

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

June 28, 2002

The Trustee Policy Committee meeting was held in the Board Room of the Administration Building beginning at 9:00 a.m. on Friday, June 28, 2002. Minutes of the meeting are on file in the Office of the Secretary of the Board of Trustees.

Because a quorum was not present for the Trustee Finance Committee, Chairperson Nugent moved that the items on the Finance Committee agenda be considered by the full Board.

President McPherson called the meeting of the Board of Trustees to order at 9:22 a.m. in the Board Room.

Trustees present: Dolores M. Cook, Dorothy V. Gonzales, Colleen M. McNamara, Donald W. Nugent, and Randall L. Pittman.

Trustees absent: Joel I. Ferguson, David L. Porteous, and G. Scott Romney.

University officers present: President McPherson, Provost Simon, Vice President Poston, Secretary Carter, Vice President and General Counsel Noto, Vice Presidents Greenleaf, Huggett, and June, and Senior Advisor and Director Granberry Russell. Faculty Liaisons present: Norman Abeles, Jonathan Hall, and Linda Lou Smith. Student Liaisons present: Jim Ciszewski and Matthew Clayson.

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

1. On a motion by Mr. Nugent, supported by Ms. McNamara, **THE BOARD VOTED to approve** the amended agenda. The agenda was amended to include an additional bid and contract award – the Delia Koo International Academic Center Addition.
2. On a motion by Ms. Cook, supported by Ms. Gonzales, **THE BOARD VOTED to approve** the minutes of April 12, 2002 and May 10, 2002.
3. President's Report
  - A. President McPherson talked about a University ad campaign, "Take the Shot," which encourages students to remain current on their immunizations, including the meningitis vaccination. He said that this effort needs to be regularly emphasized.
  - B. President McPherson noted that U.S. Secretary of Agriculture, Ann Veneman, recently announced that MSU was one of the principle

recipients of federal grants to strengthen homeland security preparation programs in the USDA. The \$900,000 grant will fund MSU's plant diagnostic effort to study plant diseases and pests that could be introduced into the food system.

- C. President McPherson commented on the 50<sup>th</sup> anniversary of MSU's School of Packaging. He noted that MSU hosted WORLDPAK, an international packaging conference, which received very good media coverage and was substantively successful.

#### 4. Public Participation on Items Germane to the Agenda

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

#### 5. Personnel Actions

##### A. Appointments

Provost Simon presented the following personnel actions:

- 1) Grabill, Jeffrey T., AY-Associate Professor, Department of American Thought and Language, \$58,000, with Tenure, effective August 16, 2002.
- 2) Lindquist, Julie L., AY-Associate Professor, Department of American Thought and Language, \$60,000, with Tenure, effective August 16, 2002.
- 3) Rayl, David C., AY-Professor, Department of Music, \$88,000, with Tenure, effective August 16, 2002.
- 4) Dyson, Anne Haas, AY-Professor, Department of Teacher Education, \$113,000, with Tenure, effective August 16, 2002.
- 5) Pressley, George M., AY-Professor, Departments of Teacher Education; Counseling, Educational Psychology and Special Education, \$118,500, with Tenure, effective August 16, 2002.
- 6) Bollen, Georg, AN-Professor, Department of Physics and Astronomy; National Superconducting Cyclotron Laboratory, \$111,000, with Tenure, effective March 26, 2002.
- 7) Williams, Robert, AN-Head Coach-Football, Intercollegiate Athletics, Subject to Contract, effective January 16, 2005 to January 14, 2007.

President McPherson said that the item regarding Bobby Williams is a pro forma action relating to the rollover of Coach Williams' contract.

B. Promotion and Tenure Actions

The report of Promotion and Tenure Actions is included in the Personnel Actions document on file with Board agenda materials in the Office of the Secretary of the Board of Trustees.

On a motion by Ms. McNamara, supported by Ms. Cook, **THE BOARD VOTED to approve** the Personnel Appointments, as well as the Promotion and Tenure Actions.

6. Gift, Grant and Contract Report

Vice President Huggett presented the Gift, Grant and Contract Report for the period of March 22, 2002 through June 17, 2002. The report is a compilation of 429 Gifts, Grants and Contracts, 130 Consignment/Non-Cash Gifts, and one Consignment/Non-Cash Loan with a total value of \$71,768,344.92. The Gift, Grant and Contract Report is included with the agenda materials in the Office of the Secretary of the Board of Trustees.

On a motion by Mr. Nugent, supported by Mr. Pittman, **THE BOARD VOTED to approve** the Gift, Grant and Contract Report.

Dr. Huggett noted that faculty have worked extremely hard this year, and research awards for the year are up by 30%.

7. The Trustee Policy Committee report and recommendations were presented by Committee Chairperson McNamara.

A. Amendments to the Faculty Grievance Procedure

It was recommended that the Board approve four amendments to the Faculty Grievance Procedure, including the revision of Section 1.2 and the addition of Sections 1.2.1, 3.1.5.7, and 3.1.9.

A copy of the revised procedure is on file in the Office of the Secretary of the Board of Trustees.

On a motion by Ms. McNamara, supported by Ms. Cook, **THE BOARD VOTED to approve** the recommendation.

Provost Simon said that revisions to the procedure have been reviewed by the University Committee on Faculty Affairs, Faculty Council, and Academic Council.

Faculty Liaison Norman Abeles said that Academic Council supports the revisions to the procedure.

B. Amendments to the Procedures Concerning Allegations of Misconduct in Research and Creative Activities

It was recommended that the Board of Trustees approve the revised Procedures Concerning Allegations of Misconduct in Research and Creative Activities.

A copy of the revised procedures is on file in the Office of the Secretary of the Board of Trustees.

On a motion by Ms. McNamara, supported by Ms. Cook, **THE BOARD VOTED to approve** the recommendation.

Provost Simon indicated that revisions were reviewed by the University Graduate Council and are based, in part, on the need to keep procedures in line with rules regulating the use of federal grants. The revisions also clarify the process, and include definitions of terminology. Academic Council, Dr. Simon noted, also reviewed the procedures.

Faculty Liaison Norman Abeles said that there was general agreement in Academic Council for the changes to the procedure.

C. Revision of the Course Fee Courtesy Policy

It was recommended that the Board of Trustees approve the revised Course Fee Courtesy Policy.

A copy of the revised policy is on file in the Office of the Secretary of the Board of Trustees.

On a motion by Ms. McNamara, supported by Ms. Gonzales, **THE BOARD VOTED to approve** the recommendation.

Provost Simon explained that changes were made to allow access to the Course Fee Courtesy for fixed-term faculty and fixed-term academic staff.

Support staff, she indicated, are already covered by a similar policy. The funding for this change is noted in the Budget Guidelines approved by the Board at its May 10, 2002 meeting.

D. Notice of intent to negotiate the following contract was given to the Board of Trustees. Board approval for this agreement will be requested at a subsequent meeting.

Technology licensing, research, and related matters with Applied Computational Design Associates, Inc. Dr. Ronald Averill, a faculty member in the Department of Mechanical Engineering, and Dr. Erik Goodman, a faculty member in the Department of Electrical and Computer Engineering, or their respective families each own or have options to buy equity interests of more than 5% of the company. Dr. Averill serves as President of ACDA. Dr. Goodman serves as Vice

President for Engineering of ACDA and is a member of its Board of Directors.

E. Notice of intent to negotiate the following contracts was given to the Board of Trustees. Board approval for these agreements will be requested at a subsequent meeting. The University anticipates negotiating a variety of agreements with these companies, either singly or as a group.

- 1) Bio Plastic Polymers and Composites, LLC. Dr. Ramani Narayan, a member of the faculty in the Department of Chemical Engineering, and his immediate family cumulatively own or have options to buy an equity interest of more than 5% of the company. Dr. Narayan is also an officer of Bio Plastic Polymers and Composites, LLC.
- 2) Ecosynthetix, Inc. Dr. Ramani Narayan, a member of the faculty in the Department of Chemical Engineering, and his family cumulatively own or have options to buy an equity interest of more than 5% of the company. Dr. Narayan is a member of the Board of Ecosynthetix, Inc.
- 3) KTMIIndustries. Dr. Ramani Narayan, a member of the faculty in the Department of Chemical Engineering and Dr. Melvin Schindler, a member of the faculty in the Department of Biochemistry and Molecular Biology or their respective families cumulatively own or have options to buy equity interests of more than 5% of KTMIIndustries. Dr. Marcos Dantus, a faculty member in the Department of Chemistry and his family cumulatively own or have options to buy an equity interest of more than 1% of the company. Drs. Schindler and Dantus are also officers of KTMIIndustries.

D. Faculty Conflict of Interest

- 1) It was recommended that the Board of Trustees approve the administration's recommendation for execution of an option agreement with Bio Plastic Polymers and Composites, LLC, consistent with earlier public notice given at the April 12, 2002 Board meeting, and with the applicable "Option Term Sheet."
- 2) It was recommended that the Board of Trustees approve the administration's recommendation for execution of an option agreement with Intellicon, consistent with earlier public notice given at the February 13, 2002 Board meeting, and with the applicable "Option Term Sheet."
- 3) It was recommended that the Board of Trustees approve the administration's recommendation for execution of an option agreement with Preservation Specialties, LLC, consistent with

earlier public notice given at the April 12, 2002 Board meeting, and with the applicable "Option Term Sheet."

On a motion by Ms. McNamara, supported by Ms. Gonzales, **THE BOARD VOTED to approve** the recommendations.

Trustee Nugent asked if patents are involved in these agreements. Vice President Huggett said that in the case of Preservation Specialties, LLC, MSU would be buying goods from the company. He added that Bio Plastic Polymers and Intellicon are licensing intellectual property from the University.

8. Committee Chairperson Nugent moved that the full Board review and act on the agenda items of the Trustee Finance Committee. He said that the issues were discussed at the previous day's work session. A quorum was not present to conduct the full Finance Committee.

A. Bids and Contract Awards

- 1) It was recommended that a contract in the amount of \$172,200 (Base Bid: \$142,500 plus Alternate No. 1: \$29,700) be awarded to Tom's Advanced Paving Co. of Lansing, Michigan, and that a budget in the amount of \$249,029 be established for the project entitled: AMTRAK - Greyhound Station Site Improvements.

On a motion by Mr. Nugent, supported by Ms. McNamara, **THE BOARD VOTED to approve** the recommendation.

Vice President Poston said that this project is funded entirely by the Michigan Department of Transportation, and makes usability improvements at the site for local and regional busses.

- 2) It was recommended that a contract in the amount of \$147,386 be awarded to Mid Michigan Roofing of Saginaw, Michigan, and that a budget in the amount of \$175,000 be established for the project entitled: Conrad Hall – Roof Replacement.

On a motion by Mr. Nugent, supported by Ms. McNamara, **THE BOARD VOTED to approve** the recommendation.

- 3) It was recommended that a contract in the amount of \$136,424 be awarded to Mid Michigan Roofing of Saginaw, Michigan, and that a budget in the amount of \$195,000 be established for the project entitled: Center for Integrated Plant Systems Building – Roof Replacement.

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

- 4) It was recommended that a contract in the amount of \$264,400 be awarded to S & J Enterprises, Ltd., of Grand Ledge, Michigan, and that a budget in the amount of \$390,000 be established for the project entitled: Campus Steam Vaults – Repair 40, 67, 145, and 256.

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

- 5) It was recommended that a contract in the amount of \$1,165,000 be awarded to HBC Contracting, of Lansing, Michigan, and that a budget in the amount of \$1,650,000 be established for the project entitled: South Kedzie Hall – Replace Absorption Chiller.

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

Vice President Poston commented that the manufacturer's lifespan estimate for the outgoing chiller was 25 years, but the chiller lasted 36 years in Kedzie Hall.

- 6) It was recommended that the Board amend by \$349,000 the contract awarded to Granger Construction for the project entitled: Delia Koo International Academic Center Addition. The contract was originally awarded on September 12, 2001.

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

Trustee Nugent said that there was an unexpected failure in the steam tunnel under the Delia Koo International Academic Center, and this is the reason for the amendment to the original contract.

Assistant Vice President Ron Flinn explained the details of the project. He said that repairing the steam tunnel at this point saves money and paves the way for the master plan to be completed in a few years.

President McPherson said that the work will be done by the company that is currently doing construction on the Center.

#### B. Architect/Engineer Appointments

- 1) It was recommended that DiClemente Siegel Design, Inc., of Southfield, Michigan, be appointed as the architect/engineer for the project entitled: Central Services Building – Air Condition Museum Storage Areas.

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

Vice President Poston commented that the need for this project grew out of accreditation issues with the MSU Museum. Dr. Simon said that the best available option was to make Central Services available for Museum storage, but air conditioning was required to meet accreditation concerns.

Trustee McNamara asked about a Museum storage area under Spartan Stadium. Provost Simon said that items in that storage area do not require environmental controls for preservation.

Dr. Simon said that off-site storage is being considered, and there is ongoing culling of the collection to minimize duplication of materials.

- 2) It was recommended that SSOE, Inc., of Troy Michigan, be appointed as the architect/engineer for the project entitled: Physics/Astronomy – Alterations and Improvements.

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

Vice President Poston said that this is the next step in the process of moving Physics/Astronomy out of its current building and into the new Biomedical and Physical Sciences Building. The Psychology Department, he added, would be moved into the Physics/Astronomy Building. Some interior changes need to be made in order to provide the appropriate work space for the Psychology Department.

#### C. Construction Manager Appointments

- 1) It was recommended that The Christman Company of Lansing, Michigan, be appointed as the construction manager for the project entitled: Biochemistry Building – Heating, Ventilation, and Air Conditioning (HVAC) Renovations, and that construction be authorized to proceed.
- 2) It was recommended that Granger Construction Company of Lansing, Michigan, be appointed as the construction manager for the project entitled: Chemistry Building – Heating, Ventilation, and Air Conditioning (HVAC) Renovations, and that construction be authorized to proceed.
- 3) It was recommended that Clark Construction Company of Lansing, Michigan, be appointed as the construction manager for the project entitled: Food Science Building – Heating, Ventilation, and Air Conditioning (HVAC) Renovations, and that construction be authorized to proceed.

On a motion by Mr. Nugent, supported by Mr. Pittman, **THE BOARD VOTED to approve** the recommendations.

Vice President Poston said that there have been problems with air handling in these three facilities, and construction will proceed during the academic year, hopefully with minimal disruption to the academic activities in the building.

Dr. Simon added that research has grown enormously in Chemistry, and that requires labs to be up to date in their air handling systems. There are also regulatory requirements to ensure the health and safety of individuals in the labs and throughout the building.

D. Funds Functioning as Endowment

It was recommended that the Gwen Andrew School of Social Work Faculty Research Fund be established as a fund functioning as an endowment.

On a motion by Mr. Nugent, supported by Ms. Cook, **THE BOARD VOTED to approve** the recommendation.

E. Transfer of Geagley Laboratory Property

It was recommended that the Board authorize the administration to deed to the State of Michigan the real property subject to a lease to the State of Michigan for the Geagley Laboratory Building and to negotiate and execute related agreements and other appropriate documents and arrangements with the State of Michigan and the State Building Authority.

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

Trustee Nugent said that the University owns the land, and the State of Michigan leases the land from MSU. In 1956, Vice President Poston indicated, the Board approved the lease and the State built the Geagley Laboratory for the Michigan Department of Agriculture. Renovations were made to the building and a bond was issued by the State. When the bond is paid off, the property will be deeded back to the Board.

F. Investment Restructuring

It was recommended that the Board authorize the investment of \$12.5 million in Highline Capital Partners, LP.

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

G. Acceptance and Disposal of Rogers Property

It was recommended that the Board accept a bequeathed gift of approximately 10.22 acres of land, including a house from Ernest Rogers, which is located approximately four miles south of Jackson in Summit Township, Jackson County, Michigan.

On a motion by Mr. Nugent, supported by Ms. Cook, **THE BOARD VOTED to approve** the recommendation.

It was also recommended that the Board authorize the administration to sell this property with the proceeds being placed in a University endowment fund in memory of Ernest J. and Mable M. Rogers.

On a motion by Mr. Nugent, supported by Ms. Cook, **THE BOARD VOTED to approve** the recommendation.

Trustee Gonzales asked about the value of the property. President McPherson responded that the house is on the market for sale, and the final sale price will be approved by the Chairperson of the Finance Committee.

H. 2002-2003 Budgets

It was recommended that the Board adopt the 2002-2003 operating budgets for the University General Fund, the Michigan Agricultural Experiment Station, the Michigan State University Extension Service, and Intercollegiate Athletics.

On a motion by Mr. Nugent, supported by Ms. McNamara, **THE BOARD VOTED to approve** the 2002-2003 Budgets.

Trustee Nugent said that a lot of work has gone into the completion of this budget. There are some areas of concern, and areas of real accomplishment in the budget. Mr. Nugent commented that most states decreased appropriations to universities, and Michigan's colleges and universities were fortunate to have no decrease in funding. He said he is pleased with efforts to increase faculty salaries relative to their peers in the Big Ten. Tuition has increased, he commented, but MSU remains one of the most affordable institutions in the State. Because the Agricultural Experiment Station and MSU Extension do not receive tuition dollars, a 0% increase in funding is difficult to handle. Mr. Nugent added that next year's budget may be equally difficult.

Trustee Cook noted that many public universities around the country are implementing very large tuition increases. She said that while she is unhappy with MSU's tuition increase, she is grateful the increase was not higher. Ms. Cook thanked the administration and Board for their efforts to take care of faculty in an appropriate way so that faculty are in a more competitive position within the Big Ten.

President McPherson said that everyone should be very proud of the fact that faculty salaries have increased by 5% each year over the past five years.

9. Resolution Honoring Trustee Robert E. Weiss

Trustee Nugent indicated that on the previous evening, the Board honored Trustee Emeritus Robert Weiss for his years of service and dedication to the University and to the Board. A resolution signed by members of the Board appears at the end of these minutes.

On a motion by Mr. Nugent, supported by Ms. Cook, **THE BOARD VOTED to approve** the resolution.

10. Chairperson's Report and Trustees' Comments

A. Chairperson's Report

Trustee Nugent said that it was good to see Bob and Vickie Weiss on the previous evening.

Trustee Nugent commented on the 50<sup>th</sup> anniversary of the School of Packaging, and on the WORLDPAK conference. He said that he attended a portion of the conference, and the MSU School of Packaging--the largest in the nation--did a wonderful job in hosting the conference. He noted that the MSU Museum currently has an outstanding exhibit on packaging.

President McPherson added that packaging has evolved over the years into a very scientific system. He said that at a number of companies, Michigan State University packaging students dominate the packaging departments.

Trustee Nugent indicated that he had attended an international food program established at MSU on how to feed the people of South Africa, Kenya, Bangladesh, and Guatemala. He said that MSU continues to reach out around the world.

Trustee Nugent said that he and his wife, Gail, were excited about hosting the Board at its upcoming retreat in August.

B. Trustees' Comments

- 1) Trustee Gonzales introduced Rosa Morales and her Journalism 200 class, who were attending the meeting. Students were covering the meeting as a public affairs assignment.

- 2) Trustee Cook welcomed students from the Journalism 200 class, and said that MSU's school of Journalism is well represented in newspapers all over Michigan. She noted that it is interesting that the students came to the meeting where so many pieces of information are pulled together, specifically with the Physical Plant. She said she hopes students gained insight into the complexity of the operations of the University and the functions of the Board of Trustees. Ms. Cook added that each Trustee considers it a great honor to be a member of the Board.

11. Public Participation on Issues Not Germane to the Agenda

Misty Staunton, a fourth-year student, said that students were confused about whether the tuition increase was passed at a previous Board meeting or at the current meeting. She said that because she is an out-of-state student, she pays approximately \$500 per credit and would rather attend Lansing Community College. Students, she indicated, generally do not know about tuition increases until after the vote, and they do not know that they can come to Board meetings to give their input. She said that the Board needs to reach out to students to let them know when these votes are coming up. Ms. Staunton added that financial aid and grants should be increased to help retain current students and to recruit new students to campus.

12. An Executive Session was not requested.

13. On a motion by Mr. Nugent, supported by Mr. Pittman, the Board voted to adjourn at 10:21 a.m.

Respectfully submitted,

L. Susan Carter, J.D.  
Secretary of the Board of Trustees

**MICHIGAN STATE UNIVERSITY  
BOARD OF TRUSTEES RESOLUTION  
HONORING ROBERT E. WEISS  
June 28, 2002**

The Board of Trustees of Michigan State University today extends its appreciation and best wishes to Trustee Emeritus Robert E. Weiss.

Trustee Weiss was first elected to the Board in 1988, and was reelected to a second term in 1996. For nearly fifteen years, he was a powerful presence on the Board and an outstanding advocate of Michigan State University's land-grant mission.

Keeping MSU accessible and affordable was a central focus of Trustee Weiss's efforts. A true champion of Michigan's middle class families, he enthusiastically supported the Tuition Guarantee, voting to extend it every year since its inception. He has also been a strong voice for fairness in the State higher education appropriations process.

Trustee Weiss brought his considerable legal and business expertise to bear on a wide range of financial issues facing the University. He took his fiduciary responsibilities seriously, providing principled counsel to the rest of the Board on investment matters. He often ignored expeditious solutions in favor of those he felt would be best for the University in the long term.

He cared deeply about students, well above and beyond the requirements of his position. Many undergraduates from the Flint area have been the lucky recipients of his personal attention and wise guidance. A fixture at Spartan athletic events, particularly men's and women's basketball games, he was a friend to many student-athletes and encouraged them to excel in the classroom as well as on the field.

Tradition has always been important to Trustee Weiss. The preservation of the historical beauty of the campus is a cause close to his heart. When University Development began a fundraising campaign for tree plantings south of the Red Cedar River, he and his wife, Vickie, were among the first to respond to the call. Part of his legacy will be a greener and even more lovely campus environment that will be enjoyed for decades to come by the University community.

Trustee Weiss's loyalty to MSU is unmistakable. He is seldom without a gold block "S" lapel pin, a green-and-white tie, and his beloved special-occasion Spartan ring. He has been known to carry important legal documents not in a leather briefcase, but in a green canvas bag. Those who enter his Grand Blanc home, which is easily identifiable by the Spartan flag flying out front, might think they have wandered into a student bookstore's spirit shop. He can often be seen at the helm of his boat, appropriately named "Spartan Crew."

In 1996, Trustee Weiss told the *Flint Journal*, "I love this university. It's all about pride." He now continues his service to the citizens of Michigan by assuming a family court judgeship in Genesee County. The families that appear before him will be in very good hands.

On behalf of the entire Michigan State University community, we give this loyal Spartan our heart-felt thanks, our congratulations on a job well done, and our best wishes for the future.