recommendation. The motion was unanimously approved by those present.

Trustee Baskin commented that Trustee Crissman has done a superb job in her leadership role as Chair of the Board of Trustees.

#### **E. Action Item**

#### **Tab 10. Approval of Agreement Between Oakland University and the Oakland University Chapter of the American Association of University Professors (AAUP), August 15, 2006 – August 14, 2009**

Chair Pawley stated that he and Vice Chair Fischer have worked closely with the Oakland University (University) administration throughout the negotiation process for all three of the union contracts. He thanked the negotiating teams for their hard work in developing very equitable contracts despite the difficult economic environment faced by the State of Michigan.

Dr. Virinder K. Moudgil, Vice President for Academic Affairs and Provost, called on Dr. David J. Downing, Interim Vice Provost, to present this item.

Dr. Downing stated that the AAUP agreement was ratified on September 29, 2006 by a vote of 302 to 17. He noted the three-year contract results in a 9.4% aggregate increase on the continuing active base including salaries, fringe benefits, negotiated research and travel funds, plus projected health care provider increases. He stated the most significant part of the economic package deals with Medicare complimentary coverage which was eliminated for new hires along with removal of the current escalator. Dr. Downing noted that promotional changes would change from percentage rates to flat rates. He added there is no increase in faculty research funding under the contract, and faculty contract travel funds are increased by \$14,500 in the first year, \$10,000 in the second year, and \$0 in the third year.

Dr. Downing stated the majority of the non-economic issues dealt with clarifications of contract language, such as the requirement of reporting outside professional work and provisions for taking a Family Medical Leave Act absence. He noted that the language regarding the process for reviews of reappointment, promotion, and tenure was retained with slight modifications including providing pre-tenure candidates with a letter commenting on their record, the process for a re-review to enable the candidates to update their dossiers over a defined period, and the solicitation of additional external letters as part of a re-review. Dr. Downing stated the description of professional faculty responsibilities was expanded to include the expectation that each academic unit will prepare a workload policy, subject to approval by the University, addressing teaching, scholarship, creative activity, and in-service. He noted that a formula was established for the creation of the academic calendar to enable the University to build a calendar several years in advance, which is beneficial for planning and recruiting purposes. In addition, the calendar now formally recognizes the 16-week combined spring/summer term which will enable optimal financial aid packages for students taking courses scheduled in such a fashion.

Dr. Moudgil presented the following recommendation for Board approval:

RESOLVED, that the Board of Trustees approves the Agreement Between Oakland University and the Oakland University Chapter of the American Association of University Professors (AAUP), August 15, 2006 – August 14, 2009.

Chair Pawley stated that this item was reviewed and recommended for approval by the Finance, Audit and Investment Committee.

Trustee Fischer, seconded by Trustee Baskin, moved approval of the recommendation. The motion was unanimously approved by those present.

**F. Action Items**

**Tab 11. Approval of Agreement Between Oakland University and the Oakland University Professional Support Association (OUPSA), July 1, 2005 – June 30, 2008**

Mr. John W. Beaghan, Vice President for Finance and Administration, stated that the OUPSA agreement was ratified on September 14, 2006 by a vote of 160 to 28. He noted the three-year contract results in a 7.9% aggregate increase on the base year compensation including salaries and fringe benefits, plus projected health care provider increases. Mr. Beaghan stated the most significant part of the economic package deals with Medicare complimentary coverage which was eliminated for new hires along with removal of the current escalator.

Mr. Beaghan presented the following recommendation for Board approval:

RESOLVED, that the Board of Trustees approves the Agreement Between Oakland University and the Oakland University Professional Support Association (OUPSA), July 1, 2005 – June 30, 2008.

Chair Pawley stated that this item was reviewed and recommended for approval by the Finance, Audit and Investment Committee.

Trustee Nicholson, seconded by Trustee Baskin, moved approval of the recommendation. The motion was unanimously approved by those present.

**Tab 12. Approval of Agreement Between Oakland University and the Oakland University Campus Maintenance and Trades (OUCMT), November 1, 2005 – October 31, 2008**

Mr. Beaghan stated that the OUCMT agreement was ratified on September 14, 2006 by a vote of 64 to 28. He noted the three-year contract results in a 7.7% aggregate increase on the base year compensation including salaries and fringe benefits, plus projected health care provider increases. Mr. Beaghan stated the most significant part of the economic package deals with Medicare complimentary coverage which was eliminated for new hires along with removal of the current escalator.

Mr. Beaghan presented the following recommendation for Board approval:

RESOLVED, that the Board of Trustees approves the Agreement Between Oakland University and the Oakland University Campus Maintenance and Trades (OUCMT), November 1, 2005 – October 31, 2008.

Chair Pawley stated that this item was reviewed and recommended for approval by the Finance, Audit and Investment Committee.

Trustee Crissman, seconded by Trustee Jacqueline Long, moved approval of the recommendation. The motion was unanimously approved by those present.

### **G. Action Item**

#### **Tab 13. Ratification of Emergency Repairs to Underground High Temperature Hot Water Piping**

Mr. Beaghan stated that the University had some emergency repairs that were needed to the high temperature hot water (HTHW) lines in two locations, along Wilson Boulevard and by Varner Hall, that were not covered under the Second Energy Services Agreement with Chevron. He noted they were relatively new sections of HTHW piping that were not seen by Chevron as risk at the time that project was approved. The leaks became apparent over the summer, and work on the projects has begun with President Gary D. Russi's emergency signing authority after consultation with Board leadership.

Mr. Beaghan called on Mr. Terry Stollsteimer, Associate Vice President for Facilities Management, to present this item.

Mr. Stollsteimer reiterated that there are two sections of piping each over 100 feet long where water leakage of approximately 6,000 gallons per day has been detected. He noted that the sections are 8 to 9 years old and the normal life expectancy of underground piping is 15 years in high water table areas. Mr. Stollsteimer stated that the recent Second Energy Services Agreement with Chevron identified replacement of piping between North Foundation Hall and Hannah Hall that is 26 years old. Mr. Stollsteimer stated the Wilson Boulevard and Varner Hall piping were not determined to be a risk by Chevron, and the leaks were discovered after July 1, 2006. Mr. Stollsteimer stated the emergency repairs include repairing or replacing underground piping, insulation and valves. He added that periodic infra-red camera surveys are conducted for heat loss along with pressurized hydrostatic testing on possible leakage of HTHW piping throughout campus.

Mr. Beaghan presented the following recommendation for Board approval:

RESOLVED, that the Board of Trustees ratifies the President's expenditure of funds for the emergency repairs of the irrigation system and High Temperature Hot Water underground piping located near Varner Hall and Wilson Boulevard.

Chair Pawley stated he and Vice Chair Fischer were consulted on this emergency situation and they agreed with the emergency repairs to the piping. He noted that this is one indication of a problem that continues to burden the University along with many other deferred maintenance items that have been deferred for years. Mr. Beaghan stated an updated deferred maintenance report of items totaling approximately \$116 million is being developed for submittal to the Board and the State within the next few months.

Trustee Baskin expressed concern about whether or not the contractor who installed the damaged piping is liable for the repairs and whether there is a warranty on the piping, and he asked Mr. Zambardi to review that transaction to determine any potential indemnity. Mr. Stollsteimer explained that 15 years is an average age for HTHW piping on campus, but underground cold water streams near the piping may be causing the corrosion once it hits the hot water piping. He stated that he will look into Trustee Baskin's concern, but the piping is not uncovered yet to determine exactly what type of leakage has transpired or if it is a weakness in the piping in terms of product. Trustee Baskin asked if there is additional exposure for problems with other campus piping outside the Chevron contract, and Mr. Stollsteimer replied that there is exposure since only one-third of the piping is in trench tunnels. However, he noted that no other HTHW piping problems have been detected at this time.

Chair Pawley requested a report on the top five high-risk deferred maintenance items including project funding and preventative maintenance. Mr. Stollsteimer responded that the University is trying not to be reactionary and has preventative maintenance programs throughout the campus.

Trustee Baskin inquired about the source of the project funding, and Mr. Stollsteimer replied it is from the Capital Project Supplement Fund reserve. Mr. Beaghan added that a large portion of the funding is from savings in parking and paving projects this past spring that came in under budget.

Trustee Nicholson, seconded by Trustee Fischer, moved approval of the recommendation. The motion was unanimously approved by those present.

#### **H. Other Items that May Come Before the Board**

There were no other items presented to the Board.

#### **I. Adjournment**

Chair Pawley adjourned the meeting at 2:40 p.m.

Submitted,

Approved,

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Victor A. Zambardi  
Secretary to the Board of Trustees

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Dennis K. Pawley  
Chair, Board of Trustees