

**Minutes of the Formal Session
of the
Oakland University Board of Trustees
June 4, 2018**

Present: Chair Richard L. DeVore; Vice Chair W. David Tull and Trustees Tonya Allen, Marianne Fey, Ronald E. Robinson, Mark E. Schlusel, Robert Schostak, and Melissa Stolicker

Also Present: President Ora Hirsch Pescovitz; Chief Operating Officer Scott G. Kunselman; Senior Vice President James P. Lentini; Vice Presidents John W. Beaghan, Rochelle A. Black, Glenn McIntosh, John O. Young, Vice President and Secretary to the Board of Trustees Victor A. Zambardi; and Student Liaisons Maddy Clark and Sean M. Foe

A. Call to Order

Chair Richard L. DeVore called the meeting to order at 2:00 p.m. in the Auditorium of Elliott Hall of Business and Information Technology.

B. Roll Call

Mr. Victor A. Zambardi, Vice President for Legal Affairs, General Counsel and Secretary to the Board of Trustees, conducted a roll call and all of the Board members were present.

C. President's Report

President Pescovitz began by informing the Board that Oakland graduated 1,683 undergraduate students and 421 graduate students at Spring Commencement as well as 103 students at the Medical School Commencement. At the honorary degree, undergraduate, and graduate award dinner, Carlie Austin received the Matilda Wilson Award, Zachary Walker received the Alfred Wilson Award and the Human Relations award went to Caroline Wolber. The most outstanding thesis award went to Leart Sejdarasi, and the most outstanding dissertation award went to Amy Siebert-McKenzie. Three honorary Ph.D. degrees were awarded to Angela Braly, the former President and CEO of WellPoint Anthem; David Fischer, Chairman and CEO of The Suburban Collection and an OU Trustee Emeritus; and Ted Lindsay, former Detroit Red Wing and humanitarian.

President Pescovitz noted that the Higher Learning Commission has approved Oakland's revised Mission Statement, which now states, "Oakland University cultivates the full potential of a diverse and inclusive community. As a public doctoral institution, we impact Michigan and the world through education, research, scholarship, and creative activity." In addition, Oakland adopted a fourth Strategic Goal, which states to "Advance diversity, equity and inclusion in an environment of mutual trust and respect at all levels of the institution, and facilitate opportunities and success for all community members." Oakland will now begin to make significant progress on each of the goals that we have stated for the institution and over the course of the next year and coming years.

President Pescovitz introduced Dr. Barbara Oakley, Professor of Engineering, to present a report to the Board. Dr. Oakley received Michigan's Distinguished Professor of the Year from the Michigan Association of State Universities. She joined OU in 1998 and she is the recipient of OU's Distinguished Teaching Award. Dr. Oakley is a fellow of the Institute of Electrical and Electronics Engineers and of the American Institute of Medical and Biological Engineers. She is the author of The New York Times best-selling science book "A Mind for Numbers," and the instructor of the world's most popular massive open online course or "MOOC" called "Learning How to Learn."

D. Professor Report

Dr. Oakley reported that she teaches the "Learning How to Learn" MOOC with Terrence Sejnowski, the Francis Crick Professor at The Salk Institute. The MOOC allows students and faculty to get together from all around the world to learn and create material. She was invited to speak at Harvard about the MOOC, which was produced for \$5,000, and learned that it had the same number of students as all of Harvard's MOOCs and regular online courses put together, which were made for millions of dollars with hundreds of people, which, to her, shows that smaller universities that aren't Harvard can outdo even the biggest universities.

Dr. Oakley added that the online world is highly competitive, a mixture of academia with Silicon Valley and with a little bit of Hollywood. People often tend to think that online coursework is never really as good as face-to-face, but actually research has shown in some ways it can be better. For example, in a circuits course at MIT, researchers found that students taking the same test got better scores with the course online. With these new online learning outreach mechanisms, academics can do better outreach than traditional forms of outreach. For example, every Friday Dr. Oakley sends out what she calls a cheery Friday email to 1.3 million people. If she says she is going to be in Silicon Valley or Singapore or Cape Town, people will show up there. It's an amazing new community and a great way of outreaching. The challenge is, however, that many universities have not yet decoded either MOOCs or the online world. Visionary leadership can make an extraordinary difference in an institution's future. Dr. Oakley noted she believes that second-tier universities have the best teachers but they feel a threat from online learning, so they make it so their institution doesn't get too involved, especially with MOOCs. As a result, top-tier universities have an open field day with online learning because second-tier universities are not getting involved.

E. Consent Agenda for Consideration/Action

Consent Agenda

Treasurer's Report

Minutes of the Board of Trustees Formal Session of April 9, 2018

University Personnel Actions

RESOLVED, that the Board of Trustees approve the personnel actions below.

I. New Appointment

Effective June 1, 2018

Taranikanti, Varna, Associate Professor of Foundational Medical Studies without tenure (tenure track) (\$115,000) (New appointment filling a vacant authorized position).

II. Oakland University William Beaumont School of Medicine Standard Appointments, effective June 4, 2018.

The following standard appointments in the Oakland University William Beaumont School of Medicine are for three years, commencing on June 4, 2018, and are renewable. These standard appointments are without salary support from Oakland University and are not tenured positions. Appointees must maintain an active affiliation with Beaumont Health or Oakland University, meet all applicable School of Medicine Participation requirements, and maintain the continued support of their Department Chairs, who are responsible for assessing their performance. Appointees' standard appointments may also be terminated at any time, upon the recommendation of their Department Chair, or for reasons that are at the exclusive discretion of the Dean of the School of Medicine:

Stallion, Anthony	Professor	Surgery
-------------------	-----------	---------

III. Change of Status

Change of Status – Department of Biomedical Sciences to Department of Foundational Medical Studies, effective June 4, 2018.

Afonso, Nelia	Professor
Folberg, Robert	Professor
Gould, Douglas	Professor
Grogan, James	Professor
Kennedy, Richard	Professor
Ledford, Cynthia	Professor
Pescovitz, Ora Hirsch	Professor
Pratt, Rebecca	Professor
Venuti, Judith	Professor
Dereski, Mary	Associate Professor
ElSayed, Suzan	Associate Professor
Gillum, Linda	Associate Professor
Joyce, Barbara	Associate Professor
Loftus, Stephen	Associate Professor
Megee, Paul	Associate Professor
Mi, Misa	Associate Professor
Noiva, Robert	Associate Professor
Reygaert, Wanda	Associate Professor
Taylor, Tracey	Associate Professor
Thomas, David	Associate Professor
Wasserman, Jason	Associate Professor

Attardi, Stefanie	Assistant Professor
Barremkala, Malli	Assistant Professor
Baxa, Dwayne	Assistant Professor
Cortes, Claudio	Assistant Professor
DeBaets, Amy	Assistant Professor
Engwall, Keith	Assistant Professor
Farr, A. Celeste	Assistant Professor
Ferrari, Thomas	Assistant Professor
Gemechu, Jickssa	Assistant Professor
Hajj Hussein, Inaya	Assistant Professor
Hall, Levi	Assistant Professor
Kuang, Serena	Assistant Professor
LaBlance, Sandra	Assistant Professor
Lerchenfeldt, Sarah	Assistant Professor
Lucia, Victoria	Assistant Professor
McAuley, Robert	Assistant Professor
Nyland II, Rodney	Assistant Professor
Patino, Gustavo	Assistant Professor
Pitts, Deirdre	Assistant Professor
Rinaldi, Roberto	Assistant Professor
Roach, Victoria	Assistant Professor
Sawarynski, Kara	Assistant Professor
Swanberg, Stephanie	Assistant Professor
Uhley, Virginia	Assistant Professor
Walter, Stefan	Assistant Professor
Yoskowitz, Rachel	Assistant Professor
Tyler, Ana	Instructor
Sabina, Richard	Adjunct Professor
Forbes, William	Adjunct Assoc. Professor
Reitemeier, Paul	Adjunct Assoc. Professor
Bestul, Daniel	Adjunct Asst. Professor
Lillystone, Martin	Adjunct Asst. Professor
Lutz, Mark	Adjunct Asst. Professor
Marshall, Donna	Adjunct Asst. Professor
Meyers, Michele	Adjunct Asst. Professor
Nelson, Kenneth	Adjunct Asst. Professor
Pawlicki, Kathleen	Adjunct Asst. Professor
Qu, Lihua	Adjunct Asst. Professor
Rogers-Snyr, Andrea	Adjunct Asst. Professor
Shah, Prakash	Adjunct Asst. Professor
Sloan, Kevin	Adjunct Asst. Professor
Smythe, Maureen	Adjunct Asst. Professor
Sripada, Subra	Adjunct Asst. Professor
Thompson, Brent	Adjunct Asst. Professor
Winegardner, Jim	Adjunct Asst. Professor
Zimmerman, Janet	Adjunct Asst. Professor
Pedell, Leon	Adjunct Instructor
Taylor, Darryl	Adjunct Instructor

Wood, Akilah Adjunct Instructor

Change of Status – Secondary Appointments

Franklin, Barry	Professor
Sims, Matthew	Professor
Wilson, George	Professor
Maine, Gabriel	Associate Professor
Shajahan, Asha	Assistant Professor

Correction

Error Reported on April 9, 2018

Podolsky, Robert	Assistant Professor	Biomedical Sciences
------------------	---------------------	---------------------

Correction:

Podolsky, Robert	Associate Professor	Foundational Med Studies
------------------	---------------------	--------------------------

IV. Emeritus Appointments

Bull, Arthur W., Professor Emeritus of Chemistry, effective June 4, 2018.

Dillon, Gadis J., Professor Emeritus of Accounting, effective June 4, 2018.

Lau, David L., Professor Emeritus of Communication, effective June 4, 2018.

Riley-Doucet, Cheryl, Professor Emerita of Nursing, effective June 4, 2018.

Schott-Baer, F Darlene, Professor Emerita of Nursing, effective June 4, 2018.

V. Administrative Appointments

Landis-Piwowar, Kristin, Associate Dean of School of Health Sciences, effective June 1, 2018, pursuant to the Employment Agreement between Kristin Landis-Piwowar and Oakland University that was reviewed and approved by the Office of the Vice President for Legal Affairs and is in compliance with the law and University policies and regulations and conforms to the legal standards and policies of the Vice President for Legal Affairs and General Counsel.

VI. Administrative-Professional Reclassification

Helderop, Sue E., Senior Director of Engagement, effective April 1, 2018, administrative professional reclassified from level T to level U, pursuant to the Board's Contracting and Employment Authority Policy.

Cunningham, Joi M., Assistant Vice President, Academic Human Resources, effective May 1, 2018, administrative professional reclassified from level U to level V, pursuant to the Board's Contracting and Employment Authority Policy.

Acceptance of Gifts and Pledges to Oakland University for the Period of March 10, 2018 through May 9, 2018

RESOLVED, that the Board of Trustees accept the gifts and pledges to Oakland University identified in the Gifts and Pledges Report, Attachment A, for the period of March 10, 2018 through May 9, 2018.

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

Acceptance of Grants and Contracts to Oakland University for the Period of March 1 – April 30, 2018

RESOLVED, that the Board of Trustees accept the grants and contracts to Oakland University identified in the Grants and Contracts Report, Attachment A, for the period of March 1 – April 30, 2018.

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

Amendments to the Oakland University William Beaumont School of Medicine Constitution

RESOLVED, that notwithstanding any provision of the proposed, amended Constitution of the Oakland University School of Medicine, the Board of Trustees reconfirms its legal authority to grant, modify and rescind internal constitutions when the Board of Trustees determines such action to be in the interest of the institution or required to comply with its obligation; and, be if further

RESOLVED, that the Board of Trustees, under the conditions set forth above, approves the amended Constitution of the Oakland University William Beaumont School of Medicine, attached hereto, effective June 4, 2018.

(A copy of the amended Constitution of the Oakland University William Beaumont School of Medicine is on file in the Board of Trustees Office.)

Amendments to the School of Education and Human Services Constitution

RESOLVED, that notwithstanding any provision of the proposed, amended Constitution of the Oakland University School of Education and Human Services, the Board of Trustees reconfirms its legal authority to grant, modify and rescind internal constitutions when the Board of Trustees determines such action to be in the interest of the institution or required to comply with its obligation; and, be if further

RESOLVED, that the Board of Trustees, under the conditions set forth above, approves the amended Constitution of the Oakland University School of Education and Human Services, attached hereto, effective June 4, 2018.

(A copy of the amended Constitution of the Oakland University School of Education and Human Services is on file in the Board of Trustees Office.)

Approval of Amendments to the Administrative Professional Personnel Policy Manual

RESOLVED, that the Board of Trustees approve the amendments to the *Administrative Professional Personnel Policy Manual*, as described in Attachment A.

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

Meadow Brook Estate Operating Budget for Fiscal Year Ending June 30, 2019

RESOLVED, that the Board of Trustees approve the FY2019 Budget for Meadow Brook Estate, with expenditures and transfers not to exceed the total as reflected in the attached budgets, except as set forth; and, be it further

RESOLVED, that any expenditure level in excess of the approved amount that is not funded by a direct revenue increase must have the prior approval of the President or his/her designee and those amounts shall be reported on a periodic basis to the Board of Trustees; and, be it further

RESOLVED, that the Board of Trustees authorizes the President, the appropriate Vice President, and their respective designees, to perform all acts and deeds and to execute and deliver all contracts, instruments and documents required by this resolution that are necessary, expedient and proper in connection with the FY2019 budget and the ongoing administration of the FY2019 budgets; and, be it further

RESOLVED, that said contracts, instruments and documents shall be reviewed by and be in a form acceptable to the Vice President for Legal Affairs and General Counsel prior to execution, and be in compliance with the law and with University policies and regulations and conform to the legal standards of the Vice President for Legal Affairs and General Counsel.

(A copy of the attached budgets are on file in the Board of Trustees Office.)

Intercollegiate Athletics Operating Budget for the Fiscal Year Ending June 30, 2019

RESOLVED, that the Board of Trustees approves the FY2019 budget for Intercollegiate Athletics, with expenditures and transfers not to exceed the expense total as reflected in the attached budget, except as set forth; and, be it further

RESOLVED, that all expenditures and transfers beyond the approved expenditure total must have prior approval of the President or his/her designee and these amounts will be reported on a periodic basis to the Board of Trustees; and, be it further

RESOLVED, that the Board of Trustees authorizes the President, the Director of Athletics, and their respective designees, to perform all acts and deeds and to execute and deliver all contracts, instruments and documents required by this resolution that are necessary, expedient and proper in connection with the FY2019 budget and the ongoing administration of the FY2019 budget; and, be it further

RESOLVED, that said contracts, instruments and documents shall be reviewed by and be in a form acceptable to the Vice President for Legal Affairs and General Counsel prior to execution, and be in compliance with the law and with University policies and regulations and conform to the legal standards of the Vice President for Legal Affairs and General Counsel.

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

Amended Endowment Management and Investment Policy

RESOLVED, that the Board of Trustees approves the amended Endowment Management and Investment Policy as presented in Attachment A.

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

Trustee Robinson expressed concern with no longer identifying donors, and felt that from the standpoint of transparency and disclosure, people should know who is gifting money to the University and where the gift is directed. Chair DeVore indicated that Vice President of University Advancement Mike Westfall indicated to him that when he came to Oakland he was surprised by the practice of giving out the donors' names. President Pescovitz added that Mr. Westfall stated that the industry practice is to maintain confidentiality of the donors, unless it's a large naming gift.

Chair DeVore proposed that the Consent Agenda be accepted with the caveat that the Board have further discussion on disclosure of the donor names to which the Board agreed.

Trustee Schostak, seconded by Trustee Schlusssel, moved approval of the Consent Agenda subject to further discussion by the Board on the issue of disclosure of donor names and the motion was unanimously approved by those present.

F. New Items for Consideration/Action

Chair DeVore recognized Trustees Ron Robinson and Mark Schlusssel for their service on the Board. He stated that Trustee Robinson has a passion for the students, a passion for Macomb County, a passion for governance and a passion for doing the right thing. He was a long-time chair of the Audit Committee and also served on the search committee for the current President.

Trustee Robinson stated that it has a great honor to have served on the Board, and he has come to appreciate everybody involved in the University. Oakland's mission is to educate students and the faculty are really the heroes of the University as they sell and move our mission forward, and he has tried as a Board member to hopefully stay out of the way of that. He stated that Oakland is a tremendous resource and, as Board members, we have to fight the urge to interject too much of our positions on University matters. His advice to other Board members is to govern and not administer the University.

Chair DeVore stated that former Board Chair Schlusssel's passion for Oakland University is unmatched and showed class as a mentor and a true advisor and friend while he served as Vice Chair. He has been a wonderful teammate to all the Trustees.

Trustee Schluskel stated that it has been a privilege to work with Chair DeVore during his two years of chairmanship as well as with his predecessor former Trustee Michael Kramer. Oakland University is an extraordinary place and he thinks it is underappreciated. Trustee Schluskel noted that Dr. Oakley made a few comments that are extremely relevant. Unlike some of the major universities, at Oakland the students are taught by professors, not teaching assistants, which he thinks is undervalued and under marketed. This Board will have an extraordinary challenge in front of it because children learn differently than they did before. The process of changing how education is delivered is critical because if we don't take advantage of both the MOOCs and the advanced faculty, Oakland will fall behind. It is a remarkable time for universities who have to be the leaders in setting the tempo of values in this society for the students who will be the leaders of tomorrow.

President Pescovitz concluded by stating that Trustees Robinson and Schluskel have served the University incredibly well with deep passion, compassion, and a great amount of time and energy. The job of the Trustee is one that is done with an enormous amount of volunteerism because they care very deeply about our wellbeing. She added that in order to honor the great service of our Trustees, Oakland will be honoring the Trustees in perpetuity in the new Oakland Center.

Appointment of Board Chair and Vice Chair

Trustee Schostak presented the Board of Trustees Ad Hoc Nominating Committee's recommendation for the Appointment of Board Chair and Vice Chair as set forth in the agenda item.

RESOLVED, that the Board of Trustees Ad Hoc Nominating Committee recommends approval of the appointment of Trustee W. David Tull as Chair of the Board of Trustees for a one (1) year term; and, be it further

RESOLVED, that the Board of Trustees Ad Hoc Nominating Committee recommends approval of the appointment of Trustee Tonya Allen as Vice Chair of the Board of Trustees for a one (1) year term.

Trustee Schostak stated that the Board's Nominating Committee has met and is recommending Trustee Tull as the next Board Chair. Trustee Tull has been on the Board of Trustees since August 2014 and served as the Vice Chair for the last two years. He has been Chairman and Founder of Crestmark, and the Executive Vice President and Treasurer of Michigan National Corporation. Trustee Tull was the 2007 Regional winner of the Ernst and Young Award. He serves on a multitude of civil and corporate boards throughout Michigan, including Michigan Bankers Association, Michigan National Bank, Detroit Historical Society, and the Music Hall Center for Performing Arts.

The Nominating Committee recommends Trustee Allen for Vice Chair. Trustee Allen has served on this Board since 2016 and also serves as the Board's Academic Affairs Committee Chair. She serves as President and CEO of Skillman Foundation and on the boards of several foundations, including the Council of Michigan Foundations, Detroit Promise Zone Authority, and the Campaign for Black Male Achievement. She was named to Crain's Detroit Business 40 under 40 and received the national Brick Award by Rolling Stone Magazine as well as the prestigious Marshall Memorial Fellowship. Trustee Allen

was also named as a Detroit News Michigianian of the Year in 2015, and a Crain's Detroit Business Newsmaker in 2015.

After discussion, Trustee Schostak, seconded by Trustee Schlusser, moved approval of the recommendation, and the motion was unanimously approved by those present.

Resolution Honoring Sean M. Foe, Student Liaison to the Oakland University Board of Trustees

Mr. Glenn McIntosh, Vice President for Student Affairs and Chief Diversity Officer, presented the Resolution Honoring Sean M. Foe, Student Liaison to the Oakland University Board of Trustees.

RESOLVED, that the Board of Trustees recognizes the fact that Mr. Sean M. Foe has served as a Student Liaison with dedication and distinction; and, be it further

RESOLVED, that the Board of Trustees commends Mr. Foe for his outstanding academic achievements, involvement in diverse extracurricular activities at Oakland University, and service as a Student Liaison to the Oakland University Board of Trustees; and, be it further

RESOLVED, that a copy of this resolution be provided to Mr. Foe to convey the esteem in which he is held by the Board of Trustees; and, be it further

RESOLVED, that the Board of Trustees publicly expresses its deep appreciation to Mr. Foe and extends to him its best wishes for continued success in all of his future endeavors.

Mr. Foe thanked the Board of Trustees for this incredible opportunity. He stated he has had an amazing two years serving as Student Liaison, and has grown and learned from this position. Mr. Foe commented that it is really important that students are able to offer their perspective to the Board of Trustees, and he thanked the Board for always being willing to listen to what he has to say, whether or not they agreed with it.

After discussion, Trustee Schlusser, seconded by Trustee Schostak, moved approval of the recommendation, and the motion was unanimously approved by those present.

Resolution Honoring Madeleine R. Clark, Student Liaison to the Oakland University Board of Trustees

Mr. McIntosh presented the Resolution Honoring Madeleine R. Clark, Student Liaison to the Oakland University Board of Trustees.

RESOLVED, that the Board of Trustees recognizes the fact that Ms. Madeleine R. Clark has served as a Student Liaison with dedication and distinction; and, be it further

RESOLVED, that the Board of Trustees commends Ms. Clark for her outstanding academic achievements, involvement in diverse extracurricular activities at Oakland University, and service as a Student Liaison to the Oakland University Board of Trustees; and, be it further

RESOLVED, that a copy of this resolution be provided to Ms. Clark to convey the esteem in which she is held by the Board of Trustees; and, be it further

RESOLVED, that the Board of Trustees publicly expresses its deep appreciation to Ms. Clark and extends to her its best wishes for continued success in all of her future endeavors.

Ms. Clark thanked the Board for the opportunity to serve as Student Liaison, and noted that she has learned a tremendous amount about being a voice for the student body. Ms. Clark added that she appreciates the work that the Board does for the University.

After discussion, Trustee Schlüssel, seconded by Trustee Schostak, moved approval of the recommendation, and the motion was unanimously approved by those present.

Doctor of Philosophy in Nursing Degree

Dr. James P. Lentini, Senior Vice President for Academic Affairs and Provost, presented the Doctor of Philosophy in Nursing Degree recommendation as set forth in the agenda item.

RESOLVED, that the Board of Trustees authorizes the School of Nursing to offer a Doctor of Philosophy in Nursing degree; and, be it further

RESOLVED, that the Senior Vice President for Academic Affairs and Provost will complete annual reviews of the Doctor of Philosophy in Nursing program to evaluate academic quality and fiscal viability to determine whether the program should be continued.

Dr. Lentini indicated that the Doctor of Philosophy in Nursing Degree has gone through the channels of curriculum approval. As a Carnegie classified research institution, Oakland takes the approved Ph.D. programs very seriously.

Dr. Judy A. Didion, Dean, School of Nursing, stated that the Doctor of Philosophy in Nursing Degree, will be an online program. Dr. Megan Harris, the Graduate Director in the School of Nursing, noted that the rationale behind this proposal is based on the decline of Ph.D. graduates in nursing. There are a great number of faculty shortages in nursing throughout the country, and over 92% of those vacancies are for faculty who are Ph.D. prepared. Approximately 10,000 applicants to masters programs across the nation were denied admission. and over 2,000 doctoral students, were denied admission because of primarily the lack of Ph.D. faculty. The proposed program is revolutionary as there are several programs across the nation that have been very successful over at least a couple decades in preparing nurses with Ph.D.'s in an online format. The online format is more unique and it provides much more accessibility through the region and globally for students to access Ph.D. education. Another more distinctive, characteristic of this program is that specific

pathways have been designed, and most distinctly would be the MSN to Ph.D. program. In the 90's, the BSN to Ph.D. programs were beginning to be approved and implemented. We have a lot of DNP prepared nurses now who have been very successful in practice. They are moving into academe and finding the need for more intensified research preparation to be better prepared for the research arena. In the region, Oakland is competitive in the BSN to Ph.D. and MSN to Ph.D. programs, but is unique in the region with the DNP to Ph.D. pathway. The programs online nature will help attract a variety of students with diverse backgrounds. Dr. Harris added that one of the challenges for a doctoral program is to create a sense of community, so the School of Nursing is proposing a doctoral week for doctoral students to attend seminars, workshops, and social events with faculty to create community and enhance opportunities for mentorship.

In response to a question from Trustee Robinson, Dr. Harris stated that they will be looking to initially accept about eight students per year. She added, in response to a question from Trustee Allen that she does not believe it will affect the number of applicants in the DNP program as the Ph.D. program has a different focus.

In response to a question from Trustee Fey, Dr. Harris stated that nursing has been in the forefront in terms of developing online courses and programs in its curricula and the faculty. About 90% of Oakland's nursing faculty have gone through the online teaching program offered by E-Learning so the School of Nursing is well posed to offer online curricula.

After discussion, Trustee Allen, seconded by Trustee Schostak, moved approval of the recommendation, and the motion was unanimously approved by those present.

BSN Completion Sequence (RN-BSN) Special Program Rate

Dr. Lentini presented the BSN Completion Sequence (RN-BSN) Special Program Rate recommendation as set forth in the agenda item.

RESOLVED, that the Board of Trustees authorizes the School of Nursing to offer a special program rate of up to \$9,995 for the BSN Completion Sequence (RN-BSN); and, be it further

RESOLVED, that the Senior Vice President for Academic Affairs and Provost will complete annual reviews of the BSN Completion Sequence (RN-BSN) program to evaluate academic quality and fiscal viability to determine whether the program should be continued.

Dr. Didion presented the special program rate proposal for the RN-BSN Completion Sequence, which has been offered by Oakland since 2002 and is a program that supports associate degree prepared nurses from the community college to go back for a baccalaureate degree. She noted they have started to observe a slow decline in that program, and after examining multiple factors concerning the program they discovered that Oakland's competitors offered a lower program rate in terms of the cost to the students. RN's typically look at length of program, the cost of the program, and the program quality in deciding where to attend. The School of Nursing looked at those three factors in terms of designing the framework for this new curriculum. After looking at all of the factors, the School is recommending a special program rate of \$9,995, which consists of 32 nursing

credits for the RN-BSN curriculum. Students must matriculate at a minimum of six-credit hours per semester to obtain the special rate. They would provide a full-time rate and a part-time rate, but it would have to be a minimum of six-credit hours.

Dr. Didion added that each course will have a full-time faculty as lead faculty, and if additional sections are needed, they may bring in some part-time faculty to work with the full-time faculty. The expectation is that the RN-BSN enrollment would increase from the 95 students in 2017 to 140 students for Fall of 2018. Over the next five years, it is projected that 350 students will enter the program.

In response to a question from Trustee Schlüssel, Dr. Didion indicated that a cost benefit analysis was done regarding the decreased program rate, and she believes the program can still be profitable at the recommended rate. Also, she ran the rate through chief nursing officers in the area who felt the price was affordable for them as they often provide tuition support for their employees.

Chair DeVore left the meeting at 3:19 p.m.

After discussion, Trustee Schostak, seconded by Trustee Stolicker, moved approval of the recommendation, and the motion was unanimously approved by those present.

General Fund Budget and Tuition Rates for FY 2019

Mr. John W. Beaghan, Vice President for Finance and Administration, presented the General Fund Budget and Tuition Rates for FY 2019 recommendation as set forth in the agenda item.

RESOLVED, that the Board of Trustees approves the FY2019 General Fund Budget at an expenditure level of \$274,917,268 and approved encumbrances and carry-forwards from the June 30, 2018 fund balance; and, be it further

RESOLVED, that the Board of Trustees approves the Schedule of Tuition Rates Effective Fall Semester 2018 (see Attachment C for detail); and, be it further

RESOLVED, each semester, students who have not paid in full or enrolled in a payment plan, or do not have adequate pending financial aid or other extenuating financial circumstances as determined by Student Financial Services, will be cancelled from classes. Students will continue to be assessed a late penalty for delinquent student account balances; and, be it further

RESOLVED, that the Board of Trustees approves the spending of revenues generated in excess of budget to adequately cover the instructional, programmatic, and operating expenditures necessary to support the strategic plan.

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

Mr. Beaghan stated that the guiding principles that they take into consideration in building the budget every year are commitment to the University's mission, protecting and strengthening academics, providing excellent student services, and trying to minimize net student cost (net being tuition less financial aid).

In 2018, 82% of Oakland's budget was funded through tuition and only about 17% came from the state. Year after year Oakland University is the lowest funded on a per student basis in the state. Oakland, over a four-year period has the lowest funding for every degree that it produces which shows that Oakland is using the dollars that the state gives it wisely. The three largest Michigan universities receive 56% of the state funding, but are educating only 37% of the state's resident undergrads. Enrollment growth has declined over the last 10 years for many schools. Oakland has increased enrollment over the last 10 years, which has provided funding in many areas at Oakland.

Oakland's all-in undergrad tuition on average is at the top of the middle third, but is basically equal within a couple hundred dollars a year of the middle seven universities proving that Oakland is competitive. For lower level tuition rates, Oakland is priced in the bottom third for incoming freshmen. An average full-time undergraduate student who would have paid about \$13,000 in FY2017 would have received about \$3,800 worth of financial aid for a net cost of about \$9,000, a 29.5% discount rate. Adding Oakland's appropriation per student to Oakland's tuition per student and compare to other universities, Oakland has the fourth lowest revenue per student in the state, and Oakland's expenditures per student is fourth lowest in the state because Oakland's expenditures are relatively low. One reason is because Oakland typically has more students per faculty while it remains last in building square footage per student. The cost containment total of \$57M over the years includes implementing healthy living and outcome based health insurance for employees, which saved over \$3.5M a year. A co-generation system producing high-temp hot water and electricity is saving about \$1.5M in annual energy costs. A geothermal HVAC system in the Human Health Building reduced our energy cost for that particular building by 50% or \$200,000. Several years ago, the outsourced credit card processing saved about \$800,000 per year. On a one-time basis, savings through the negotiation process with employee groups and tightening of the management of our post-retirement benefits limited other post-employment benefit liability by about \$22M. Oakland has refinanced debt in 2008 and 2013 resulting in about \$7M in savings, and an early retirement plan five or six ago years saved us about \$2.8M.

Mr. Beaghan added that alternative revenues are also managed. In 2008, Oakland did a Constant Maturity Swap on its 2008 debt, which has been generating \$400,000 of revenue every year. Outsourced operations, management of the Theatre, the Credit Union, Bookstore, Food Service, etc. are generating dollars that are helping keep the tuition rates lower. Oakland is competitive when you look at the average student debt. The average median annual student earning is \$41,000 for an Oakland student and \$34,000 nationally. In addition, 97% of Oakland's employed graduates stay in the state of Michigan.

The FY2019 budget planning assumptions includes the Governor's proposed \$1.6M appropriations increase, tuition restraint of 3.8%, an enrollment decline of 3.5%, an undergraduate tuition increase of 3.8%, and a graduate tuition increase of 4.5%. The Cabinet went through an extensive budget reduction exercise and came up with \$5.2M of

budget reductions that have been built into the proposed budget. That includes elimination of some funding for vacant positions, none of which are faculty positions, reduction in supplies and services budgets, insurance and bank fees, and a large part from our other post employment benefits budget. Oakland's budget is growing by less than \$900,000, or \$859,000, revenue increase, which is the same as the expenditure increase that they are projecting.

Trustee Tull stated that Oakland University should be very proud of the fact that it has been able to control its expenses and also to deal with the decreasing percentage of revenue coming in from the state. He noted that the University as a whole has remained in a very solid financial position unlike some of the other public universities in the state. From a Trustee standpoint, they are always most concerned about the tuition increases and the affect they have on students and they will be looking for every potential revenue source and expense reduction possible on a strategic and ongoing basis to keep that number as low as possible. Trustee Tull added that the Board also has a responsibility to ensure the ability for the University to function and continue to be able to provide the quality education that it provides as well as the benefit to the local and national economy.

In response to a suggestion from Ms. Clark about students getting involved in the state appropriation discussions, Trustee Tull agreed that it is a great suggestion. Trustee Robinson added that Oakland has been cutting expenses as much as possible, but it gives him concern over what the future will hold given Oakland's important mission for the state of Michigan.

After discussion, Trustee Schostak, seconded by Trustee Fey, moved approval of the recommendation, and the motion was unanimously approved by those present.

Approval of Contingent Lease and Gift Transaction for Cobblestone Manor

Mr. Scott G. Kunselman, Chief Operating Officer, presented the Approval of Contingent Lease and Gift Transaction for Cobblestone Manor recommendation as set forth in the agenda item.

RESOLVED, that the Board of Trustees approves moving forward with the Transaction on a contingent basis. The contingencies that must occur before the Transaction can be completed include:

- a. The Mocerri Companies must purchase Cobblestone Manor in fee simple.
- b. The terms and conditions contained in the Lease must include such representations, warranties, covenants and conditions customary and appropriate in similar leases and be acceptable to the University.
- c. The Lease must be acceptable to the Vice President for Legal Affairs and General Counsel, and be in compliance with the law and with University policies and regulations and conform to the legal standards of the Vice President for Legal Affairs and General Counsel.
- d. The terms and conditions contained in the Gift Agreement must be acceptable to the University.

- e. The Gift Agreement must be acceptable to the Vice President for Legal Affairs and General Counsel, and be in compliance with the law and with University policies and regulations and conform to the legal standards of the Vice President for Legal Affairs and General Counsel.
- f. The Gift Agreement must be made contemporaneously with the Lease.
- g. The Gift will not be recognized as a completed gift by the University until fee simple title to Cobblestone Manor is delivered to the University; and, be it further

RESOLVED, that if the Transaction is completed, then the Board of Trustees authorizes the President, the Chief Operating Officer, and their respective designees, to perform all acts and deeds and to execute and deliver all contracts, instruments and documents required by these resolutions that are necessary, expedient and proper in connection with the Transaction and the ongoing administration of the Transaction; and, be it further

RESOLVED, that this Agendum, and these resolutions, are non-binding on the Board of Trustees and non-exclusive and are intended as an expression of the University's intentions to explore the potential Transaction described above. There has been no agreement reached regarding any material or essential term relative to the Transaction, and the University's participation in the Transaction must be effectuated by, and be pursuant and subject to, terms and conditions that will be contained in a Lease and Gift Agreement that are acceptable to the University. Neither this Agendum nor these resolutions are intended to be a legally binding instrument, do not create a contractual relationship of any kind, and shall not be construed to be a contract in any manner whatsoever. The University will not have any obligation to the Mocerri Companies until a formal, written, Lease and Gift Agreement satisfactory to the University's Vice President for Legal Affairs and General Counsel are executed by the University's duly authorized representative. The University hereby reserves the right to discontinue discussions regarding the potential Transaction upon oral or written notice at any time and without further obligation or consequence.

Mr. Kunselman stated that the Mocerri family has generously offered to purchase Cobblestone Manor with the intention of gifting it to the University. Cobblestone Manor is a functioning 10-unit bed and breakfast that is located on University Drive and in close proximity to the front entrance to Oakland. For the two to three years prior to the completion of the gift, the University would lease the facility from the Mocerri's with necessary capital improvements contributing to the lease amount. The intended use of the property would be for an extension and exclusive housing program of the Honors College. Mr. Kunselman added that capital improvements are proposed to prepare Cobblestone Manor for student occupancy as early as this fall. The request to the Board is to approve the lease and gift concept, as the final agreements are subject to all the contingencies that are outlined in the agendum item.

In response to questions from Trustee Schostak, Mr. Kunselman confirmed that capital improvements that the University would make would count as rent, serving as a substitute for rent or lease payment. He added that the rental payment is \$6,000 a month, and Oakland is estimating capital improvements during the first two years of rent payments would be \$147,000.

After discussion, Trustee Schlussel, seconded by Trustee Schostak, moved approval of the recommendation, and the motion was unanimously approved by those present.

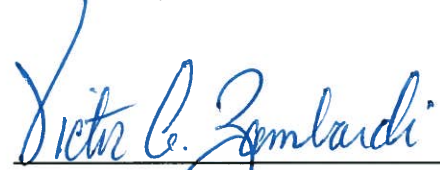
G. Other Items for Consideration/Action that May Come Before the Board

Mr. Nathan Emery, President of the Oakland University Football Club, presented a background of the Football Club and stated that it has won two National Club Football Association national championships in five years and has an overall record of 38 wins and five losses. They had an estimated 700 fans attending their first game on campus last year and are on pace to enjoy 40 hours of community service during the off season. Mr. Emery commented that striving to continue on a path of expedient growth, the Club requests support from OU leaders and would love to partner in creating a further engaging environment for fans, students and the community. OU leaders are cordially invited to their home opener September 15 and homecoming game on October 6 as we represent Oakland University during times of battle always working to engage and emerge victorious.

H. Adjournment

Vice Chair Tull adjourned the meeting at 4:35 p.m.

Submitted,



Victor A. Zambardi
Secretary to the Board of Trustees

Approved,

Richard L. DeVore
Chair, Board of Trustees