

**Minutes of the Special Formal Meeting  
of the  
Oakland University Board of Trustees  
May 7, 2003**

**Present:** Chair Henry Baskin, Vice Chair Penny M. Crissman, and Trustees David J. Doyle, Dennis C. Muchmore, Ann V. Nicholson and Dennis K. Pawley

**Absent:** Trustees David T. Fischer and Rex E. Schlaybaugh, Jr.

**Also Present:** President Gary D. Russi; Vice Presidents Susan Goepp, 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 Liaisons Rhonda R. Hanna and David M. Jewell

**I. Call to Order**

Chair Henry Baskin called the meeting to order at 5:13 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 T. Fischer and Rex E. Schlaybaugh, Jr.

**III. Action Items**

**A. Appointment of Vice President for Academic Affairs and Provost.**

President Gary D. Russi made the following statement in support of the appointment of Vice President for Academic Affairs and Provost:

As many of you know, in July 2001 I appointed, with Trustee support, Dr. Virinder K. Moudgil to serve as the Interim Vice President for Academic Affairs and Provost for an initial three-year term. The provision at that time was that after review of the second year, we would consider an additional three year-term. Throughout Dr. Moudgil's tenure to date, I have consistently received comments and messages from colleagues all across this campus and from friends and partners off-campus about the kind of job he is doing and about the kind of leader he truly is. These messages are overwhelmingly positive, which speaks well for

both Dr. Moudgil and for our community's interest in the future of this University. His performance has been remarkable during a period of campus unrest at the time of the previous provost's tenure, during a period of major campus growth including the strengthening of the academic vision and enterprise, and most recently during the new period of critical financial challenges.

As we approached the last few months of Dr. Moudgil's first two years as Interim Provost, the messages became more and more frequent. At the same time, the major issue of state appropriation cuts was coming to a head. Because of our financial challenges, probably at no time in the University history has communication and collaboration between the faculties, staff, administration, students, Board, friends and others been more critical. To that end, I decided that it would be in the University's best interest to initiate a review of Dr. Moudgil's performance immediately so that we could move forward on a united front. To start this discussion, I met with the Senate Steering Committee in March. Committee members offered to seek faculty reaction to Dr. Moudgil's performance. Faculty and academic leaders created and circulated a survey for that purpose. The Steering Committee also suggested that I solicit feedback from Vice Presidents, Deans, Department Chairs, Academic Directors, Vice Provosts and Associate Provosts, Non-Academic Directors from the Divisions of Finance and Administration, Student Affairs and University Relations, and from direct Academic Affairs office staff. I have completed those discussions. Once the formal review started, selected departments met and unanimously supported Dr. Moudgil, making a solid statement about his strong performance. In each of my meetings, participants were asked to respond to two questions: "How is Dr. Moudgil doing?" "Is Dr. Moudgil the right person for the job?" I received significant verbal comments in these meetings, and I encouraged everyone to contact their colleagues and communicate their perceptions. From the information that I have gathered, the following key factors emerged to support appointing Dr. Moudgil to the permanent position:

**Stability:** Oakland University needs to progress steadily and surely toward the 2010 vision and goals. We cannot afford a minimum of at least a two-year limbo period for a national search for a new hire. There was a negative perception during the previous provost's tenure of instability in Academic Affairs' leadership. The appointment of Dr. Moudgil would assure stability. The transition to a new Vice President for Academic Affairs and Provost in 2001 was made relatively easy because of Dr. Moudgil's institutional knowledge and the mutual respect between the faculty, administration, and Dr. Moudgil.

**Campus endorsement:** Virtually the entire campus voted and weighed in on his appointment as Interim Vice President of Academic Affairs and Provost. Extensive voting and interviewing was conducted in 2001, and Dr. Moudgil received a strong endorsement and mandate from the community to lead the Academic Affairs Division.

**Continuity:** No one is better versed in the culture and institutional issues of this University than Virinder Moudgil. Current initiatives and pending initiatives need a champion to launch them forward.

**Crisis leadership:** We need to move forward on critical budget issues. The Vice President for Academic Affairs and Provost office needs a strong mandate to lead during these tough times. Dr. Moudgil's appointment makes good economic sense at this time during very difficult financial times. The cost of a search for a provost and a new hire is close to \$170,000.

**Job Performance:** The interim period was a testing period for Dr. Moudgil. He has proven himself on the job, in the line of fire, and has emerged as a strong voice for Academic Affairs and a committed, talented, creative, practical leader of the academic enterprise. During March and April of 2003, the community again weighed in on Dr. Moudgil, this time, on his performance. The community overwhelmingly endorsed him as their choice to lead Academic Affairs.

**Team Player:** Dr. Moudgil has proven himself to be both a team player and a leader among faculty, staff, and administrative colleagues.

**Leadership Style:** His personal integrity and fair, reasoned, and ethical approach to his daily work are unquestioned and serve as a great role model internally and a great example externally of what the core values of our University are and should be. I have included in your packet today a page or two of comments sent to me by faculty and staff. I will just comment on a few of these, and I quote, "In my opinion, (this is from faculty) Virinder is doing an outstanding job as Provost. He is hardworking, sensitive, responsive, proactive, flexible, and principled. He knows the OU culture and works extremely well with all groups. He has been very successful in providing Academic Affairs the resources necessary to function in these lean times. I really like his direct, sincere manner and I trust him. I trust his judgment. He is the right person for the job." "I cannot think of any recent provost who has worked harder with the community to establish good relations with all relevant groups, faculty, administration, staff and students. This job alone is more than enough to keep a hard working person busy. He has at the same time, maintained a research program with his students. I am proud to see him continue his work to the degree that he can while maintaining the essential workload required of a successful Provost." These comments go on and on and on.

The quantitative results of the faculty survey fully support the qualitative comments that I have received. These comments and the qualitative number are provided in your packet. Roughly 150 full-time faculty members responded in the survey. In the words of the Senate Steering Committee Member, Dr. Paul Graves, Associate Professor and Chair of Philosophy, "The faculty who participated in the survey approve of Virinder's performance as Provost.

Moreover, they favor appointing Virinder as Provost somewhat more that two-to-one”.

For all of the reasons stated and the fact that I personally hold Dr. Moudgil in highest regard as a professional and person of integrity, I would like to offer to this Board today, his name as my appointment to the position of Vice-President of Academic Affairs and Provost, effective this date.

Chair Baskin thanked President Russi for his comments. Trustee David J. Doyle moved, and Trustee Ann V. Nicholson seconded, approval of the recommendation. The motion was unanimously approved by those present.

Chair Baskin congratulated Dr. Moudgil on his appointment.

Dr. Moudgil stated that he is grateful for the support and opportunity, and that he will do all he can to dedicate his life's efforts in advancing the academic mission of Oakland University.

Chair Baskin recessed the meeting from 5:25 p.m. to 5:32 p.m.

#### **B. Approval of Meadow Brook Theatre Lease Agreement**

President Russi stated that it is clear, since the inception of the Meadow Brook Theatre, that it has been an incredibly valuable resource for Oakland University and the community at large. However, in recent years the Theatre has been losing money, which has been discussed many times in public forum, in the community, and throughout budget discussions. President Russi noted that the administration has considered a number of proposals over the last several years to deal with putting the Theatre on firm financial footing. Those discussions have included segments from all over this campus and the surrounding community. President Russi added that consultants have been brought in to assist in looking at this issue, with no significant movement in dealing with the financial issues surrounding the Theatre. He stated that the University's intent has been to keep the Theatre open, and that it is important to continue its operations as much as possible for the benefit of our students and the surrounding community, and to enrich the academic life. However, the Theatre's future is not bright in terms of putting it on a solid financial footing. President Russi noted that the problem has been equated to the application of general fund dollars to support the Theatre, and as stated earlier, that puts the burden directly on the general student population as a whole through tuition increases.

President Russi stated that the University is pleased to receive an offer from a corporation headed by Joseph Nederlander, since after years of efforts to examine this issue, it is the only viable proposal on the table. He added that, given the recent offer of another group to submit an alternative proposal which includes financial support, President Russi recommended that the Board delay

their decision concerning the Theatre until June 4, 2003 to provide adequate time to review that proposal, should it be submitted. At that point, the Board will make a decision about the future of the Theatre.

Trustee Doyle stated that he believes if Proposal A in 2000 and Proposal K in 2002 had passed, the University would not be dealing with this issue. He commented that since he was appointed to serve on the Board in 1995, the Board has held yearly discussions about the need for the auxiliaries to be self-sufficient and to not drain the University's General Fund budget. Trustee Doyle stated that he is very interested in seeing the other proposal, but he knows that the Theatre and the University staff have worked very hard over the years to find a solution to the Theatre's financial problems with no success. He commented that he cannot justify continuing to pass those costs on to the students and that he hopes the other proposal guarantees that the University will not have to allocate any more funds to the Theatre.

Trustee Penny M. Crissman stated that she understands that there could be some other discussions with Mr. Nederlander regarding joining a regional theatre along with bringing in outside plays, which is why she would like to have more time to review the issue along with the other proposal. She commented that she has been in this community a long time, and that she has enjoyed going to the Theatre; however, the University is in a real bind and has been for many years with the Theatre, and with the state funding situation, the University is backed into a corner.

Chair Baskin added that the General Counsel has had some additional discussions with Mr. Nederlander concerning the employment of local actors and having a local theatre, and the Board is waiting to hear back on that aspect. He noted that there is a commitment from Mr. Nederlander that if he were to take over the Theatre operation, he would maintain the integrity of the Meadow Brook Theatre, and use a larger percentage of Michigan actors. Chair Baskin added that President Russi has chosen to make this an action item for the June 4, 2003 meeting.

Trustee Dennis K. Pawley asked if there is any danger that Mr. Nederlander will back out of his proposal by granting this delay on the decision-making. Chair Baskin replied that it is his understanding that there is cause for concern, but he believes that Mr. Nederlander's proposal would still be available should the Board decide to choose that option in June.

Trustee Pawley concurred with the statements made by the other Trustees, noting that he would be very eager to listen to any proposal that can save Meadow Brook Theatre. He stated that he has raised a lot of funds for the Theatre and personally donated to the Theatre over the years; however, the University's core business is the students. Trustee Pawley added that if the Board were to vote today on the issue, he would vote to accept the proposal.

Trustee Dennis C. Muchmore commented that it is a difficult position for him to be in because he was a theatre arts major and he has abiding interest in the Meadow Brook Theatre. He noted that the difficulty he has is that the cost per production is astronomical and that there is a wide gulf between the training for theatre arts majors and the training for business administration majors. Trustee Muchmore stated that those who have done summer stock and lighting design, know what kind of fabulous career this is and what a great opportunity it is for students. The difficulty is that you still have to pay for it somewhere along the line. He noted that the University certainly is not going to be able to charge the students for the professional Theatre program, which is supposed to be self-sufficient. Trustee Muchmore expressed hope that a successful solution will be reached.

Trustee Nicholson stated that she and Trustee Doyle came on the Board about the same time, and that one of the very first conferences that the Board had with the Finance and Personnel Committee was with the new director of Meadow Brook Theatre. She noted that at that time the University forgave the Theatre's \$1.2 million debt with an admonition that now that it had a clean slate, the Theatre would move forward. Trustee Nicholson commented that she really hopes that the University can find steady funding that also covers the approximate \$200,000 deficit that the Theatre is experiencing annually.

Chair Baskin noted there remains Oakland University's acclaimed and nationally accredited College of Arts and Sciences Department of Music, Theatre and Dance, which the Board fully supports.

Chair Baskin called on Maggie Allesee who requested to address the Board. Ms. Allesee stated that she serves on the Meadow Brook Theatre Advisory Board, which has had a very good year under a new Development Director, Ms. Angie Schmucker. Ms. Allesee noted that Ms. Schmucker has initiated new enthusiasm in the Advisory Board, and that the men and women who serve on it are very conscious of the Theatre's financial needs.

Ms. Allesee commented that she is a member of the Wayne State Understudies, and that on Monday during Graduation, one of the last things that was noted were the two people who had been chosen to be interns at Meadow Brook Theatre, one of whom she sponsors. She noted that she was not pleased when the comment was made at the ceremony that "isn't it too bad they may not ever have the opportunity". She stated that she knows that money is the bottom line, but she has given a lot financially and personally to Oakland University. Ms. Allesee commented that she hopes these wonderful workers are able to come up with the support that the Theatre needs to stay open. She noted that, unfortunately, the big snowstorm hurt the Theatre when money had to be refunded for all the performances. However, the Theatre did recently receive a

\$50,000 award to help reduce the debt. Ms. Allesee encouraged the University to improve marketing efforts for the Theatre.

Chair Baskin thanked Ms. Allesee for her comments and stated that she is one of the greatest patrons of the arts in this community.

Chair Baskin called on John Bracey, Director of Programs, Michigan Council for the Arts and Cultural Affairs. Mr. Bracey stated that the loss of this organization from the anchor organization program would be a serious blow to the theatre community of the state and a blow to the anchor program in general. He noted that since 1984, when the Council first started funding Meadow Brook Theatre, the state invested \$3.3 million into Meadow Brook Theatre, and over \$1 million invested since 1997. Mr. Bracey stated that the Council has supported the Theatre through the anchor organization grant at an average of \$152,000 over the last 5 or 7 years. He noted that recently the National Governors Association, in a report entitled "The Role of Arts and Economic Development", cited a survey of 1,200 high-tech workers, which stated that the second most important factor in attracting workers to new jobs was community quality of life, right behind salary and more important than benefits, stock options or even company stability. Mr. Bracey added that arts and culture are becoming more important to the State of Michigan in terms of attracting, retaining and creating jobs within a regional economy. He added that losing any of the anchor organizations weakens Michigan's economic position within this regional economy and that is only going to delay recovery. It may seem small, but it truly is important.

Chair Baskin thanked Mr. Bracey for his comments, and called on Joan Rosen, Oakland University Foundation and emeriti faculty member. Ms. Rosen stated that she spoke with other Foundation members who could not attend the meeting, and they are quite upset about the closing of the Theatre. She commented that she believes closing the Theatre affects the core academic values of the University based on student involvement through the Department of Music, Theatre and Dance, the Department of English, and the Department of Art and Art History. Ms. Rosen noted that the Theatre's closing may impact present and potential donors to the University. She added that she believes the proposal with Mr. Nederlander is selling us short, with only \$6,000 for the first year and \$15,000 after the first year for the use of the facility.

Chair Baskin thanked Ms. Rosen for her comments. He then called on Ms. Judy Dery, who stated that the Theatre provides a wonderful outreach program for potential Oakland University students. Ms. Dery noted that theatre students come to the University with hopes of working at the Theatre and moving on to bigger and better careers as a result of that invaluable experience. She commented that Meadow Brook Theatre is a LORT Theatre and a member of the prestigious league of regional theatres such as the Guthrie Theatre in Minneapolis, the Goodman Theatre in Chicago, and the Mark Taper Forum in Los Angeles. Ms. Dery noted that another benefit to retaining the Theatre is that

local working actors, designers, and technicians pay taxes to the State of Michigan versus touring company designers, technicians and actors who pay taxes to the states in which they live. She read the following excerpt from a letter that a friend wrote to the Board of Trustees: "Loss of Meadow Brook Theatre as a producer of live-theatre in Michigan would be a devastating blow to all of us, not just those of us who are involved in Theatre, but to the entire state's theatrical industry with ripple effects that would eventually hurt all citizens in Michigan. Meadow Brook Theatre is a cornerstone of Michigan Theatre production. Please consider the long-term. What happens if Mr. Nederlander starts losing money. Where will he go from there? National tours come and go. They do not enrich a community. Southeast Michigan needs Meadow Brook Theatre. It is a place for actors, technicians and patrons to call home".

Chair Baskin thanked Ms. Dery for her comments and called on Dr. Joel Russell who distributed copies of a settlement of two AAUP grievances on the golf course and the appointment of a dean. He stated that the University agreed in the settlement of those grievances that it would honor the Constitution of the University Senate that calls for consultation prior to any actions that affect the academic mission. Dr. Russell noted that the Senate has not yet been consulted on the Meadow Brook Theatre issue and that hopefully that consultation will occur prior to the next Board meeting.

Chair Baskin thanked Dr. Russell for his comments. He then called on Mr. Terry Carpenter, one of the stage managers for the Theatre. Mr. Carpenter stated that when he and his wife came to Meadow Brook Theatre in the spring of 1979, they planned to stay here a couple of years and then go back to New York; however, they are still here because Meadow Brook Theatre is, on most days of the week, a good place to work. Mr. Carpenter commented that Meadow Brook Theatre is what people think of first when they think of Oakland University. He noted that they have tried to get the word out about the Theatre during the last couple of days, and they are amazed at the response they have received from the community, teachers, donors and former patrons. He reiterated Ms. Rosen's concern about potential loss of donors to the University with the closing of the Theatre.

Chair Baskin thanked Mr. Carpenter for his comments and called on Ms. Sarah Warren. Ms. Warren stated that she had planned on asking for an extension for the Theatre, but since that has already been granted, she decided to speak on her credentials. She informed the Board that she is an alumna of Oakland University, a stage manager at Meadow Brook Theatre and a Chairperson on the Committee to Save Meadow Brook Theatre. Ms. Warren also noted that she is involved in three different unions - The Actors Equity Association, the Canadian Actors Equity Association and the American Guild of Musical Artists. She added that her resume includes working with Cirque De Soleil, the Shaw Festival, Second City Detroit, Michigan Opera Theatre, the Jewish Theatre, the Hart London Theatre, and 25 productions at Meadow Brook Theatre. She stated that



she is very passionate about the proposal to save the Theatre and she thanked the Board for the extra time to pull a proposal together.

Chair Baskin thanked Ms. Warren for her comments. He then called on Mr. Frank Cardimen, President of Traffic Improvement Association of Oakland County. Mr. Cardimen stated that the connection between the Traffic Improvement Association of Oakland County and the Meadow Brook Theatre is that Chancellor Woody Varner founded them both, and that they have existed for over 36 years. He asked the Board to consider a delay until January of 2004 to allow time to find sponsors for all of next year's plays and to improve subscription renewals. Mr. Cardimen proposed developing a blue-ribbon panel over the next 30 days, and require that they return to the Board by January with a proposal for the continuity of Meadow Brook Theatre.

Mr. Cardimen stated that he has taught at the University for 25 years, and that he was also the Director in Economic Development reaching out with the technology park, and Interim Vice President for External Affairs in charge of all the Meadow Brooks. He noted that he very much heard the passion of Matilda and Woody about the Meadow Brooks and that their purpose was to instill values, culture, and identity. He commented that he does not believe one's institutional values can be privatized, and he urged the Board to consider extending the time to develop a proposal to save the Theatre.

Chair Baskin thanked Mr. Cardimen for his comments.

#### **IV. Other Items That May Come Before the Board**

There were no other Items presented to the Board.

#### **V. Adjournment**

Chair Baskin adjourned the meeting at 6:10 p.m.

Submitted,

Approved,

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Victor A. Zambardi  
Secretary to the Board of Trustees

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Henry Baskin  
Chair, Board of Trustees