

**Minutes of the Formal Meeting
of the
Oakland University Board of Trustees
October 2, 2002**

Present: Chair Henry Baskin; Trustees Penny M. Crissman, David J. Doyle, David T. Fischer, Ann V. Nicholson, and Dennis K. Pawley

Absent: Trustees Linda S. Hotchkiss 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 2:05 p.m. in the Auditorium of the Elliott Hall of Business and Information Technology. He thanked the Board for their support in his appointment as Chair of the Board of Trustees and Trustee Penny M. Crissman's appointment as Vice Chair. Chair Baskin also commented that the last 10 years resulted in tremendous growth at Oakland University, both physically and qualitatively, and that it is currently a very critical time in the history of education given the State of Michigan budgetary constraints. He added that the Board intends to do everything possible to maintain Oakland University's high quality of education despite possible budget cuts.

Chair Baskin introduced Mr. Dennis K. Pawley as the new member of the Board of Trustees. He noted that Trustee Pawley previously served on the Board and left for business reasons. Chair Baskin commented that Trustee Pawley is truly one of the great people interested in education and that he has been an active member of the Oakland University Foundation.

Chair Baskin stated that, while not speaking on behalf of the Board, he wanted to make a personal statement in opposition to Ballot Proposal 4. He stated that:

- Proposal 4 deals with a \$30 million settlement as a result of a lawsuit brought by the Attorney General against the tobacco industry.
- Proposal 4 was designed to give the State Legislature the funds, out of which 75% has gone toward merit scholars and 25% has gone toward health care.

- The people who have generated Proposal 4 and placed it on the ballot want to take that money away from the State Legislature and give it to certain individuals in the health care industry so that they can propose what to do with it.
- You will hear radio and television ads in the next four weeks that will tell us how important it is to have a healthy Michigan, how important it is to stop these kids from smoking, and people from smoking, and to educate people, but that is not what it is about. They are going to take this money and control it and we will not know what they are doing with it.
- We will lose 75% of \$30 million for public education if that proposal passes.

Chair Baskin then read the following excerpts from a Michigan State University Board resolution on this matter:

WHEREAS, the “Healthy Michigan” ballot proposal would eliminate *permanently* the Legislature’s ability to shift these State funds among ever-changing critical State needs, including education and health, over time; and

WHEREAS, the Board of Trustees of Michigan State University believes the “Healthy Michigan” ballot proposal is *unhealthy public policy* for the State of Michigan and accordingly would not be healthy for higher education, health or any other major responsibility of State government;

THEREFORE, be it resolved that the Board of Trustees of Michigan State University urges the people of Michigan to defeat the “Healthy Michigan” ballot proposal.

For those reasons, Chair Baskin personally encouraged people to vote “no” on Proposal 4.

II. President’s Report

President Gary D. Russi reported the following information:

- Mr. Frank Moss, Ms. Carolyn Stevens, and Ms. Lisa (Shuk) Lam Hung were recognized as the June, July, and August Employees of the Month, respectively. Supervisory comments on each recipient were provided in a video presentation.
- Dr. Virinder K. Moudgil, Vice President for Academic Affairs and Provost, recognized the outstanding service of Dr. Gilbert Wedekind, Professor of Engineering, who joined Oakland University in January of 1966, after receiving a Ph.D. from the University of Illinois in October of 1965. Dr. Wedekind was given responsibilities for developing undergraduate and graduate programs in Fluid and Thermal Science in the nascent School of Engineering. He is the foremost scholar in his field of research and he continues to be active in a broad range of theoretical and experimental work, including Transient Two-Phase Evaporating and Condensing Flow Phenomenon,

Transient Performance and Energy Requirement of Buildings and their Associated Climate Control Systems, Automotive Climate Control, Automotive Radiation Heat Shield, and Electronic Component Cooling. Dr. Wedekind's research has been supported by the National Science Foundation, General Motors, Ford Motor Company, Daimler Chrysler, Algoods USA and TI Automotive Group. Some applications of his research have included energy savings through thermostat dial back, smart thermostat systems, improved climate controls in cars and improved automotive field delivery system. Dr. Wedekind's research publications have appeared in top-notch journals and he has been consistently rated as an outstanding instructor in spite of a reputation of being a very tough grader. He received an Oakland University Teaching Excellence Award and the Distinguished Faculty Award. Dr. Wedekind was also honored with an Outstanding Teacher Award from the American Society of Engineering Education, North Central Section, and the School of Engineering and Computer Science Withrow Teaching Excellence Award. In recognition of his excellence in both teaching and research, he was appointed as the John F. Dodge Chair of Engineering in 1997.

- Dr. Moudgil also recognized the contributions of Dr. Shraavan Chintala, Assistant Professor of Biomedical Sciences in the Eye Research Institute. Professor Chintala joined Oakland University in 2001 after a successful career at the New England Eye Center of Tufts Medical School in Boston. He brings to Oakland his basic training as a neural scientist and his expertise on protein degrading enzymes to research on retina and its diseases. Employing animal models, Dr. Chintala seeks to understand the mechanisms involved in glaucoma and other vascular diseases of the retina. His focus is to understand neuronal cell death and irreversible vision loss due to occlusion and damage to the eye vessels. Dr. Chintala's research is supported by the National Institutes of Health, and a provisional patent in the United States is pending based on his work on retinas. Before joining Oakland, Dr. Chintala was also involved in a number of projects to determine the underlying pathology of glaucoma, and his work has been published in some of the most prestigious journals, including *Nature Medicine*. One of Dr. Chintala's papers was recognized in 2001 by *International Glaucoma Review* as one of the top ten papers in glaucoma research, and it was recently recognized by New York Academy of Medicine through a \$50,000 Rudin prize in glaucoma research. He has also been invited to present his research conducted at Oakland University at the upcoming international conference on eye research in Geneva, Switzerland. Dr. Janet Blanks, Director of the Eye Research Institute, also commented on Dr. Chintala in a video presentation.
- The official Oakland University enrollment is now at 16,059 students. Significant enhancements in academic programs, student life, and facilities is truly making Oakland University a university of first choice. These enhancements are a significant step in realizing the vision outlined in Vision 2010 to become a distinguished undergraduate university.

- Trustee David J. Doyle received the Distinguished Alumni Service Award, the highest alumni honor that recognizes outstanding alumni leadership and service to Oakland University and the Oakland University Alumni Association.

Chair Baskin thanked President Russi for his report.

III. 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 Linda S. Hotchkiss and Rex E. Schlaybaugh, Jr.

IV. Action Items

A. Consent Agenda

Chair Baskin moved approval of the following recommendations:

1. Approval of the Minutes of the Formal Meeting of August 7, 2002

2. Approval of the Minutes of the Special Formal Meeting of September 11, 2002

3. Approval of the University Personnel Actions

New Appointments

Andress, William C., Assistant Professor of Wellness, Health Promotion and Injury Prevention, effective January 1, 2003 (\$45,000.00) (New appointment filling a newly authorized position).

Galloway, Kathleen M., from Visiting Instructor in Physical Therapy to Assistant Professor of Physical Therapy, effective August 15, 2002 (\$47,066.00) (Former visitor filling a vacant authorized position).

Licker, Paul S., Professor of Management Information Systems and Chairman of the Department of Decision and Information Sciences, effective November 1, 2002 (\$110,000.00) (New appointment filling a newly authorized position).

Markel, Karen S., Assistant Professor of Management, effective August 15, 2002 (\$72,800.00) (Former visitor filling a vacant authorized position).

McGlothlin, Charles W., Jr., Assistant Professor of Industrial Health and Safety (\$60,000.00) and Program Director of Industrial Health and Safety (\$12,600.00), effective August 15, 2002 (New appointment filling a vacant authorized position).

Administrative Appointments

Hightower, Kenneth R., from Professor of Health Sciences to Professor of Health Sciences and Acting Associate Dean, School of Health Sciences, effective August 15, 2002 through December 31, 2003 (\$83,665.00).

Wiggins, Robert A., from Associate Professor of Education to Associate Professor of Education and Associate Dean of the School of Education and Human Services, effective August 15, 2002 (\$78,500.00).

Department Chairs

<u>Department</u>	<u>Chair</u>	<u>Term</u>
Rhetoric, Communication & Journalism	Sharon L. Howell	August 15, 2002- August 14, 2003 (Reappointment to a 3 rd one year term as interim chairperson)
Modern Languages & Literatures	Barbara U. Mabee	August 15, 2002- August 14, 2005 (2 nd term)

Change of Status

Larson, Cathy A., from Adjunct Instructor in Physical Therapy to Assistant Professor of Physical Therapy, effective August 15, 2002.

Wharton, Terry J., from Associate Professor of Operations Management and Interim Chairperson, Decision and Information Sciences to Associate Professor of Operations Management, effective September 1, 2002.

Yu, Jean C., from Instructor in Finance to Assistant Professor of Finance, effective August 15, 2002 (\$92,000.00).

Corrections

Faculty Reappointments

Reappointments (Probationary) – Effective August 15, 2003 through August 14, 2005

1. Assistant Professor eligible for employment to second, two-year probationary term as assistant professor:

Guessous, Laila (previously reported a spelling of Guesous, Laila)	Mechanical Engineering	Reemploy
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2. Assistant Professor eligible for employment to final, two-year probationary term as assistant professor:

Cseh, Maria Human Resource Development Reemploy
(originally reported as Department of Human Development & Child Study)

New Appointments – Cancelled

Liptak, Laszlo, Assistant Professor of Mathematics (\$51,000.00) (New appointment filling a newly authorized position). (Previously reported an effective date of August 15, 2002)

New Appointments – Delayed

Elhajj, Imad, Assistant Professor of Engineering (\$68,000.00) (New appointment filling a newly authorized position) effective January 1, 2003. (Previously reported an effective date of August 15, 2002)

Mourelatos, Zissimos, Associate Professor of Engineering (\$78,000.00) (New appointment filling a newly authorized position) effective January 1, 2003. (Previously reported an effective date of August 15, 2002)

4. Approval of Recommendation of Final Undergraduate and Graduate School Reports dated June 22, 2002

(A copy of the Final Undergraduate and Graduate School Reports dated June 22, 2002 is on file in the Board of Trustees Office.)

5. Recommendation to Accept Gifts to Oakland University and the Oakland University Foundation for the Period of July 1 through August 31, 2002 and to Accept Grants and Contracts to Oakland University for the Period of July 1 through August 31, 2002

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

6. Approval of Meadow Brook Subdivision Financing Guarantee

(A copy of the Meadow Brook Subdivision Financing Guarantee is on file in the Board of Trustees Office.)

Trustee David T. Fischer seconded the motion. The motion was unanimously approved by those present.

B. Approval of Resolution Honoring Ann V. Nicholson

Trustee Fischer moved approval of the following resolution honoring Trustee Nicholson:

WHEREAS, the term of Trustee Ann V. Nicholson as Chair of the Oakland University Board of Trustees concluded at the September 11, 2002 meeting of the Board; and

WHEREAS, Trustee Nicholson has served two terms as Chair of the Board of Trustees, from August 6, 2000 through September 11, 2002; and

WHEREAS, Trustee Nicholson has also served the Board as a member and chair of the Finance and Personnel Advisory Committee and the Investment Advisory Committee, as a member of the University Affairs Advisory Committee, and as a Board Liaison to the Student Apartments Design-Build Committee, contributing her knowledge and insight, and expending much time on the responsibilities associated with all of those duties; and

WHEREAS, Trustee Nicholson has spent countless hours coordinating the Board's activities, and promoting trustee to trustee communication at Board meetings; and

WHEREAS, Trustee Nicholson's leadership as Chair of the Board has resulted in major capital improvements such as the new Student Apartments and Parking Structure, and the Electrical Power Upgrade and Oakland Center Expansion; and

WHEREAS, Trustee Nicholson's leadership guided the reinstatement of the Investment Advisory Committee, established to assist the Board in maintaining the financial integrity of the University; and

WHEREAS, Trustee Nicholson's leadership and support also aided in keeping tuition and fee increases as low as possible, while maintaining fiscal commitment to the integrity of Oakland University's core educational experience; and

WHEREAS, Trustee Nicholson has also generously contributed to the fiscal well-being of Oakland University and provided valuable assistance in its relationship with the legislature and other governmental entities; now, therefore, be it

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

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

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

Trustee Doyle seconded the motion. The motion was unanimously approved by those present.

C. Approval of Resolution Honoring Louis Grech-Cumbo

Trustee Penny M. Crissman moved approval of the following resolution honoring Trustee Grech-Cumbo:

WHEREAS, Trustee Louis Grech-Cumbo was appointed to the Oakland University Board of Trustees on August 14, 1996 by Governor John Engler; and

WHEREAS, Trustee Grech-Cumbo's tenure as a Trustee concluded on September 3, 2002, and the Board of Trustees wishes to recognize his contributions to the university; and

WHEREAS, Trustee Grech-Cumbo served two one-year terms as Vice-Chair of the Board of Trustees; he also served as a member of the University Affairs Advisory Committee, Finance and Personnel Advisory Committee and Investment Advisory Committee, as a Board Liaison to the Campus Master Planning Task Force, and as a member of various other Board committees, contributing his knowledge and insight on the responsibilities associated with all of those duties; and

WHEREAS, Trustee Grech-Cumbo expended countless hours sharing his unique professional experience in efforts to conserve the university's financial resources; and

WHEREAS, Trustee Grech-Cumbo's leadership and support also aided in keeping tuition and fee increases as low as possible, while maintaining fiscal commitment to the integrity of Oakland University's core educational experience; and

WHEREAS, Trustee Grech-Cumbo always accepted appointments and assignments willingly on behalf of the university; and

WHEREAS, the Board of Trustees, President Gary D. Russi, and the entire university community are grateful to Trustee Grech-Cumbo for his devoted service and wise counsel; now, therefore, be it

RESOLVED, that the Board of Trustees publicly expresses its deep appreciation and gratitude to Trustee Louis Grech-Cumbo; and, be it further

RESOLVED, that Trustee Grech-Cumbo be designated as Trustee Emeritus with all of the attendant rights and privileges of this position; and, be it further

RESOLVED, that a copy of this resolution be provided to Trustee Grech-Cumbo to convey the esteem in which he is held by the Board of Trustees, the President, and the university community; and, be it further

RESOLVED, that the Board of Trustees extends to Trustee Grech-Cumbo and his wife, Nancy, its best wishes for happiness and the hope that they will continue their association with the university.

Trustee Fischer seconded the motion. The motion was unanimously approved by those present.

D. Approval of Resolution Regarding the Metropolitan Arts and Culture Counsel Ballot Proposal

Trustee Nicholson moved approval of the following resolution:

WHEREAS, the November 2002 ballot contains a proposal to provide support for Arts, Culture, and Recreation in Oakland and Wayne Counties, "Proposal K" (for kids); and

WHEREAS, if approved by voters, the initiative will support non-profit regional history, science, and arts institutions, and local cultural and recreational programs that will be paid for by a half mill property tax; and

WHEREAS, one-third of all revenues collected would remain in the city, village, or township from which it was raised, to be spent on local cultural and recreational programs and facilities; and

WHEREAS, two-thirds of the revenues collected would support the education, outreach and core programs of Southeastern Michigan's 17 leading nonprofit cultural institutions, including Meadow Brook Hall and Meadow Brook Theatre; and

WHEREAS, passage of Proposal K would allow Meadow Brook Hall and Meadow Brook Theatre to maintain and expand their educational, outreach, and core programs; now, therefore, be it

RESOLVED, that the Oakland University Board of Trustees supports the passage of Proposal K.

Trustee Pawley seconded the motion. The motion was unanimously approved by those present.

E. Approval of the Operating Budget for Meadow Brook Hall for Fiscal Years Ending June 30, 2003, 2004, and 2005

Ms. Lynne C. Schaefer, Vice President for Finance and Administration, reminded the Board that the presentation of this item was postponed at the last Board meeting to allow time for Meadow Brook Hall (MBH) to evaluate the fiscal year 2002 results and adequately plan their budgets for the coming year. She noted that when the auxiliary activities budgets were first presented to the Board in July, only year-end balances were projected. Ms. Schaefer stated that MBH's final fiscal year 2002 results are now included in this item accurately reflecting the university's financial systems. She commended Ms. Susan Davies Goepf, Vice President for University Relations, and her staff, for their hard work in developing a business strategy and plan to put MBH back on a positive financial footing. Ms. Schaefer called on Ms. Sally Victor, Interim Director of MBH, who presented the following budget highlights:

- The MBH budget is very aggressive on the revenue side and she is confident that it will be accomplished.
- The 2002 contributed income increase is projected at \$273,000, compared to \$122,000 last year.
- A half-time Development Officer, totally dedicated to contributed income for MBH, has been hired.
- On the earned income side, MBH has the ability to bill a current pricing structure of about \$5 million a year, and this year \$2 million in earned income is projected, with \$1.1 million already on the books.
- MBH also has \$300,000 on the books for fiscal year 2003-2004 based on bookings for other similar events.
- On the expense side, in order to reach these goals, MBH needs some capital investments from the reserves for increased staffing and to purchase essential tables, chairs, and equipment.
- Pricing and food service options have been upgraded to meet local competition, while maintaining a special pricing structure for Oakland University events.
- The marketing plan specifically targets various parts of the MBH facility rental business.

- There is a significant increase in MBH public programming for such events as Dinner and a Movie, Friday Night Flicks, Jazz in the Rock Garden, and Garbo and Gable Dinners, in addition to the increased educational and cultural programs.
- The budgetary impact consists of \$135,000 from reserves and a \$350,000 loan from the university, to be paid pack over 2 years at 5% interest.

There was a general discussion about the new MBH program to increase the corporate customer base. Ms. Victor noted that corporate customers will be offered incentives, such as room rate reductions, during the fourth quarter of the fiscal year, which is usually the slower business time of the year for MBH.

Trustee Nicholson moved, and Trustee Doyle seconded, approval of the following resolution:

RESOLVED, that the Board of Trustees approve the budget for Meadow Brook Hall for the year ending June 30, 2003, and conditionally approves the budgets for fiscal years ending June 30, 2004 and June 30, 2005, with expenditures not to exceed the amounts on Appendix I respectively, for each year except as next set forth; and, be it further

RESOLVED, that all expenditures beyond the approved budget and expenditure levels in excess of the approved amount that are not funded by a direct revenue increase must have the prior approval of the President or his designee and these amounts shall be reported on a periodic basis to the Board of Trustees.

The motion was unanimously approved by those present.

F. Approval to Proceed with Repair/Rehab/Upgrade to the School of Nursing Offices/Lab

Trustee Doyle stated that this proposed project would perform needed repairs to most of the fourth floor of O'Dowd Hall, which would allow consolidation of the School of Nursing offices from the third floor and provide offices for each full-time and five part-time faculty members. The project would also repair and upgrade the Multi-Media Lab on the second floor to expand the capacity, improve the environment, and better integrate the Nursing Lab operations.

Trustee Doyle moved approval of the following resolution:

RESOLVED, that the Vice President for Finance and Administration be authorized to execute a contract with the lowest responsible bidder(s) for repair/rehab/upgrade to the School of Nursing; and, be it further

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

RESOLVED, that the project budget shall not exceed \$425,000.

Trustee Crissman seconded the motion. The motion was unanimously approved by those present.

G. Approval to Increase the Total Budget for the Oakland Center Expansion Project

Trustee Crissman stated that in June 2002 the Board approved the appointment of a Construction Manager and authorized completion of design and construction of the Oakland Center expansion for \$8 million. She noted that in an effort to make the Oakland Center a "gateway" to the campus, a decision was made to remove the canopy/vestibule structures between North and South Foundation Halls and to restore the area as part of the Oakland Center expansion project. Trustee Crissman added that the design costs are not to exceed \$35,000 and the construction costs will be \$315,000, for a total increase of \$350,000.

Trustee Crissman moved approval of the following resolution:

RESOLVED, that the design budget be increased from \$650,000 to \$685,000; and, be it further

RESOLVED, that the construction budget be increased by \$315,000; and, be it further

RESOLVED, that the total project cost including design, construction and project management shall not exceed \$8,350,000.

Trustee Nicholson seconded the motion. The motion was unanimously approved by those present.

H. Approval of Capital Outlay Budget Request Fiscal Year 2004 5-Year Plan

Ms. Schaefer stated that annually, the university is asked to submit its capital outlay budget request to the Michigan Department of Management and Budget. She noted that in this request, the university is required to provide a five-year capital plan, long-term projections for enrollment, staffing and program development, and other information designed to help the State understand the university's capital needs. Ms. Schaefer stated that each year, as part of this process, the university reviews its prior year submission and updates information as appropriate. As with last year, colleges and universities have been asked to submit only their top priority capital outlay request. She added that, consistent with the areas of "excellence" identified

by the administration and the Board, a project to construct an Engineering Design Center and renovate space in Hannah Hall for Health Sciences is recommended as the university's top priority request.

Ms. Schaefer also noted that the project cost has increased to \$56,775,000 to reflect the addition of 10 general purpose classrooms, to accommodate enrollment growth, and a 500 space parking structure.

At this time, Chair Baskin asked President Russi to update the Board on discussions regarding a Performing Arts Center. President Russi stated that the Provost, the Dean of the College of Arts and Sciences, the Department Chair, and faculty members have invested considerable time and energy in reviewing this issue. He noted that over the last few weeks, they have begun to look at the project with the facilitation of an outside consultant. President Russi stated that both the administration and the Board have expressed their support of both the Engineering Design Center and the Performing Arts Center, and the university will remain committed to moving forward to complete them. He added that, although Ms. Schaefer has talked about the nature of the Engineering project, it is also important that the Performing Arts Center be recognized as an important objective for the university. In that regard, President Russi stated that it is essential that the Performing Arts Center be considered as one of the top Capital Campaign projects, especially given the community support for the facility.

Trustee Crissman expressed her support for putting the Performing Arts Center on the Capital Campaign priority list.

Trustee Doyle moved, and Trustee Nicholson seconded, approval of the following resolution:

RESOLVED, that the Board of Trustees approve the submission of the State Capital Outlay Budget Request for Fiscal Year 2004, 5-year plan, as presented with this recommendation, to the State of Michigan, Department of Management and Budget.

The motion was unanimously approved by those present.

V. Discussion of December 4, 2002 Board of Trustees Meeting Agenda

Chair Baskin stated that if any Board member has additional changes or questions regarding the December 4, 2002 Board agenda, please contact the Secretary to the Board of Trustees.

VI. Other Items that May Come Before the Board

Chair Baskin called on Professor Philip Singer of the School of Health Sciences, who requested to address the Board. Professor Singer made a proposal, for the Board's consideration, to receive a four-month research leave beginning in January 2003 and to be

allowed to retire immediately following the leave. He noted that the proposal would save the university \$60,427 from January through July 2003 and \$120,853 or \$10,000 per month thereafter.

Chair Baskin thanked Professor Singer and asked President Russi to review his proposal and report back to the Board with his findings.

There were no further items to come before the Board.

VII. Adjournment

Chair Baskin adjourned the meeting at 3:08 p.m.

Submitted,

Approved,

Victor A. Zambardi
Secretary to the Board of Trustees

Henry Baskin
Chair, Board of Trustees