

**Minutes of the Meeting
of the
Oakland University Board of Trustees
October 14, 1999**

Present: Chairperson David J. Doyle; Trustees Henry Baskin, Penny M. Crissman, David T. Fischer, Louis Grech-Cumbo, Ann V. Nicholson, and Rex E. Schlaybaugh, Jr.

Absent: Trustee Robert N. Cooper

Also Present: President Gary D. Russi; Vice Presidents David S. Disend, Louis Esposito, Lynne C. Schaefer, and Mary Beth Snyder; Acting General Counsel & Secretary to the Board of Trustees Victor A. Zambardi; Student Liaisons Amy N. Block and Bonefacio F. Delarosa; and Administrative Assistant Rhonda G. Saunders

I. Call to Order

Chairperson David J. Doyle called the meeting to order at 2:10 p.m. in the Gold Rooms of the Oakland Center.

II. President's Report

President Gary D. Russi reported the following information:

- Ms. Janet Hepburn was recognized as the October Employee of the Month.
- Enrollment is up 2.6% over last year, with a headcount of 14,664. In addition, Fiscal Year Equated Students (FYES) is up 4.7% over last year.
- The United States Army Tank and Automotive Command awarded Oakland University \$2.3 million over a two-year period for a research project entitled, *Next Generation Electrical Architecture (NGEA) Technical Proposal*, which will be under the direction of Dr. Patrick Dessert, Assistant Professor of Engineering and Computer Science.
- Oakland University's *Math Plus Program* has been awarded a \$110,000 grant for the second year to provide academic support to regularly admitted underrepresented students.

- *Echo Cognitio*, a sculpture by world-renown sculptor, Joseph Wesner, was unveiled last week in front of the Honors College through the generous donation of Trustee Ann V. Nicholson and her husband Jim Nicholson.
- The last of nine *Creating the Future* (CTF) task force meetings will be held on October 15, 1999, to examine Board priorities of the CTF recommendations, review current implementation of the strategies, and complete final implementation plans. The next major challenge is securing resources necessary to make these recommendations a reality.
- The Athletic Department will host their first *Midnight Madness* event with basketball practice commencing at 12:01 a.m. on Saturday, October 16, 1999, according to NCAA guidelines.

Chairperson Doyle thanked President Russi for his report.

III. Reports

A. Report on Campus Fire Alarm Reporting Project for Fiscal Year Ended June 30, 1999

Ms. Lynne C. Schaefer, Vice President for Finance and Administration, reported the final of a series of four annual reports on the Campus Fire Alarm Reporting (CFAR) project. She noted that the project was started in 1995 and completed a year early in 1999, due to a favorable funding picture and to cost savings associated with inflation and labor for the final year. Ms. Schaefer noted that the total project cost was set at \$2.1 million, and the actual cost was \$2,080,000. The source of funding was primarily from deferred maintenance and the residence halls contingency fund. Significant CFAR improvements include the following:

- 21 main campus building fire alarm systems on a central reporting system;
- specific point addressing of detection devices and pull stations;
- 2,300 smoke detectors in campus dorm rooms and other locations;
- strobe lights on each system that meet ADA requirements; and
- a minimum level of automatic smoke detection throughout campus.

Ms. Schaefer noted that Ms. Catherine R. Lark, Director of Risk Management and Contracting, and Mr. Larry Johnson, Health & Life Safety Manager were responsible for the CFAR project.

Chairman Doyle thanked Ms. Schaefer for her report.

B. Report on Oakland University Y2K Project

Dr. Louis Esposito, Vice President for Academic Affairs and Provost, called on Dr. Ranald D. Hansen, Interim Director of Grants, Contracts and Sponsored Research, to report on the Y2K project. Dr. Hansen acknowledged that the university total response to Y2K is much broader than this final project, with the past several years of acquisition and implementation of the Banner software and Enterprise hardware systems. He made a power point presentation, a copy of which is filed in the Board of Trustees office.

Dr. Hansen reported on the following three project phases:

Phase 1: Awareness and Planning (Fall 1998 - March 1999)

- Y2K Steering Committee formed
- Y2K team established
- Y2K web site created
- OU Disclosure Statement posted
- Sprint Paranet engaged for phase one consultation
- President Russi Y2K Message to OU community
- First *Inside Y2K* Newsletter issued
- Discovery Phase completed
- Y2K Project scope set at 7,330 devices
- OU Year 2000 Project Plan delivered by Sprint Paranet

Phase 2: Inventory and Assessment (April 1999 - June 1999)

- Y2K Inventory conducted
- Y2K Inventory database built
- Y2K Risk Assessment conducted
- Sprint Paranet engaged for phase two consultation
- Year 2000 Exposure Report delivered by Sprint Paranet

Final Phases:

Phase 3: Triage (July 1999 - August 1999)

- Y2K Final Phase Plan constructed
- Y2K Reports and recommendations delivered to all units

Phase 4: Testing and Remediation (September 1999 - October 1999)

- Y2K Triage by all units on-going
- Y2K Test and Remediation Phase initiated

Dr. Hansen noted that the Phase 2 focus was on desktop computing, embedded systems, and server computers. He noted that the network hardware is Y2K compliant; of 7,330 desktops inventoried, only 2,000 need upgrading; and of 195 servers, 40 are centralized requiring less remediation for compliance. Dr. Hansen stated that the Y2K committee categorized the Y2K remediation for the desktop computers into the following three categories:

- **Patch:** computers requiring only an appropriate software patch to ensure Y2K compliance
- **Repair:** computers requiring a hardware upgrade
- **Replace:** computers requiring replacement

Dr. Hansen explained that the final remediation phase consists of a needs assessment, duplication of the desktop environments on back up systems, performance of the remediation, and testing of the systems and restoration to the users.

Dr. Hansen presented a summary of expenditures, noting a total cost of \$332,669 for the first two Y2K project phases. He stated that during those phases Sprint Paranet was retained as consultants to complete the project with the assistance of some university personnel. The Sprint Paranet personnel costs were \$194,669 and the Oakland University personnel costs were \$118,000. In addition, the hardware costs were \$20,000. Dr. Hansen added that the final phases cost is projected at \$1,801,627, with \$560,940 for personnel and \$1,240,687 for hardware.

Chairperson Doyle thanked Dr. Hansen for his report.

Trustee Baskin asked about the period of time that the university will have to fund this \$2 million project, and Dr. Esposito replied that it is being funded over several years. Chairperson Doyle noted that many of the costs have already been incurred and approved by the Board. Ms. Schaefer added that the \$332,669 cost for the first phase of the project was funded last year from the technology fund, and that the university is proposing that this year's personnel costs be funded from that same fund, the Provost's contingency fund, and the individual departmental budgets. She explained that some of the equipment will be taken off line, while some will be patched as opposed to being repaired or replaced; thus, the total is expected to be less than \$1,180,000 from the department budgets over a two or three year period.

On behalf of the university, President Russi thanked Dr. Hansen and the Y2K Committee for their incredible efforts on this project.

IV. Roll Call

Mr. Victor A. Zambardi, Acting General Counsel and Secretary to the Board of Trustees, conducted a roll call vote. All of the Board members were present except Trustee Robert N. Cooper.

V. Action Items

A. Consent Agenda

Chairperson Doyle presented the following recommendations:

1. Approval of the Revised Minutes of the Meeting of September 9, 1999

2. Approval of University Personnel Actions

AP Career Development Leave

Connellan, William, Vice Provost, leave effective September 20, 1999, through December 19, 1999 (with full pay) (Appointed as a Visiting Scholar at Harvard University to work on the Harvard Project on Faculty Appointments)

Termination

Gerrits, Susan, General Counsel and Secretary to the Board of Trustees, effective October 2, 1999

Corrections

Barnes, Carl F., Professor of Art and Art History, phased retirement effective August 15, 1999 (Professor Barnes will be on an 80% schedule, not a 50% schedule) (March 23, 1999, Board meeting)

Fink, Robert S., Associate Professor of Counseling, was reemployed and awarded tenure as an associate professor, not reemployed and promoted (July 29, 1999, Board meeting)

Quinn, James, Associate Professor of Human Resource Development, was reemployed and awarded tenure as an associate professor, not reemployed and promoted (July 29, 1999, Board meeting)

3. Recommendation to Accept Gifts to Oakland University and the Oakland University Foundation for the Period of August 1 through August 31, 1999, and the Accept Grants and Contracts to Oakland University for the Period September 1999

Trustee David T. Fischer, seconded by Trustee Ann V. Nicholson, moved approval of the consent agenda. The motion was unanimously approved by those present.

B. Approval of Board Members for Public School Academies

The Board decided to take the following public school academy recommendations in aggregate.

Dr. Esposito stated that Board policy requires that the university approve members of the Board of Directors for public school academies (PSA). Consistent with that policy, the university is recommending the approval of four new Board members for three of the current PSAs. Dr. Esposito noted that due diligence and appropriate background checks have been conducted on all individuals nominated by the respective PSAs.

Dr. Esposito submitted the following resolutions to the Board for approval:

1. Academy of Michigan

WHEREAS, the Board of Trustees resolved to charter the Academy of Michigan on September 11, 1996; and

WHEREAS, the Board of Trustees entered into an Agreement to Organize and Administer a Public School Academy with the Academy of Michigan on June 4, 1997; and

WHEREAS, the Agreement to Organize incorporates Academy of Michigan's Articles of Incorporation which provide for an appropriate method of approval of persons nominated for membership on its board of directors, by the Oakland University Board of Trustees; and

WHEREAS, the Academy of Michigan has nominated Michael McGhee to replace Aaron Watson for the unexpired portion of a three (3) year term on its board of directors; and

WHEREAS, Michael McGhee's qualifications have been reviewed by and are acceptable to the University.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. Michael McGhee meets the requirements of the Board and applicable law.
2. The Board hereby approves Michael McGhee as a member of the Academy of Michigan's Board of Directors, for the unexpired portion of a three (3) year term expiring December 4, 2000.
3. All resolutions and parts of resolutions in conflict with this resolution shall be and hereby are rescinded to the extent of such conflict.

2. Dove Academy

WHEREAS, the Board of Trustees resolved to charter Dove Academy on February 6, 1997; and

WHEREAS, the Board of Trustees entered into an Agreement to Organize and Administer a Public School Academy with Dove Academy on July 18, 1997; and

WHEREAS, the Agreement to Organize incorporates Dove Academy's Articles of Incorporation which provide for an appropriate method of approval of persons nominated to its board of directors, by the Oakland University Board of Trustees; and

WHEREAS, Dove Academy has nominated Mary Voisin to fill a vacant seat on its board of directors for a two (2) year term; and

WHEREAS, Mary Voisin's qualifications have been reviewed by and are acceptable to the University.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. Mary Voisin meets the requirements of the Board and applicable law.

2. The Board hereby approves Mary Voisin as a member of Dove Academy's Board of Directors, for a two (2) year term expiring June 1, 2001.
3. All resolutions and parts of resolutions in conflict with this resolution shall be and hereby are rescinded to the extent of such conflict.

3. Weston Academy

WHEREAS, the Board of Trustees resolved to charter Weston Technical Academy on April 2, 1998; and

WHEREAS, the Board of Trustees entered into an Agreement to Organize and Administer a Public School Academy with Weston Technical Academy on August 13, 1998; and

WHEREAS, the Agreement to Organize incorporates Weston Technical Academy's Articles of Incorporation which provide for an appropriate method of approval of persons nominated to its board of directors, by the Oakland University Board of Trustees; and

WHEREAS, Weston Technical Academy has nominated Arthur Voisin to fill a vacant seat on its board of directors for a two (2) year term; and

WHEREAS, Weston Technical Academy has nominated LaTrina Wilson to replace Therese Armstrong for the unexpired portion of a two (2) year term on its board of directors; and

WHEREAS, Arthur Voisin's and LaTrina Wilson's qualifications have been reviewed by and are acceptable to the University.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. Arthur Voisin and LaTrina Wilson meet the requirements of the Board and applicable law.
2. The Board hereby approves Arthur Voisin as a member of Weston Technical Academy's Board of Directors for a two (2) year term expiring June 1, 2001.

3. The Board hereby approves LaTrina Wilson as a member of Weston Technical Academy's Board of Directors for the unexpired portion of a two (2) year term expiring June 1, 2000.
4. All resolutions and parts of resolutions in conflict with this resolution shall be and hereby are rescinded to the extent of such conflict.

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

C. Approval of Y2K Remediation Costs

Dr. Esposito stated that the university is seeking Board approval authorizing the President to enter into contracts with Sprint Paranet in an amount not to exceed \$471,750 to complete the final phases of the Y2K remediation of campus servers and desktop computers.

Dr. Esposito submitted the following resolution to the Board for approval:

RESOLVED, that the Board of Trustees authorizes the President to enter into contracts with Sprint Paranet, the cumulative total amounts of which shall not exceed \$471,750; and, be it further

RESOLVED, that the contracts shall be reviewed by the Department of Risk Management and Contracting and the office of the General Counsel prior to execution and shall conform with all university policies.

Trustee Penny M. Crissman referred to page 4 of the Sprint Paranet *Engagement Letter* noting that it is her understanding that the estimated cost of \$112,625 is one-quarter of the total request. She asked if that is correct, since the university is asking for a total of \$471,750 with this recommendation and it appears that it should be \$450,500. Dr. Esposito asked for a few moments to review the *Engagement Letter*.

Trustee Baskin questioned the clarity of paragraph I.C. of the *Oakland University Independent Contracting Services Agreement* relative to paying 50% of an annual salary upon hiring the other party's employees. Mr. Zambardi stated that he believes that provision was contemplated during the six-month period following termination of the agreement, and that no fee must be paid beyond that period.

Trustee Schlaybaugh was concerned about approving a resolution that limits the costs to \$471,750, while the contract states no limit. Mr. Zambardi agreed with Trustee

Schlaybaugh's statement and noted that the language on costs will be changed in the contract to be consistent with the resolution.

At this time, Dr. Esposito referred to Trustee Crissman's inquiry on the costs listed in the *Engagement Letter*. He noted that the \$112,625 was an estimated amount that only covers Sprint Paranet services over 25 business days prior to the Board's approval of the balance of the project. It was not intended to be a percentage of the total contract figure of \$471,750, but simply a portion of that amount.

Trustee Baskin recommended that the *Independent Contracting Services Agreement* and the *Engagement Letter* be incorporated into one contract for a better understanding of the contract language.

Student Liaison Bonefacio Delarosa asked what fund the \$471,750 will be allocated from, and Ms. Schaefer replied that the technology fund for this fiscal year will cover that cost.

The Board expressed concerns about approving a contract that has not been completed. Trustee Schlaybaugh referred to the Pepsi contract as an example of a contract that was approved by the Board at the September Board meeting, but that has not yet been finalized. Trustee Grech-Cumbo stated that the manner in which these items have come to the Board is "bad business policy." Mr. Zambardi stated that with regards to the Sprint Paranet contract, he believes the university tried to create a contract for Board approval that had been reviewed by the General Counsel's office. He noted that the university was given an expedited situation based on a proposal letter, which was not sufficient because it did not address standard contract provisions, such as indemnification, so those provisions were added as a separate agreement to the *Engagement Letter*. That measure was viewed as a fair way to protect the university and still expedite the process because of the timing.

Trustee Fischer was concerned about recommending the proposed Y2K contract on October 13, when the *Engagement Letter* is dated September 9, 1999. He noted that Sprint Paranet was engaged to perform services for the university, and the Board is being asked to approve that action retroactively.

Chairman Doyle stated that the Board does not usually review every contract, but that there has been a recent desire to review the policy concerning what contracts should come to the Board.

Trustee Grech-Cumbo asked at what financial level contracts come to the Board, and Mr. Zambardi replied that contracts over \$200,000 must be approved by the Board.

Trustee Grech-Cumbo commented that even though the university had the authority to contract with Sprint Paranet for the \$112,625, the contracting authority policy should be treated within the "spirit" of the policy and not within the "letter of the policy.

To remedy the timeliness of Board review of items, Trustee Baskin proposed a schedule that would allow the Board to review Board items two months ahead of time for review and discussion.

Trustee Baskin, seconded by Trustee Schlaybaugh, moved the following revised resolution for approval:

RESOLVED, that the Board of Trustees authorizes the President or his designee to engage in exclusive contract negotiations for a maximum of 60 days with Sprint Paranet for the final phases of the Y2K remediation program; and, be it further

RESOLVED, that the contract shall be reviewed by the Department of Risk Management and Contracting and the office of the General Counsel and shall conform with all university policies; and, be it further

RESOLVED, that the proposed contract between Oakland University and Sprint Paranet shall be submitted to the Board of Trustees for final approval.

The motion was unanimously approved by those present.

At this time, Trustee Grech-Cumbo asked about the status of the Pepsi contract. He reiterated Trustee Baskin's comment that the Board needs more time to review Board items. Ms. Schaefer stated that the university is still negotiating some nonsubstantive issues with Pepsi, but that they are very close to a final agreement. She explained that the item was brought to the September Board meeting in hopes that the conversion exclusively to Pepsi would commence by the beginning of the semester. Since that did not occur, in order to prevent uninterrupted service to the campus community, the university decided to hold off on the conversion until the holidays in December. Ms. Schaefer added that a copy of the final contract will be forwarded to the Board. Trustee Grech-Cumbo requested that an outline of the Pepsi changes be drafted by the Board Secretary and sent to the Board.

President Russi stated that it is his plan that the university be more proactive relative to the timeliness of Board items. He noted that since there is no policy on when contracts should be reviewed by the Board, it is important to develop guidelines and parameters to address that question.

Student Liaison Delarosa expressed his disappointment that the Board did not table the Pepsi item at the September 9, 1999, Board meeting, as requested by Student Congress President Nick Mitchell in order to conduct a forum to get student input on the matter. Chairman Doyle commented that many of the trustees have the same concern.

D. Approval of Amendment to Capital Outlay Budget Request Fiscal Year 2000

Ms. Schaefer stated that on December 3, 1998, the Board of Trustees approved the university's Fiscal Year (FY) 1999-2000 State Capital Outlay Budget Request, which was submitted to the Michigan Department of Management and Budget. In the request, the university's highest priority for new funds was for a new School of Education and Human Services (SEHS) building at an estimated cost of \$26 million. Ms. Schaefer stated that since the request was developed, university enrollments have continued to grow and the existing classroom space is severely taxed by that growth. In addition, future enrollment growth will be dependent on the university's ability to provide additional classroom space. Ms. Schaefer stated that the amendment expands the scope of the proposed new SEHS building to include an additional five general purpose classrooms at a cost of \$3 million that seat 50 persons each and accommodate 1,350 Full-Time Equivalent (FTE) students.

Ms. Schaefer submitted the following resolution to the Board for approval:

RESOLVED, that the Board of Trustees approve the submission of the revised Capital Outlay Budget Request for fiscal year 1999-2000 for the School of Education Building, as presented with this recommendation, to the State of Michigan, Department of Management and Budget.

Trustee Schlaybaugh, seconded by Trustee Baskin, moved approval of the recommendation.

The motion was unanimously approved by those present.

E. Authorization to Proceed with Replacement of Flooring in Kresge Library

Ms. Schaefer stated that the Kresge Library carpet has reached the end of its service life and needs replacement. This project provides for flooring replacement of most of the public areas of the library over the next two to three

years at an estimated cost not to exceed \$875,000 from the deferred maintenance fund. The estimate is based on a \$54 per square yard cost for materials and labor, which includes disassembly and relocation of books and shelving and reassembly after the installation.

Ms. Schaefer submitted the following resolution to the Board for approval:

RESOLVED, that the Vice President for Finance and Administration be authorized to execute a contract with the lowest responsible bidder for replacement flooring in Kresge Library; and, be it further

RESOLVED, that the total project shall not exceed \$875,000.

There was a discussion about how the deferred maintenance fund is utilized, and specifically the allocation for this project. Ms. Schaefer explained that \$450,000 is allocated annually for deferred maintenance. A projects plan is submitted to the President each year for deferred maintenance, and this flooring project was included in this year's plan. Ms. Schaefer noted that \$270,000 of that fund will be allocated the first year for the library project, and the balance will also be covered in the subsequent years from that fund. Trustee Grech-Cumbo stated that he was concerned about the potential liability of deferred maintenance growth. Ms. Schaefer stated that the \$8.5 million energy services project addressed a significant portion of the deferred maintenance. In addition, the state is currently discussing ways to help universities fund their deferred maintenance backlogs. Trustee Schlaybaugh referred to a prioritized deferred maintenance list produced a few years ago and asked if this project falls within the top deferred maintenance priorities. Ms. Schaefer replied that it is ranked as a "priority one" project.

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

Trustee Grech-Cumbo requested an updated deferred maintenance program report, and Ms. Schaefer stated that she plans to return to the Board with a presentation on deferred maintenance.

F. Authorization to Execute Easements with Detroit Edison for East Campus Electrical Service

Ms. Schaefer stated that the university is seeking authorization for two nonexclusive easements on the east campus for Detroit Edison to provide

electrical service to a new maintenance building and a new food service facility for the R. & S. Sharf Golf Course.

Ms. Schaefer submitted the following resolution to the Board for approval:

RESOLVED, that the Vice President for Finance and Administration be authorized to execute two permanent non-exclusive easements in favor of Detroit Edison for placement and maintenance of underground electrical cables extending approximately 2,120 feet from Butler Road to both the new food service and maintenance facilities. The easements shall be ten feet in width, centered on the cable conduit lines. The easement documents shall be approved by the Office of General Counsel prior to execution.

Trustee Schlaybaugh, seconded by Trustee Grech-Cumbo, moved approval of the recommendation. The motion was unanimously approved by those present.

VI. Discussion of November 4, 1999, Board of Trustees Meeting Agenda

The Board reviewed the October 14, 1999, proposed agenda and Trustee Baskin requested that the Sprint Paranet contract be added to the agenda.

VII. Other Items that May Come Before the Board

Chairperson Doyle noted that two people had requested to address the Board. He called on Mr. Sean Kosofsky, Director of Policy & Victim Services for the Triangle Foundation, a state-wide gay and lesbian civil rights and advocacy group and antiviolence organization. Mr. Kosofsky stated that he had addressed the Board five years ago, as a student, to comment on the inclusion of the term "sexual orientation" in the Board's Equal Opportunity Policy. He commented on the hidden surveillance equipment recently installed in a men's bathroom on campus by the Oakland University Police Department for alleged sexual activity. Mr. Kosofsky viewed this practice as an invasion of privacy and suggested that signs be installed in the bathrooms that inform people that sexual behavior is inappropriate. He also proposed that uniformed police "sweep" the bathrooms periodically as another deterrent to the inappropriate behavior. Mr. Kosofsky encouraged the Board, the President, and Ms. Schaefer to instruct the police to exercise compassion and understanding in determining charges against the parties who perform such behavior. He was concerned about the "gross indecency" charge against gays that is punishable by up to 15 years in jail and by registration as a sex offender for 25 years. Mr. Kosofsky stated that it is his belief that the statute is archaic and designed to target gay men and that a first offense should get a warning and a second offense should get a misdemeanor.

Chairperson Doyle thanked Mr. Kosofsky for his comments. He then called on Dr. Philip Singer, Professor of Health Behavioral Science, who requested to address the Board. Dr. Singer read a resolution dated September 23, 1999, introduced to the Michigan Senate by Senator Gary Peters of the Senate Education Committee. The resolution urges "the Governor to work with Oakland University officials to arrange IRS approved minimum distribution of the pension of Professor Philip Singer." Dr. Singer then asked the Board for permission to have the Board of Trustees meetings broadcasted over the Oakland County Time-Warner Community Access channel. He noted that, in response to a letter he sent to the Board on this request, he has only received one response, which is affirmative. Trustee Nicholson stated that the Board meetings are open to the public, and Dr. Singer responded that he will go ahead and have the next meeting broadcasted over the Time-Warner Community Access channel.

Chairperson Doyle thanked Dr. Singer for his comments.

VIII. Adjournment


Trustee Fischer, seconded by Trustee Schlaybaugh, moved adjournment of the meeting. The motion was unanimously approved by those present. The meeting was adjourned at 3:15 p.m.

Submitted,

Approved,



Victor A. Zambardi
Acting Secretary to the
Board of Trustees



David J. Doyle
Chairperson