

MINUTES OF THE SPECIAL MEETING
OF THE
MICHIGAN STATE UNIVERSITY
BOARD OF TRUSTEES

March 27, 2001

The Trustee Policy Committee meeting was held in the Conference Room of the Administration Building beginning at 8:35 a.m. on Tuesday, March 27, 2001.

President McPherson called the special meeting of the Board of Trustees to order at 8:38 a.m. in the Conference Room.

Trustees present: Colleen M. McNamara and David L. Porteous. Trustees present via telephone: Dolores M. Cook, Joel I. Ferguson, Scott Romney, and Robert E. Weiss.

University officers present: President McPherson, Provost Simon, Secretary Pogel, and Vice Presidents Webb and Denbow. Present via telephone: Donald Bowersox, Acting Dean of the College of Business.

All actions taken were by unanimous vote of the Trustees present, unless otherwise noted.

1. On a motion by Ms. McNamara, supported by Mr. Porteous, **THE BOARD VOTED to approve** the proposed agenda.

2. Public Participation

There were no requests to address the Board of Trustees on issues germane to the agenda or other issues.

3. The Trustee Policy Committee recommendation was presented by Committee Chairperson McNamara.

Naming Opportunity

It was recommended that the Center for Executive Development be named the James B. Henry Center for Executive Development in accordance with the request of an anonymous donor.

On a motion by Mr. Romney, supported by Mr. Porteous, **THE BOARD VOTED to approve** the recommendation.

Discussion from the Policy Committee

Trustee McNamara asked Secretary Pogel if there were issues regarding naming that should be discussed prior to the kickoff of the University's upcoming capital campaign. Secretary Pogel responded that she and Vice

President Chuck Webb had reviewed the naming policy, and there are some issues that the Policy Committee may wish to consider.

A motion was offered by Trustee Cook that the Policy Committee review, in the near future, Board Policy 02-06-03, Buildings and Facilities – Naming. Trustee Romney seconded the motion, and the Committee voted to approve the recommendation.

Discussion from the Full Board

Vice President Webb explained to the Board that an MSU Alumnus, who chooses to remain anonymous, has donated \$8 million to MSU's Center for Executive Development. The donor wished to honor College of Business Dean Emeritus Jim Henry for the work he has done for the College of Business.

Regarding the naming policy, Provost Simon said that there are buildings named for living people, Eustace-Cole Hall, for example, in recognition of a gift to the University. Dr. Simon added that there is no precedent for an anonymous donor giving a gift in honor of another person to name a building, but there are other examples of anonymous gifts named for others, specifically the McPherson Chair. Prior to the current naming policy, buildings, including the Wharton Center and Breslin Center, had been named for living people.

Trustee McNamara said that the Board must be convinced that the person whose name has been chosen by the anonymous donor for the Center for Executive Development is the person for whom the Board wishes to name the building. She added that she is comfortable with the naming of the Center for Executive Development for James B. Henry.

Donald Bowersox, Acting Dean of the College of Business, said that this gift is one of the highlights of the past year for the College of Business. Dr. Bowersox emphasized that Dean Henry has been a leader and accomplished a great deal. He has been a high performer and is well-liked by the College's alumni and the business community. Receipt of the gift meant that the College had reached its goal of having 85% of the funding completed, he said. Dr. Bowersox added that this is a fitting tribute to a fine leader, and that the gift improves the quality of the College.

Trustee Porteous asked what Jim Henry has been doing since he stepped down as Dean. Dr. Bowersox responded that Dean Emeritus Henry will teach finance in the College.

Mr. Porteous said that this is an extraordinary gift. Vice President Webb added that it is one of the largest cash gifts the University has received. Trustee Porteous complimented Dr. Webb, Provost Simon, and Jim Henry for their work on the gift.

Trustee Romney asked if the gift is being given as a lump sum. Vice President Webb said that the gift would be given over a period of five years, which is normal practice for major gifts to the University, with one fifth of

the \$8 million to be donated each year. Mr. Romney also asked how long the University commits to using the name that was set up under the gift. Vice President Webb said that he believes that there is no life-span for building names. President McPherson said that building names can be hyphenated, but that all names will remain on buildings for as long as the building exists.

In response to concerns expressed by Trustee Weiss, President McPherson said that as the Institution's governing Board, the Board of Trustees had been notified of the identity of the anonymous donor. Mr. Weiss said it is important for the Board to be aware of the terms of such gifts in order to be a watchdog for the University.

Provost Simon said that in accordance with the naming policy, a gift of at least 50% of the cost of the building must be given in order to have naming rights for that building. The cost of the Center for Executive Development was \$16 million, and this anonymous gift was \$8 million.

President McPherson said that some initially regarded this building as a risk, but others believed that it could work well financially. If all the money for the project could be raised, then cash generated by the Center could be used to support the College of Business. The project moved forward because the perception was that this Center would be a central part of the College of Business' activity.

Trustee Weiss said that he appreciates the fact that the Policy Committee will be reviewing the naming policy, and hopes that it's not just money that buys a name. Vice President Webb said that the current donor is very philanthropic in his community, and he has a solid reputation.

Trustee McNamara emphasized that she is extremely happy with this very generous gift to the University.

Secretary Pogel said that the University Naming Committee unanimously supported this proposal. Acting Dean Bowersox added that he is also a member of the Naming Committee, and that there was full support for this decision.

4. An Executive Session was not requested.
5. On a motion by Mr. Ferguson, supported by Mr. Porteous, the Board voted to adjourn at 8:58 a.m.

Respectfully submitted,

Nancy H. Pogel, Ph.D.
Secretary of the Board of Trustees