

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

June 15, 2007

President Simon called the meeting of the Board of Trustees to order at 9:35 a.m. in the Board Room.

Trustees present: Joel Ferguson, Melanie Foster, Dorothy V. Gonzales, Colleen McNamara, Donald W. Nugent, Faylene Owen, George Perles and Scott Romney.

University officers present: President Simon, Provost Wilcox, Vice President Poston, Secretary Barber, Vice President and General Counsel Noto, Vice Presidents Denbow, Gray, Webster, Associate Vice President Heil, Senior Advisor and Director Granberry Russell, and Acting Executive Director Beekman. Faculty liaisons present: Catherine Ernst, Kathleen Payne, Jim Potchen, Michael Moch and Catherine Yansa. Student liaisons present: Jarrod Morrice and Eric Hinojosa.

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

1. On a motion by Trustee Romney, supported by Trustee Ferguson, the **BOARD VOTED to approve** the agenda.
2. On a motion by Trustee Foster, supported by Trustee Owen, the **BOARD VOTED to approve** the meeting minutes of April 13, 2007 and May 18, 2007.
3. President's Report
 - A. Summer on Campus

President Simon said a large number of people will visit campus for events including the Odyssey of the Mind. Over 20,000 students enrolled in summer classes will also be on campus, in addition to sport camp and 4-H participants.

- B. Vennie Gore Named Head of MSU's Housing and Food Services

President Simon stated that Mr. Vennie Gore has been named Assistant Vice President of Housing and Food Services effective

August 13, 2007. Mr. Gore is currently the Associate Director of Housing and Food Services at the University of Washington.

C. MSU Dept. of Family Medicine Earns National/State Honors

President Simon said the Department of Family Medicine recently received a national award for ranking among the top 10 departments in the nation for training of primary care physicians. In addition, the Department earned a State of Michigan award honoring it for its commitment to quality patient care.

D. Detroit Regional Chamber 2007 Mackinac Policy Conference, May 30-June 2, 2007

President Simon said the agenda at the Detroit Regional Chamber 2007 Mackinac Policy Conference addressed quality of life issues that matter most to Southeast Michigan. The findings from the report issued by Anderson Economic Group were announced at a well attended press conference. President Simon thanked Mr. Ben Maybeck for hosting a breakfast for Spartan Alumni and thanked Trustee Romney for attending the event. The Conference provided a good networking opportunity for MSU.

E. Biotechnology

President Simon stated that biotechnology is gaining great momentum. Each Trustee received the MSU publication *Growing a New Economy for Michigan* on biotechnology. It outlines much of the work being done at MSU on bio-based technology.

F. Director of Intercollegiate Athletics

President Simon said that as the criteria for the selection of the next Director of Intercollegiate Athletics are announced, it is important to remember that Ron Mason will be on the job with the energy and commitment that has marked his career. The transition will be seamless. A Trustee committee, chaired by Trustee Foster, will advise on the process and the adherence of candidates to the criteria. Trustees Perles and McNamara also serve on the advisory committee.

Trustee Foster noted that the committee has discussed the criteria and will continue to work with President Simon.

4. There was no Public Participation on Issues Germane to the Agenda.

5. Personnel Actions

Provost Kim Wilcox presented the following personnel actions:

Loeb, Carolyn S., AY—Associate Professor, Residential College in Arts and Humanities, \$75,000, with Tenure, effective August 16, 2007.

Ivkovich, Zoran, AY—Associate Professor, Department of Finance, \$180,000, with Tenure, effective August 16, 2007.

Ivkovich, Sanja K., AY—Associate Professor, School of Criminal Justice, \$86,000, with Tenure, effective August 16, 2007.

Solon, Gary R., AY—Professor, Department of Economics, \$225,000, with Tenure, effective August 16, 2007.

Trustee Owen **moved to approve** the recommendations, with support from Trustee Ferguson.

Provost Wilcox said Professor Loeb has a Ph.D. in Art History from City University in New York and has been in the Department of Art at Central Michigan University from 1980 to present.

Provost Wilcox noted that Professor Zoran Ivkovich has a Ph.D. from Yale University and has been on the faculty at the University of Illinois Urbana-Champaign since 2002.

Provost Wilcox stated that Professor Sanja Ivkovich has a Ph.D. in Criminology from the University of Delaware and a Doctor of Juridical Science in Criminal Law from Harvard Law School. Dr. Ivkovich has been a faculty member at Florida State University since 2002 in the College of Criminology and Criminal Justice.

Provost Wilcox said Professor Solon has a Ph.D. in Economics from Princeton University. He has been on the faculty at the University of Michigan since 1983, including terms as both Associate Chair and Chair of the Department of Economics.

THE BOARD VOTED to approve the appointments.

Provost Wilcox presented the following appointment:

Riedinger, Jeffrey, M., AN—Acting Dean, International Studies and Programs; Director, Center for Advanced Study of International Development; Professor, Department of Community, Agriculture, Recreation and Resource Studies, for a change in title to Dean,

International Studies and Programs and for a change in salary to \$180,000, effective June 15, 2007.

Trustee McNamara **moved to approve** the appointment, with support from Trustee Gonzales.

Provost Wilcox said Professor Riedinger was recommended as the result of a national search. The process included consultation across campus.

THE BOARD VOTED to approve the appointment.

Provost Wilcox presented the recommendation for University Distinguished Faculty members:

Wolfgang Bauer—Department of Physics and Astronomy; National Superconducting Cyclotron Laboratory

Timothy C. Beers—Department of Physics and Astronomy

Michael Bratton—Department of Political Science; African Studies

Gary L. Cloud—Department of Mechanical Engineering

Robert Floden—Institute for Research on Teaching and Learning; Departments of Teacher Education; Counseling, Educational Psychology and Special Education

Roger C. Hunt—Osteopathic Medicine Research and Advanced Study Programs; Departments of Osteopathic Manipulative Medicine; Mechanical Engineering

Laurie S. Kaguni—Department of Biochemistry and Molecular Biology

Ramani Narayan—Department of Chemical Engineering and Materials Science

Piotr Piecuch—Department of Chemistry

William W. Taylor—Department of Fisheries and Wildlife

Trustee Romney **moved to approve** the recommendations, with support from Trustee McNamara.

Provost Wilcox said that on June 9, 1989, the Board of Trustees approved the establishment of the University Distinguished Professor designations.

A committee comprised of University Deans and University Distinguished Professors recommend new candidates every two years.

THE BOARD VOTED to approve the recommendations.

6. Gifts, Grants and Contracts

It was recommended that the Board of Trustees approve the Gift, Grant and Contract Report for the period of March 28, 2007 through June 1, 2007. The report is a compilation of 455 Gifts, Grants and Contracts, 98 Consignment/Non-Cash Gifts, with a total value of \$73,913,322.26.

Trustee Owen **moved to approve** the recommendation, with support from Trustee Ferguson.

Vice President Gray reported that in May, MSU was given accreditation from the Association for Assessment and Accreditation of Laboratory Animal Care International (AAALAC). He thanked the President and Provost for their support. MSU is viewed nationally as one of the leaders in research compliance.

THE BOARD VOTED to approve the recommendation.

7. Trustee Nugent presented the Trustee Finance Committee Report and recommendations.

A. Interim Budget Authorization for 2007-08

It was recommended that the Board of Trustees adopt the interim budget which permits the operation of the university at 2006-07 budget expenditure levels until the 2007-08 budgets have been established.

Trustee Nugent **moved to approve** the recommendation, with support from Trustee Ferguson.

THE BOARD VOTED to approve the recommendation.

B. Fund Functioning as an Endowment—Martha Wolfson Fund

It was recommended that the Board of Trustees establish a fund functioning as an endowment entitled Martha Wolfson Fund.

Trustee Nugent **moved to approve** the recommendation, with support from Trustee Foster.

THE BOARD VOTED to approve the recommendation.

C. New Investment Manager—Blackstone Real Estate Advisors

It was recommended that the Board of Trustees approve the selection of Blackstone Real Estate Advisors as an inflation hedge manager.

Trustee Nugent **moved to approve** the recommendation, with support from Trustee Owen.

THE BOARD VOTED to approve the recommendation.

D. Authorization to Plan—Emmons Hall—Renovations

It was recommended that the Board of Trustees authorize the administration to plan for the project entitled Emmons Hall—Renovations.

Trustee Nugent **moved to approve** the recommendation, with support from Trustee Romney.

Vice President Poston said Emmons Hall is in the Brody Complex. It was built in 1955 and is approximately 102,000 square feet. The construction, if approved, would begin in 2010.

THE BOARD VOTED to approve the recommendation.

E. Authorization to Plan—*The* School of Hospitality Business—Culinary Management Education Laboratory Renovations

It was recommended to the Board of Trustees that it authorize the administration to plan for the project entitled *The* School of Hospitality Business—Culinary Management Education Laboratory Renovations.

Trustee Nugent **moved to approve** the recommendation, with support from Trustee Romney.

Vice President Poston asked Dr. Ronald Cichy, Director of *The* School of Hospitality Business, to discuss the plan.

Dr. Cichy explained that the last renovation of this space took place in 1988. The facility is beginning to lag behind industry standards. Some preliminary work has been done with University

Development, and a group of alumni has been assembled to consult on the project.

THE BOARD VOTED to approve the recommendation.

- F. Authorization to Plan—T.B. Simon Power Plant—Coal Handling Improvements

It was recommended to the Board of Trustees that it authorize the administration to plan for the project entitled T.B. Simon Power Plant—Coal Handling Improvements.

Trustee Nugent **moved to approve** the recommendation, with support from Trustee Owen.

Vice President Poston noted that railway movement of coal requires a 75 car minimum for deliveries. A large premium is charged for orders smaller than 75 cars. The planning process will include expansion of the rail yard, storage for coal, and replacement of equipment and will address environmental concerns. A business plan will be formulated detailing the return on investment.

THE BOARD VOTED to approve the recommendation.

- G. Authorization to Plan—West Circle Housing Complex—Steam, Electrical, and Water Distribution Enhancements

It was recommended to the Board of Trustees that it authorize the administration to plan for the project entitled West Circle Housing Complex—Steam, Electrical, and Water Distribution Enhancements.

Trustee Nugent **moved to approve** the recommendation, with support from Trustee Owen.

THE BOARD VOTED to approve the recommendation.

- H. Project Approval—Authorizations to Proceed

It was recommended to the Board of Trustees that it authorize the administration to proceed with the project entitled Kresge Art Center and Alumni Memorial Chapel—Electrical Substation Replacement and to approve a budget of \$1,250,000.

It was recommended to the Board of Trustees that it authorize the administration to proceed with the project entitled Auditorium—Electrical Substation Replacement and to approve a budget of \$1,200,000.

Trustee Nugent **moved to approve** the recommendations, with support from Trustee Romney.

THE BOARD VOTED to approve the recommendations.

I. Budget Report

President Simon stated that due to the uncertainties in the State of Michigan budget, action on tuition and fees would be taken by the Board of Trustees in July. Included in the planning parameters is the goal for MSU to remain in the top 100 universities in the world. The collective commitment at MSU has been assuring that it is at the heart of leading-edge international education for the people of Michigan and is working for a better future for Michigan.

President Simon said the budget principles have been simple and have avoided short term fixes because of MSU's commitment to the people of Michigan to be financially sound. The major policy decision that has to be worked through is the status of the \$32 million promised to MSU from the State of Michigan. Questions remain as to whether the State of Michigan has a plan in place to sustain a budget for 2008.

Eric Hinojosa, student liaison, said MSU has an unsure revenue stream from the State of Michigan which makes budgeting very difficult. The Board of Trustees and administration have been working hard on the budget and will continue to do so.

Jarrold Morrice, student liaison, said MSU needs to continue to encourage the State of Michigan to view MSU as an investment and not a liability. Mr. Morrice thanked the Trustees for their efforts.

Wayne Cass, Coalition of Unions, acknowledged the challenges MSU is facing from the State of Michigan. The challenge before the Board of Trustees is unbelievably complicated. The unions are committed to helping the legislature understand the importance of the decisions they are making.

Leo Sell, President of the APA union at MSU and Vice Chair of the Coalition of Labor Organizations, said he appreciated the effort of

the Board of Trustees and administration to preserve affordability for students and the high quality of MSU programs.

Jim Potchen, faculty liaison, applauded the Board of Trustees and administration for their work. The State of Michigan is not likely to come forward with any new money soon. MSU should do whatever possible to enhance alternative revenue streams.

President Simon noted that these are always difficult decisions. MSU had hoped for a better situation from a state that desperately needs an educated work force and a world class university.

8. Policy Committee

Trustee McNamara presented the Trustee Policy Committee Report and recommendations.

A. Lyman Briggs School Transformation to Lyman Briggs College

It was recommended that the Board of Trustees approve changing the status of the Lyman Briggs School back to Lyman Briggs College.

Trustee McNamara **moved to approve** the recommendation, with support from Trustee Gonzales.

Provost Wilcox stated that Lyman Briggs was created in 1967 as a residential college on campus. In 1981, it was converted to a school within the College of Natural Sciences as a cost saving measure. The recommendation to change it back to a college has the unanimous support of Academic Council and has been reviewed by the appropriate committees in academic governance.

THE BOARD VOTED to approve the recommendation.

B. Personnel Action

Provost Wilcox presented the following personnel action:

Simmons, Elizabeth H., AY—Professor and Director, Lyman Briggs School; Department of Physics and Astronomy, for a change in title to Dean, Lyman Briggs College and for a change from an academic year appointment basis to an annual year appointment basis with a change in salary to \$165,100, effective June 15, 2007.

Trustee McNamara **moved to approve** the recommendation, with support from Trustee Owen.

Provost Wilcox explained that in keeping with the administrative structure of the university, the Lyman Briggs College would be led by a dean. This recommendation asks that the present Director, Professor Simmons, be appointed as Dean of Lyman Briggs College. Professor Simmons has been on the faculty at MSU since 2003 and has a Ph.D. in Particulate Physics from Harvard University. She has received the ACE Michigan Distinguished Women in Higher Education Leadership Award and is a Professor in the Physics Department at MSU.

Professor Simmons said she was honored by the trust placed in her by the Board of Trustees. Lyman Briggs has a proud tradition of educating MSU undergraduate students in the sciences and will continue to recruit talented students, promote professional development for faculty and staff, engage alumni and create innovative and effective disciplinary curricula. She thanked the Board of Trustees for restoring Lyman Briggs to College status on the eve of its 40th anniversary.

THE BOARD VOTED to approve the recommendation.

C. Amendment to Ordinance 23.051

It was recommended to the Board of Trustees that Subsection 23.051 of Ordinance 23.00, Animals, be amended to read:

23.051 Service animals providing assistance to individuals with disabilities

Trustee McNamara **moved to approve** the recommendation, with support from Trustee Owen.

THE BOARD VOTED to approve the recommendation.

D. Annual Diversity Report

Paulette Granberry Russell, Executive Director of the Office of Inclusion and Intercultural Initiatives and Senior Advisor to the President, presented the Diversity and Inclusion at MSU—Annual Progress Report for 2005-06. (Appendix A)

E. Approval of Contract Terms

It was recommended to the Board of Trustees that it approve the administration's recommendation for execution of a license agreement with *Claytec, Inc.*, consistent with earlier public notice given at a Board meeting and with the License Term Sheet presented to the Board for inclusion in its minutes. (Appendix B)

It was recommended to the Board of Trustees that it approve the administration's recommendation for execution of a research subcontract with *Digital Flow Technologies, Inc.*, consistent with earlier public notice given at a Board meeting and with the Research Subcontract Term Sheet presented to the Board for inclusion in its minutes. (Appendix C)

It was recommended to the Board of Trustees that it approve the administration's recommendation for execution of a research subcontract with *NamesforLife, LLC*, consistent with earlier public notice given at a Board meeting and with the Research Subcontract Term Sheet presented to the Board for inclusion in its minutes. (Appendix D)

Trustee McNamara **moved to approve** the recommendations, as a group, with support from Trustee Gonzales.

THE BOARD VOTED to approve the recommendations.

F. Naming Proposal: Eli and Edythe Broad Art Museum

It was recommended to the Board of Trustees that the proposed art museum complex be named the "Eli and Edythe Broad Art Museum."

Trustee McNamara **moved to approve** the recommendation, with support from Trustee Ferguson.

Provost Wilcox asked Dr. Linda Stanford, Associate Provost, to give an overview of the project.

Dr. Stanford said several of the architectural firms have toured campus to take photographs and view the building site. Presentations of the final designs will take place on July 18. The name of the museum will be prominent on all sides of the building.

President Simon noted that another major gift to this project is from Edward and Julie Minskoff. Mr. Minskoff is a prominent developer in New York and has been actively involved from the beginning of

the project in lending his extraordinary talents in terms of property development and construction.

THE BOARD VOTED to approve the recommendation.

9. Compensation Committee

Trustee Romney indicated that the committee had received feedback from the faculty liaisons that day and that it was much appreciated.

10. Boldness by Design—Stewardship—Technology Report

David Gift, Vice Provost for Libraries and Computing, presented the MSU Information Technology Briefing report. (Appendix E)

The report highlighted stewardship of academic IT in the research university federated environment.

11. Trustee Comments

Trustee Ferguson said the Board is committed to protecting the identity of MSU despite the current economic uncertainty.

Trustee Romney indicated that he agreed with Trustee Ferguson.

Trustee Owen said the meeting with the faculty liaisons was very productive and she is in full agreement with Trustee Ferguson on continuing and protecting the tradition of excellence at MSU.

Trustee Nugent said he attended the Northwest Michigan Alumni Association Annual meeting. The event sold out and included Suzy Merchant and Steve Smith as speakers. Trustee Nugent also mentioned that the men's ice hockey team would be traveling to Washington, DC to be recognized by President Bush along with other championship teams.

Trustee Perles said the Board would continue to look for ways to keep tuition costs down.

Trustee Gonzales agreed with previous Trustees' comments on the future of MSU.

Trustee Foster said she hoped the Michigan legislature would realize that MSU is part of the solution for an economic turnaround in Michigan and recognize that in a financial way.

12. There was no Public Participation on Other Issues.

13. Request to Adjourn

On a motion by Trustee Ferguson, supported by Trustee Owen, **THE BOARD VOTED to adjourn** at 11:25 a.m.

Respectfully submitted,

Alison E. Barber, Ph.D.
Secretary of the Board of Trustees