

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

September 13, 2002

The Trustee Finance Committee and Trustee Policy Committee meetings were held in the Board Room of the Administration Building beginning at 9:00 a.m. on Friday, September 13, 2002. Minutes of the meetings are on file in the Office of the Secretary of the Board of Trustees.

President McPherson called the meeting of the Board of Trustees to order at 9:40 a.m. in the Board Room.

Trustees present: Dolores M. Cook, Joel I. Ferguson, Dorothy V. Gonzales, Colleen M. McNamara, Donald W. Nugent, Randall L. Pittman, 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 Denbow, Greenleaf, Huggett, June, Webb and Webster, Executive Director Williams, and Senior Advisor and Director Granberry Russell. Faculty Liaisons present: Jonathan Hall, James Potchen, Linda Lou Smith, Steven Spees, and Brian Teppen. Student Liaisons present: Jim Ciszewski, Matthew Clayson, Misty Staunton, and Matthew Weingarden.

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

1. On a motion by Ms. Cook, supported by Ms. Gonzales, **THE BOARD VOTED to approve** the amended agenda. The agenda was amended to include a Board Resolution regarding the "Healthy Michigan" ballot proposal.
2. On a motion by Mr. Pittman, supported by Mr. Nugent, **THE BOARD VOTED to approve** the minutes of June 28, 2002.
3. President's Report
 - A. President McPherson introduced new Faculty and Student Liaisons to the Board. Misty Staunton, the at-large Student Liaison, is a junior studying Family Community Service. Professor Jim Potchen represents the University Committee on Faculty Affairs, Professor Steven Spees is the Chair of the Executive Committee of Academic Council, and Assistant Professor Brian Teppen is the non-tenured representative from Faculty Council.
 - B. President McPherson said that on the evening of September 11, a very moving memorial service was held, and several thousand people

attended. The service was organized by ASMSU Chairpersons Matthew Clayson and Matthew Weingarden.

- C. President McPherson commented on the recent *Wall Street Journal* rankings of full-time MBA programs. MSU's program was ranked number 13 nationally, and number five among public institutions. Mr. McPherson said the MBA program continues to improve, and is widely recognized as one of MSU's finest programs.
- D. President McPherson talked about the recently-announced University Development fundraising totals. This year's fundraising totaled \$211 million, which is another record-breaking year. Mr. McPherson said that gifts to the University have been going up steadily since Dr. Chuck Webb became Vice President for University Development. He commented that faculty, staff, and retirees are major contributors, having donated \$7 million this year alone. Mr. McPherson also pointed out that on the following Friday, the Board would meet to announce the goal for the upcoming Capital Campaign.
- E. President McPherson mentioned his upcoming State of the University address. The speech, he said, was moved from February so that he could talk about goals for the coming year.

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 and Vice President Poston presented the following personnel actions:

- 1) Rahbar, Mohammad Hossein, AN-Professor, Department of Epidemiology, \$106,000, with Tenure, effective July 1, 2002.
- 2) Triemer, Richard E., AN-Professor, Department of Plant Biology, \$130,000, with Tenure, effective July 1, 2002.
- 3) Lu, Kening, AY-Professor, Department of Mathematics, \$110,000, with Tenure, effective August 16, 2002.
- 4) Haywood II, Joseph R., AN-Professor, Department of Pharmacology and Toxicology, \$175,000, with Tenure, effective November 1, 2002.

- 5) Izzo, Thomas M., AN-Head Coach-Basketball, Intercollegiate Athletics, Subject to Contract, effective July 1, 2008 to June 30, 2009.

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

6. Gift, Grant and Contract Report

Vice President Huggett presented the Gift, Grant and Contract Report for the period of June 18, 2002 through August 29, 2002. The report is a compilation of 559 Gifts, Grants and Contracts, 59 Consignment/Non-Cash Gifts, and one Consignment/Non-Cash Loan with a total value of \$53,682,303.86. 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. Ferguson, **THE BOARD VOTED to approve** the Gift, Grant and Contract Report.

Dr. Huggett noted that awards are down about \$14 million from the same period last year. He said that this often happens in the first reporting period because of when grants come in at the end of the fiscal year. He added that a number of federal agencies are working under the threat of continuing resolutions, and that puts a major crimp in the way that money flows in the public sector.

7. The Trustee Finance Committee report and recommendations were presented by Committee Chairperson Nugent.

- A. Bids and Contract Awards

It was recommended that a contract in the amount of \$1,090,214 [Base Bid: \$1,229,967 plus Alternate Nos. 1-4: \$(139,753)] be awarded to H&D, Inc., of Bay Shore, Michigan, and that a budget in the amount of \$1,400,000 be established for the project entitled: Oden Fish Hatchery - Stream Restoration and Parking Lot Improvements.

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

Vice President Poston said that there were two bids that were very close together, and the project was re-bid between the two companies. There was some question as to whether the low bidder had the experience to complete the job, so the second-lowest bidder was chosen.

Trustee Pittman asked about the Great Lakes Fishery Trust. Vice President Poston said that it is not a University-funded trust. The group awards grants for water and fish related activities in the Great Lakes area.

Provost Simon said that the University has been working toward making fish hatcheries educational destinations for tourists, and that is part of the reason for MSU's involvement in the State-owned hatchery.

B. Architect/Engineer Appointment

It was recommended that BOORA Architects, Inc., of Portland, Oregon, be appointed as the architect/engineer for the project entitled: New School of Music Building.

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

Dr. Simon said that the School of Music has made extraordinary progress in its academic quality, while staying connected to the community through the community music program. The School of Music continues to grow, improving cultural enrichment on campus. She said that a new building must be designed with technical concerns in mind. Dr. Simon added that space in the old Music Building will not go unused, and will likely be renovated as a support building to liberal arts on campus. Dr. Simon pointed out that this early design will provide a sense of the cost of the facility so that fundraising toward an actual goal can begin.

Vice President Poston indicated that this appointment is going forward earlier than other appointments. He said that to enhance the probability of success in designing a high-quality music building, one must design the acoustics and build the structure around this acoustical design. Dr. Poston added that this firm has a lot of experience in and success with these types of projects.

President McPherson said the hope is that a substantial amount for this building will be raised in the Capital Campaign, and that a significant amount will also come from the State. The building will not be built, he said, until those pieces are in place.

Trustee McNamara said that her affirmative vote is recognition of how a great University stresses other areas in addition to the sciences and revenue-producing programs. She added that she supports making music a center of excellence on campus.

C. Construction and Design Contract Thresholds

It was recommended that the threshold on construction projects on which the Board of Trustees take formal action be modified from the current \$100,000 or greater to \$250,000 or greater. The Board would also take formal action on the awarding of any contract where the contract is greater than \$100,000 and less than \$250,000 if the low bidder is not selected or where a construction manager is appointed, or where only one bid is received.

It was further recommended that formal action by the Board of Trustees be required on the appointment of architects and engineers for the construction and alteration and improvement projects where the design fee is estimated to exceed \$50,000, or the project includes new construction. New construction is defined by a change in building height, or a building's footprint or a significant change in the landscape, and excludes temporary facilities.

The Board of Trustees shall revisit the construction and architect/engineer thresholds on a periodic basis.

On a motion by Mr. Nugent, supported by Mr. Ferguson, **THE BOARD VOTED to approve** the recommendations. Trustees Gonzales and McNamara voted No.

Trustee Porteous said that the original proposal would have raised the threshold up to \$500,000. He said that the inflation-adjusted figure, based on \$100,000 in 1982, comes up to about \$200,000. He commented that \$250,000 still allows for meaningful oversight by the Board, and also provides for flexibility on smaller projects. Any new construction, he pointed out, would be approved by the Board.

Dr. Poston said that the Board last addressed this issue in 1982, and there have been substantial increases in construction costs since that time. He indicated that this cements the Board's future involvement in the 2020 Vision plan.

Trustee McNamara said that the timing is not right for this change. In the last eight years, she said, there has never been a situation where this has been a problem, and it has never been indicated to the Board that the construction threshold is too low. In a time where corporate governing Boards look more closely at responsibilities to their respective institutions, this change is not appropriate.

Trustee Nugent said that these changes give the Board more oversight in construction matters because it includes Board action when the design fee is greater than \$50,000, when the footprint or height of a building changes, or when a construction manager is used. He noted that those provisions are not in the current policy.

Trustee Romney pointed out that by increasing the construction threshold to \$250,000, MSU will still have the lowest threshold in the Big Ten.

D. Investment Restructuring

It was recommended that the Board authorize the administration to invest \$3 million in Lime Rock Partners II, L.P.

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

Trustee Porteous said that the Finance Committee and the Board have established broad investment guidelines that help to assure diversity, and those guidelines have served the University well. This recommendation falls within those guidelines of diversification, and is appropriate.

Trustee Pittman noted that the University's staff is both competent and professional, and that University obtains the advice of one of the leading firms in the country to help put together both short and long-term plans. This issue is annually revisited, he said, and the Finance Committee hopes to look at next year's plan this fall. Every dollar that the University can gain through investments helps students and faculty.

Trustee Nugent commented that the University is currently underfunded compared to its non-marketable investment target asset allocation. The \$3 million Lime Rock investment helps to reach this target. For the year ended June 30, 2002, MSU's Common Investment Fund's total return is in the top 10 percent of returns for clients monitored by Cambridge Associates.

President McPherson said that MSU's returns have been very good. Over the last few years when other investment portfolios have been suffering, MSU has done very well comparatively. It is important for donors to know that MSU has excellent stewardship over its investments, Mr. McPherson emphasized.

E. Audited Financial Statements

It was recommended that the Board accept the audited financial statements for the year ended June 30, 2002.

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

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

A. Annual Enrollment Report

Provost Simon said that the current projection for Fall 2002 enrollment is 44,950 students, reflecting a steady enrollment growth over the last few years. There has been a better retention of students, in part because of academics, and in part because of the economy as students work to enhance their position in the job market. There is also an increase in graduate students, which is a national trend.

MSU had a record high for applications received. She said that those students who sent advanced enrollment deposits generally opted to attend MSU, suggesting that incoming students made a commitment to the University, and maintained their positive view throughout the process.

There is an upward trend in the quality of the class in all quartiles. Year to year improvement is small, but the trend since 1994 is significant. ACT scores have been flat in Michigan, and therefore there is not a great increase in ACT scores among incoming students.

In terms of students of color, MSU continues to make progress. The Native American and Chicano-Latino populations both increased on campus, and there is a small increase in African-American and Asian/Pacific Islander populations as well. These numbers are very similar to high school graduation rates in Michigan. From year to year, the mix of students of color is not being carried forward, and this is a concern in terms of retention of students. Vice President Lee June has been working to restructure student support services to help with this issue.

Provost Simon said that a significant number of students who transfer to MSU come from other four-year institutions, rather than two-year institutions.

MSU's undergraduate student population has grown recently, and proportionally MSU has a greater population of undergraduates than do other Big Ten institutions.

The numbers of non-Michigan students are relatively flat, and down slightly since 1994. Targeting out-of-state students is an academic concern, she said. A target of 15% out-of-state students was set, but the University has not been able to achieve that.

The rate of returning students is up 4% between 1994 and 2002. This comes from continued efforts toward quality and retention of students, and this is a long-term endeavor. For economic reasons and among students of color, there is a slight increase in the amount of time students stay in school.

There is an increase in the total number of Honors College students, not because the College has changed its standards, but because the College is meeting its target objective. Enrollment in the Honors College is likely to remain flat in the coming years because these are the top students in the University and should remain at the top.

By college, the Eli Broad College of Business has the largest enrollment. The College of Natural Science is second in enrollment, and the College of Social Science is number three.

B. Annual Comments: Opening of School

Provost Simon recognized Barbara Steidle, Assistant Provost for Undergraduate Education, who recently retired from the University after many years of service as a faculty member and administrator.

Dr. Steidle said that MSU has been bringing in very good classes. According to ACT, MSU has *many* very good students in the incoming class. For that class, 8% of students are in the top 4% of the ACT score range, which is 32 to 36. Fifty-five percent of students scored higher than a 24 on the test, which is a 4% increase over a two-year period. The bottom of the class, she pointed out, is also shifting upward in GPA and in ACT scores.

These students, she said, have many attributes other than their academic standing. Twenty-five percent of the freshman class held student leadership offices in their high schools, 36-45% of students were in musical groups, approximately 40% were involved in community service, 10% received awards for scientific study, and 25% received awards in athletics. This is a very diversified group of students, with characteristics that contribute positively to the University at large.

More and more, students are coming in as visual and digital learners rather than verbal learners. Faculty still worry about books that haven't been read or essays that haven't been written, but faculty are among the first to acknowledge that these students are much more adept at technological use, and they are open to experimentation in these areas.

Students have difficulty adjusting to the freedom of college and the fact that someone else isn't programming their lives for them. This is not a characteristic of MSU students alone, however. Students who adjust their use of time do extremely well, and those who do not adjust time commitments have greater difficulty in school.

According to ACT, 16% of MSU students come from families that have household incomes of \$36,000 or less. We have a job to do, she said, in helping these students overcome the economic problems that they may face. The Office of Financial Aid has a special group of staff members who accommodate these students to make sure they are taking advantage of the resources available to them.

Students in recent classes are much more service-oriented than were students of an earlier generation. These students aren't as political, but they do work more in the community.

There is also a national shift in the gender balance of students, which is represented at MSU as well.

Parental involvement is increasing year by year, and parents want more information on their children than they ever have before--some information

the University can give, and some it cannot. Parents' views of the institution are shaped by the experiences of their children.

MSU's top students, she emphasized, match the top students at any institution in the country.

President McPherson said that he will miss Dr. Steidle's analytical skills and her capacity to dig deeply into problems. She always had the student interests in mind, he said, and she always finds solutions that are truly fair.

C. Healthy Michigan Ballot Proposal

The Board was presented with a resolution addressing a proposal that will be placed on the November ballot in Michigan. The language of the resolution appears below.

Whereas the group known as "Citizens for a Healthy Michigan" has placed on the 2002 State ballot, a proposal to amend the State of Michigan Constitution; and

Whereas the "Healthy Michigan" ballot proposal would provide a *permanent carve-out* of over \$300 million annually of State revenues for the supporters of the ballot proposal; and

Whereas the "Healthy Michigan" ballot proposal would spend over \$300 million of State revenues annually *without real public oversight*; and

Whereas the "Healthy Michigan" ballot proposal would create a *permanent, non-public corporation* in the Constitution of the State of Michigan that would allocate \$50 million annually for at least 20 years with no opportunity for true public scrutiny; and

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.

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

President McPherson explained that this ballot proposal would take \$300 million from the State's tobacco settlement and allocate it to health initiatives. This includes a Constitutional amendment giving \$50 million per year to a non-profit corporation that plans to discourage smoking. There would be no Legislative oversight over this corporation. The fundamental problem with this proposal is that it amends the Constitution in a way that takes control of the money away from the Legislature and out of the democratic process. In the Board's view, he said, this is a resolution for an unhealthy Michigan.

Trustee Romney said that this proposal is irresponsible for education, health, and every other aspect of State government. He added that if this ballot proposal is adopted, money would go to every hospital in the State without any supervision from the Legislature. This Constitutional amendment is highly inappropriate. Trustee Cook added that the Constitutional amendment aspect of this proposal is critical because it is so difficult to change in the future.

Vice President Steve Webster said that the spirit of the Board's resolution addresses whether this ballot proposal is good government or good public policy. This proposal, he pointed out, amends the State Constitution in several ways. The most significant change, he said, would be to include a non-public corporation that has \$50 million to spend annually with no public scrutiny. It takes this money out of the hands of the Legislature. Mr. Webster added that approximately 5,500 MSU students have benefited from the Michigan Merit Scholarships, and this funding could disappear under the proposal.

Faculty Liaison Jim Potchen said he strongly supports the position of the Board regarding the ballot proposal.

- D. 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) DPD, Inc. Dr. Parviz Soroushian, a Professor in the Department of Civil and Environmental Engineering, and his immediate family cumulatively own or have options to buy an equity interest of more than 5% of the company. Dr. Soroushian is also the President of DPD, Inc.
 - 2) Technova Corporation. Dr. Parviz Soroushian, a Professor in the Department of Civil and Environmental Engineering, and his immediate family cumulatively own or have options to buy an equity interest of more than 5% of the company. Dr. Soroushian is also the President of Technova Corporation.
- 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.

- 1) Liuman Technologies. Dr. Dahsin Liu, a Professor in the Department of Mechanical Engineering, and his immediate family cumulatively own or have options to buy an equity interest of more than 5% of the company. Dr. Liu is also an officer of Liuman Technologies. More detailed information about the proposed agreements will be provided to the Committee for its review at a future meeting as negotiations progress.
- 2) Synthon Corporation. Dr. Rawle Hollingsworth, a Professor in the Department of Biochemistry and Molecular Biology and his immediate family own or have an option to buy an equity interest of more than 5% of the company. More detailed information about the proposed agreements will be provided to the Committee for its review at a future meeting as negotiations progress.

F. Faculty Conflict of Interest

- 1) It was recommended that the Board approve the administration's recommendation for execution of an option agreement with StrobLink, consistent with earlier public notice given at the April 12, 2002 Board meeting, and with the applicable "Option Term Sheet" approved by the Policy Committee.

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

Trustee Nugent noted that there is a large variation in the percentages that the University receives on these license agreements. He asked if there are guidelines for these percentages. President McPherson said that there will be a more extensive discussion on the commercialization of technology. Mr. Nugent commented that the intellectual property valuation is something the administration needs to look at.

- 2) It was recommended that the Board approve the administration's recommendation for execution of an option agreement with Healthtreat, Inc., consistent with earlier public notice given at the February 13, 2002 Board meeting, and with the applicable "Option Term Sheet" approved by the Policy Committee.

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

9. Chairperson's Report and Trustees' Comments

A. Chairperson's Report

Trustee Nugent expressed condolences on behalf of the Board to Secretary Carter on the recent death of her mother.

Trustee Nugent commented that he is looking forward to “Chuck Webb Day” next Friday for the kickoff of the University’s Capital Campaign. He said it will be a great event.

Trustee Nugent said that it would be good for the Board to hear a report on Michigan State University – Detroit College of Law and its successes. Since DCL affiliated with MSU, the number of applicants to DCL has doubled. Test scores have gone up dramatically, exceeding those of Wayne State University. The college is growing with extreme rapidity, he said.

Trustee Nugent said that he had recently attended an event hosted by Dr. Jim Potchen, where industry and academia came together. Dr. Potchen brought in the top CEOs of the major radiological companies around the world. He also brought in the top leadership from radiological schools and clinics around the country. The chair of Harvard’s radiology department said, “This has been the best, most productive day of my life.” This is a huge compliment, Mr. Nugent said, and the Board should be very proud of that kind of leadership on campus.

B. Trustees' Comments

- 1) Trustee Porteous noted that it is obvious that Michigan State University takes very seriously its land-grant mission and its commitment to the people of Michigan. Ninety percent of MSU students are from Michigan, and State funding cannot remain flat. MSU is not lowering admissions standards to add more students. He said it is critically important that the Legislature increase funding in the upcoming year, because MSU stretches its dollars as far as possible.

Trustee Porteous said that he had visited Shaw Hall a couple years earlier, and it very seriously needed renovation. The University renovated Shaw Hall in a substantive, non-frivolous way. There is nothing about the improvements that was extravagant. He added that he hopes that the University can continue to renovate other residence halls as well, because MSU has the largest population of on-campus students in the country.

- 2) Trustee Romney said that he was happy with what the auditors had to say about the University’s financial condition. MSU should be pleased with the strength of its finances in difficult economic times.

Trustee Romney commented that the enrollment report is really remarkable in terms of improving the freshman class, and improved efforts related to diversity as well.

Trustee Romney noted that recognition of the College of Business is superb, and there is great recognition of the sciences as well. Now, he said, the University is making a positive effort in music and in the arts with the proposed music building.

- 3) Trustee Gonzales said that students on campus are very articulate and bright, and some of the best students in the country come to MSU.
- 4) Trustee Cook said that it is always exciting to see students back on campus after the summer break. She said she recently toured campus to review projects that had been going on during the summer, and was very proud of the energy and vibrancy of the student body.

Trustee Cook thanked Provost Simon, the administration, and the staff in University Housing and Student Life for their work on the annual undertaking of the opening of school. It is no small task, she said, to welcome back more than 44,000 students.

Trustee Cook welcomed new Faculty and Student Liaisons to the Board table, and said that she always enjoys the candid discussions that they have together.

- 5) Trustee Pittman thanked Student Liaisons for clearly articulating their concerns to the Board. He said that it takes a lot of time to do the important work that student leaders do on behalf of the student body.

Trustee Pittman noted that Rev. Jesse Jackson would be on campus over the weekend, and said he remembers when speakers came to campus when he was a student. He said that these opportunities added to his experiences as a student, whether he agreed with the speaker or not. These events add to the quality of the educational experience, and it would be great to open the door to other speakers and events as well.

Trustee Pittman said that the Board is very concerned with the quality of education at MSU, especially in difficult economic times. The University's leaders, he emphasized, do not simply want to maintain the quality of the University, but improve the quality of the University in a difficult time. He said that this is the Board's responsibility to students, and encouraged the Legislature to continue to support MSU and education because what happens at MSU affects the whole State.

As an MSU MBA recipient himself, Trustee Pittman said he was pleased to hear of the MBA program's ranking in the recent *Wall Street Journal* article. He said that it was a great program in the 70s, and he hopes that it will be an even better program in the future.

Trustee Pittman congratulated Vice President Webb and his staff for their work on the upcoming Capital Campaign. He said that Dr. Webb would challenge the University community with an aggressive goal. Some people will be skeptical of the University's ability to reach this goal, but the preparation is complete, and the community is ready to achieve this goal, he emphasized. This is what MSU must do to prepare for the future.

10. Gift Announcement

President McPherson announced that Trustee Dolores Cook, and her husband, Byron, would donate \$1 million to the University to help fund construction of a new music building on campus. Mr. McPherson said that Trustee Cook has always been an enormous supporter of the music program, and a great proponent of a new music building. Without this major gift, it would be much more difficult to kickoff construction of a new building, and this gift makes the possibility of a new building so much more real.

Mr. McPherson said that everyone knows how much the Cooks love Michigan State University. From the time that they both went to MSU as students, through sporting events, and through Trustee Cook's time on the Board, they continue to show their commitment to the University. Both are committed to students, and committed to the best interests of MSU.

Trustee Cook said that when President McPherson and Vice President Webb visited to discuss the Capital Campaign, they used a little strategy that had been used on other donors before. The Cooks thought the proposal was a great idea, and their children thought so as well. Trustee Cook said that this gift makes them very happy.

Byron Cook commented that both he and Trustee Cook are musicians. He said that the music program is often overlooked and gets the short end of financing in most budgets, so to be able to give this gift pleases the Cooks immensely. He looks forward to the day when ground is broken.

11. There was no Public Participation on Issues Not Germane to the Agenda
12. An Executive Session was not requested.
13. On a motion by Mr. Nugent, supported by Mr. Ferguson, the Board voted to adjourn at 11:17 a.m.

Respectfully submitted,

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