

**Minutes of the Formal Meeting
of the
Oakland University Board of Trustees
March 7, 2007**

Present: Chair Dennis K. Pawley; Trustees Henry Baskin, Penny M. Crissman, David J. Doyle, Jacqueline S. Long, Ann V. Nicholson, and Rex E. Schlaybaugh, Jr.

Absent: Vice Chair David T. Fischer and Trustee Henry Baskin

Also Present: President Gary D. Russi; Vice Presidents John W. Beaghan, Susan Davies Goepp, Mary Beth Snyder, and Virinder K. Moudgil; General Counsel and Secretary to the Board of Trustees Victor A. Zambardi and Assistant Rhonda G. Saunders; and Student Liaison Frederick A. DeNault

Also Present: Ronald A. Sudol, Acting Dean of the College of Arts and Sciences; Geoffrey C. Upward, Interim Director of Meadow Brook Hall; and Peggy S. Cooke, Director of Business Operations Analysis

A. Call to Order

Chair Dennis K. Pawley called the meeting to order at 2:02 p.m. in the Auditorium of Elliott Hall of Business and Information Technology.

B. Roll Call

Mr. Victor A. Zambardi, General Counsel and Secretary to the Board of Trustees, conducted a roll call. All of the Board members were present except Vice Chair David T. Fischer and Trustee Henry Baskin.

C. Reports

Tab 1. Meadow Brook Theatre Ensemble Status Report

Dr. Virinder K. Moudgil, Vice President for Academic Affairs and Provost, stated that, at the Board of Trustees (Board) direction, the collaboration between Meadow Brook Theatre Ensemble (MBTE) and the Department of Music, Theatre and Dance Theatre Program has benefited many current and former students. He called on Dr. Ronald A. Sudol, Acting Dean of the College of Arts and Sciences, who presented the following report on the 2006 season:

- Theatre Program involvement with MBTE included 23 students, 9 alumni, and 7 faculty members.
- Four MBTE members actively participated in Theatre projects.
- Extensive collaborative work throughout the season included the areas of carpentry, stage management, technical direction, scenery, computing, electrical design, promotions, discounts, box office, and equipment.
- The Acting Dean of the College of Arts and Sciences joined the MBTE Board of Directors and served on its Audience Development Committee.
- The collaboration is very important to the Theatre Program because it contributes to its professionalization as it is offered to students.

Chair Pawley thanked Dr. Sudol for his report noting that this collaboration has been one of the University's successes, both financially and through the benefits it offers students.

Trustee Rex E. Schlaybaugh, Jr. inquired whether the MBTE net revenue includes maintenance costs on the building. Ms. Peggy S. Cooke, Director of Business Operations Analysis, replied that the net revenue primarily includes utilities. However, \$2,500 in annual maintenance costs have not been directly included in the budget, but that amount will be included in next year's budget.

Tab 2. Meadow Brook Hall Budget Status Report

Mr. Geoffrey C. Upward, Interim Director of Meadow Brook Hall (Hall), reported that the 2006 calendar year net revenue, including Meadow Brook Concours d'Elegance (Concours) revenue, was \$212,088 versus the projected net revenue of \$142,000 reported to the Board on January 10, 2007.

Trustee Ann V. Nicholson asked if bookings are on target for this time of year, and Mr. Upward replied that bookings were probably lower the first three months of the year. However, he is confident that, with the addition of recently hired sales staff, sales and marketing for the Hall will improve with the new initiatives that are underway.

Trustee Schlaybaugh noted that the projected 2007 Concours revenue is significantly less than the actual 2006 Concours revenue. Mr. Upward explained that in 2006 \$175,000 was projected; however, the Concours experienced difficulties in reaching that projection with reduced sponsorships and a lower gate resulting in revenue of \$106,000. He added that the Hall is taking a more conservative budget approach, and he anticipates that, under the new Concours leadership, the 2007 Concours revenue should reach \$100,000.

Chair Pawley thanked Mr. Upward for his report.

D. Consent Agenda for Consideration/Action

Chair Pawley asked if any Board member wished to remove any items from the Consent Agenda for discussion, and there were no requests.

Chair Pawley presented the following Consent Agenda recommendations for Board approval:

Tab 3. Consent Agenda

Tab 4. Minutes of the Special Formal Meeting of November 1, 2006 and the Special Formal Meeting of January 10, 2007

Tab 5. Acceptance of Gifts to Oakland University for the Period of September 1, 2006 through January 31, 2007

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

Tab 6. Acceptance of Grants and Contracts to Oakland University for the Period of November 1 through December 31, 2006

(A copy of the Grants and Contracts report is on file in the Board of Trustees Office.)

Tab 7. Acceptance of Meadow Brook Subdivision Financing Guarantee Report

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

Tab 8. Board Member for Public School Academy

WHEREAS, the Board of Directors of the Nsoroma Institute nominated Becki Berry Wells for reappointment for a three-year term to expire on March 7, 2010; and

WHEREAS, Becki Berry Wells meets the requirements of the Oakland University Board of Trustees and applicable law; now, therefore, be it

RESOLVED, that the Oakland University Board of Trustees hereby approves Becki Berry Wells for reappointment to the Board of Directors of the Nsoroma Institute for a three-year term to expire on March 7, 2010; and, be it further

RESOLVED, that all resolutions and parts of resolutions in conflict with this resolution shall be and hereby are rescinded to the extent of such conflict.

Trustee Penny M. Crissman, seconded by Trustee Jacqueline S. Long, moved approval of the Consent Agenda. The motion was unanimously approved by those present.

E. New Items for Consideration/Action

Chair Pawley and Trustee Schlaybaugh noted that the following item was presented at the March 1, 2007 Finance, Audit and Investment Committee (Committee) meeting, and the Committee recommends it to the full Board for approval.

Tab 9. Appointment of an Independent Public Accounting Firm

Mr. John W. Beaghan, Vice President for Finance and Administration, stated that Andrews Hooper & Pavlik, P.L.C., through a Request for Proposals process is being recommended for approval as Oakland University's (University) external auditors.

Mr. Beaghan presented the following resolution for Board approval:

RESOLVED, that the Board of Trustees appoints Andrews Hooper & Pavlik, P.L.C. as the University's independent public accounting firm for a one-year engagement; and, be it further

RESOLVED, that Andrews Hooper & Pavlik, P.L.C. will report the results of its annual examination of Oakland University's financial statements to the Board of Trustees and its committees as requested; and, be it further

RESOLVED, that the engagement letter be reviewed and approved by the Office of the General Counsel prior to execution, and be in compliance with the law and University policies and regulations and conform to the legal standards and policies of the Board of Trustees.

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

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

Chair Pawley commented that in January he and Trustee Fischer spent a very productive day in Lansing discussing pertinent facts about Oakland University with key legislators. He encouraged the University community to talk to their local representatives about the University's funding needs.

Trustee Schlaybaugh asked President Gary D. Russi to comment on the two-tiered funding proposal debate. President Russi stated that Governor Granholm's executive budget proposal included a new funding approach this year to provide two higher education bills. One bill would fund the University of Michigan, Michigan State University, and Wayne State University. The other bill would fund the remaining 12 universities through an appropriation process. As a result, there is a great debate in higher education about that approach. President Russi added that the universities testified on the proposal and were asked to provide statements on the proposed funding separation. He reported he has aggressively presented his statement opposing the proposal, and he believes the

different funding mechanism negatively impacts the students. President Russi also noted that an alternative funding proposal based on a percentage of the research dollars each institution attracts was being considered.

There were no other items presented to the Board.

G. Adjournment

Chair Pawley adjourned the meeting at 2:17 p.m.

Submitted,

Approved,

Victor A. Zambardi
Secretary to the Board of Trustees

Dennis K. Pawley
Chair, Board of Trustees