

**Minutes of the Formal Session
of the
Oakland University Board of Trustees
February 22, 2016**

Present: Chair Mark E. Schlüssel; Vice Chair Richard L. DeVore; and Trustees Richard A. Flynn, Michael R. Kramer, Ronald E. Robinson, Robert Schostak (via Teleconference), Melissa Stolicker and W. David Tull

Also Present: President George W. Hynd; Chief Operating Officer Scott G. Kunselman; Senior Vice President James P. Lentini; Vice Presidents John W. Beaghan, Glenn McIntosh, John O. Young, Betty J. Youngblood; Interim Vice President Geoffrey C. Upward; Vice President and Secretary to the Board of Trustees Victor A. Zambardi

A. Call to Order

Chair Mark E. Schlüssel called the meeting to order at 2:00 p.m. in the Auditorium of Elliott Hall of Business and Information Technology.

B. Roll Call

Mr. Victor A. Zambardi, Vice President for Legal Affairs, General Counsel and Secretary to the Board of Trustees, conducted a roll call and all of the Board members were present.

C. Treasurer's Report

Mr. Beaghan indicated that FY 2016 tuition revenue and state appropriations, as well as expenditures, are tracking consistent with historical trends and are comparable to budget. Significant progress has been made in managing this year's strategic budget increases including hiring of four faculty members, five advisors, two psychologists, one assistant registrar and one OUTAS retention coordinator. Five additional new faculty positions, one advisor and two career services positions are in the process of being posted. Progress has also been made on the approved IT projects with purchase and implementation of hardware and software on various modules and systems along with training.

After discussion, Trustee W. David Tull, seconded by Trustee Michael R. Kramer, moved approval of the Treasurer's Report and the motion was unanimously approved by those present.

D. Consent Agenda for Consideration/Action

Consent Agenda

Minutes of the Board of Trustees Formal Session of December 2, 2015

University Personnel Actions

RESOLVED, that the Board of Trustees approve the personnel actions below.

I. Oakland University William Beaumont School of Medicine Standard Appointments, effective February 22, 2016.

The following standard appointments in the Oakland University William Beaumont School of Medicine are for three years, commencing on February 22, 2016, and are renewable. These standard appointments are without salary support from Oakland University and are not tenured positions. Appointees must maintain active status on the staff of Beaumont Hospital, meet all applicable School of Medicine Participation requirements, and maintain the continued support of their Department Chairs, who are responsible for assessing their performance. Appointees' standard appointments may also be terminated at any time, upon the recommendation of their Department Chair, or for reasons that are at the exclusive discretion of the Dean of the School of Medicine:

Bastani, Artin	Assistant Professor	Anesthesiology
DeVera, Imelda E.	Assistant Professor	Anesthesiology
Hnatiuk, Natalia	Assistant Professor	Anesthesiology
Lin, Cindy	Assistant Professor	Anesthesiology
Gratson, Michael V.	Instructor	Emergency Medicine
Hencsie, Anthony J.	Instructor	Emergency Medicine
Keersmaekers, Charles	Instructor	Emergency Medicine
Pandurangadu, Ananda V.	Instructor	Emergency Medicine
Rhea, Robert A.	Instructor	Emergency Medicine
Armstrong, Karen P.	Adjunct Instructor	Family Medicine
Elliott Patricolo, Gail	Adjunct Instructor	Family Medicine
Kline, Elena	Adjunct Asst. Professor	Family Medicine
Mays, Ruth	Assistant Professor	Family Medicine
Rogers, Jeffrey D.	Adjunct Instructor	Family Medicine
Tocco, Michael C.	Adjunct Instructor	Family Medicine
Zador, Veronica	Adjunct Instructor	Family Medicine
Ayyoub, Faten S.	Assistant Professor	Internal Medicine
Burke, Robert R.	Assistant Professor	Internal Medicine
Khachani, Amine	Assistant Professor	Internal Medicine
Patel, Vishal	Assistant Professor	Internal Medicine
Peabody, Mitchell F.	Instructor	Internal Medicine
Tantisattamo, Ekamol	Assistant Professor	Internal Medicine
Ardehna, Nikesh I.	Instructor	Neurology
Bierema, Herminia P.	Assistant Professor	Pediatrics
Donaldson, Laurie D.	Assistant Professor	Pediatrics
Duchan, Erin	Assistant Professor	Pediatrics
Hassan, Hossam E.	Instructor	Pediatrics
Hendershot, Lesly	Assistant Professor	Pediatrics
Marks, Amy L.	Assistant Professor	Pediatrics
Operti-Considine, Silvia B.	Instructor	Pediatrics

Osman, Farhat	Instructor	Pediatrics
Patel, Neethi R.	Instructor	Pediatrics
Phillips, Donald J.	Assistant Professor	Pediatrics
Pietrandrea-Laskowski, Evelyn	Assistant Professor	Pediatrics
Sampath, Praveena	Instructor	Pediatrics
Kabolizadeh, Peyman	Assistant Professor	Radiation Oncology
Lanni Jr., Thomas B.	Adjunct Asst. Professor	Radiation Oncology
Warren, Gregg	Assistant Professor	Radiology

Standard Appointments – One Year

Jafry, Sheala	Assistant Professor	Family Medicine
Demers, Michael R.	Instructor	Orthopaedic Surgery
Hyduk, Rodney D.	Assistant Professor	Surgery

Standard Reappointments - Three Years

Cecil, Leah	Assistant Professor	Family Medicine
Cothery, Jill	Assistant Professor	Family Medicine
Paredes, Azrael	Assistant Professor	Family Medicine
Zelch, James	Assistant Professor	Family Medicine
Bahado-Singh, Ray	Professor	OB/GYN
Ysunza, Pablo	Professor	Physical Medicine

Correction

Kennedy, Richard, Associate Dean for Research and Professor of Biomedical Sciences, William Beaumont School of Medicine, effective October 15, 2015. (Previously reported without the Professor of Biomedical Sciences title.)

II. New Appointments

Effective January 1, 2016

Villa Diaz, Luis G., Assistant Professor of Biological Sciences (\$68,000) (New appointment filling a vacant authorized position).

Effective January 4, 2016

Mirza, Khalid, Special Instructor in Electrical and Computer Engineering (\$65,000) (New appointment filling a newly authorized position).

III. Administrative-Professional Position

The establishment of a full-time Chief Human Resource Officer ("Position"), pursuant to the Board's Contracting and Employment Authority Policy. The Position will be a full-time administrative-professional classified at level X, will be in compliance with all University

policies, procedures and budget authorizations, and will result in a net increase in the total number of full-time positions.

Department Chairs

<u>Chair</u>	<u>Department</u>	<u>Term</u>
Lu, Lunjin	Computer Science & Engineering	August 15, 2015 – August 14, 2018 (1st term)
McEneaney, John E.	Reading & Language Arts	August 15, 2016 – August 14, 2019 (1st term)

IV. Change of Status

Cheng, Eddie, from Professor of Mathematics to Acting Chair, Department of Mathematics & Statistics and Professor of Mathematics, effective January 1, 2016.

Sengupta, Sankar, from Professor of Engineering to Acting Chair, Department of Industrial & Systems Engineering and Professor of Engineering, effective January 1, 2016.

V. Emeritus Appointments

Folland, Sherman T., Professor Emeritus of Economics, effective February 22, 2016.

Henke, John W., Professor Emeritus of Marketing, effective February 22, 2016.

Hightower, Kenneth R., Professor Emeritus of Health Sciences, effective February 22, 2016.

Schwartz, Robert M., Professor Emeritus of Education, effective February 22, 2016.

Acceptance of Gifts and Pledges to Oakland University for the Period of November 19, 2015 through February 15, 2016

RESOLVED, that the Board of Trustees accept the gifts and pledges to Oakland University identified in the Gifts and Pledges Report, Attachment A, for the period of November 19, 2015 through February 15, 2016.

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

Acceptance of Grants and Contracts to Oakland University for the Period of November – December 2015

RESOLVED, that the Board of Trustees accept the grants and contracts to Oakland University identified in the Grants and Contracts Report, Attachment A, for the period of November 1 – December 31, 2015. (A copy of Attachment A is on file in the Board of Trustees Office.)

Final Undergraduate School and Graduate School Reports, Fall 2015 – December 15, 2015

RESOLVED, that the Board of Trustees approves granting the degrees more fully described in the Final Undergraduate School Report and the Final Graduate School Report, each dated December 15, 2015.

(A copy of the Final Undergraduate School and Graduate School Reports Fall 2015 – December 15, 2015 is on file in the Board of Trustees Office.)

Reappointment of an Independent Public Accounting Firm

RESOLVED, that the Board of Trustees approves the appointment of AHP as the Board of Trustees' independent public accounting firm to conduct the FY2016 Audit at a projected cost of \$80,745; and, be it further

RESOLVED, that AHP will report the results of its annual examination of Oakland University's financial statements in draft form to the Board of Trustees' Audit Committee and in final form to the Board of Trustees; and, be it further

RESOLVED, that the Board of Trustees authorizes the Audit Committee Chair, the President, the Vice President for Finance and Administration, and their respective designees, to perform all acts and deeds and to execute and deliver all contracts, instruments and documents required by this resolution that are necessary, expedient and proper in connection with the Audit and the ongoing administration of the Audit; and, be it further

RESOLVED, that said contracts, instruments and documents shall be reviewed by and be in a form acceptable to the Vice President for Legal Affairs and General Counsel prior to execution, and be in compliance with the law and with University policies and regulations and conform to the legal standards of the Vice President for Legal Affairs and General Counsel.

Amendment to School of Business Administration Constitution

RESOLVED, that notwithstanding any provision of the proposed, amended Constitution of the Oakland University School of Business Administration, the Board of Trustees reconfirms its legal authority to grant, modify and rescind internal constitutions when the Board of Trustees determines such action to be in the interest of the institution or required to comply with its legal obligations; and, be it further

RESOLVED, that the Board of Trustees, under the conditions set forth above, approves the amended Constitution of the Oakland University School of Business Administration, attached hereto, effective February 22, 2016.

Trustee Richard A. Flynn, seconded by Trustee Michael R. Kramer, moved approval of the Consent Agenda and the motion was unanimously approved by those present.

E. New Items for Consideration/Action

Appointment of Maria M. Bryant to the Rank of Distinguished Professor

Dr. James P. Lentini, Senior Vice President for Academic Affairs and Provost, presented the Appointment of Maria M. Bryant to the Rank of Distinguished Professor recommendation as set forth in the agenda item.

RESOLVED, that the Board of Trustees approves the appointment of Maria M. Bryant, Professor of Chemistry, to the rank of Distinguished Professor, effective August 15, 2016.

Dr. Lentini highlighted Dr. Bryant's impact on the scientific community which has included 138 published journal articles and peer review publications and has 4,700 citations to her work. She has received more than \$2.3M in grants and had a significant role in the acquisition and maintenance of OU's computing infrastructure. She participates in National Science Foundation review panels to which only nationally recognized experts are invited.

After discussion, Trustee W. David Tull, seconded by Trustee Flynn, moved approval of the recommendation, and the motion was unanimously approved by those present.

Appointment of Todd K. Shackelford to the Rank of Distinguished Professor

Dr. Lentini presented the Appointment of Todd K. Shackelford to the Rank of Distinguished Professor recommendation as set forth in the agenda item.

RESOLVED, that the Board of Trustees approves the appointment of Todd K. Shackelford, Professor of Psychology, to the rank of Distinguished Professor, effective August 15, 2016.

Dr. Lentini indicated that Dr. Shackelford is an outstanding candidate for distinguished professorship because of his internationally acclaimed accomplishments in scholarship. He has published more than 300 peer review journal articles and book chapters as well as edited 14 books. He has been cited 12,000 times and has been named a fellow of the American Psychological Association, the Association for Psychological Science, the Center for Science and Reason, and the International Association for Research on Aggression. He has also served as the chair of Department of Psychology and students regularly flock to his courses and want to join his lab as research assistants. Dozens of prospective graduate students apply to work with him each year due to his reputation.

After discussion, Trustee W. David Tull, seconded by Trustee Flynn, moved approval of the recommendation, and the motion was unanimously approved by those present.

Southern Student Housing Complex – Construction Manager

Mr. Glenn McIntosh, Vice President for Student Affairs, presented the Southern Student Housing Complex – Construction Manager recommendation as set forth in the agenda item.

RESOLVED, that the Board of Trustees authorizes the Chief Operating Officer to negotiate and execute a construction management contract with Rewold for the Southern Student Housing Complex; and, be it further

RESOLVED, that the total cost for all construction management services for the Housing Project will not exceed \$4,096,477, which includes a 15% owner controlled contingency; and, be it further

RESOLVED, that the Board of Trustees authorizes the President, the Chief Operating Officer, and their respective designees, to perform all acts and deeds and to execute and deliver all contracts, instruments, and documents required by this resolution that are necessary, expedient, and proper in connection with the Housing Project and the ongoing administration of the Housing Project; and, be it further

RESOLVED, that said contracts, instruments and documents shall be reviewed by and be in a form acceptable to the Vice President for Legal Affairs and General Counsel prior to execution, and be in compliance with the law and with University policies and regulations and conform to the legal standards of the Vice President for Legal Affairs and General Counsel; and, be it further

RESOLVED, that consistent with Board of Trustees policy, the schematic design, and bond documents will be presented to the Board of Trustees for approval prior to proceeding with construction and bond issuance.

Dr. Hynd began by indicating that Oakland has more students than ever that want to live on campus and experience a full campus life. The resident halls are full and Oakland is moving forward and truly becoming the preeminent metropolitan University as stated in the mission statement. Programs are growing and more students are looking to Oakland as their first choice institution.

Mr. Kunselman indicated that there are three capital projects up for consideration at this meeting and it is important to understand key factors such as debt capacity, cash flow and business risk. The bonding for these projects would be pursued anticipating no change in Oakland's debt ratings. The full cash flow effect of these projects is already contained in the 2016 budget, with the housing project assumed to have a neutral cash flow when fully occupied. The Oakland Center and Business School expansions are in the budget now and are anticipated to be containable in the 2017 budget and beyond. As

for risk, Oakland needs to validate the assumption that it can continue to carry the cash flow for these projects at minimum risk and that the demand remain strong for housing and therefore there is a need to look closely at enrollment.

As to enrollment and retention, Dr. Lentini indicated that enrollment is tracking ahead of last year and should hit the target number Oakland is seeking this year and is tracking toward the goal of 1.2% growth over the next several years. There are 33 different initiatives on campus focused on retention which is at 76% this year for freshmen to sophomore students. New housing should help retention in a positive way.

Mr. McIntosh indicated that with Oakland's enrollment numbers growing and retention rate increasing it shows a desire of students to be here, a desire to stay here, and a desire to complete the mission to be the number one choice for many students in the state of Michigan.

The Southern Student Housing Complex would be the first housing complex for the south side of campus with a goal to tie into the academic mission of the University. The housing complex would offer 750 beds, a cafeteria with a capacity of 600, 200 all-purpose classroom space, and a lot of common space for students to create a unique experience. Oakland has students at the beginning of every academic year housed in hotels, 200 or more on waiting lists so the demand is there

To select a construction manager, Oakland went through the RFP process, vetted the submitted applications and as a result of that process recommends Rewold and Son to be the construction manager. Rewold has a history with our University as the construction manager on the Oakview project.

Mr. Stollsteimer indicated that the proposed location of the Complex is along the ravine on the south side of campus with 750 beds and a dining area with a view to the south.

A restaurant area would be on the third level but would be beyond the ground level and would have a visual site to Elliott Tower, tying in the campus together. With a construction manager hired, Oakland can firm costs to make sure it is aligned with the budget. Moving forward the building will be configured. The rooms are going to be larger in comparison to Oakview because the intent is for sophomore and upper classmen to live in the complex.

In response to a question from Trustee Schlussel, Mr. Stollsteimer indicated that there was discussion about speeding up the schedule to open a portion of the building but it isn't feasible and bringing it online in mid-semester doesn't make sense. The building would have no impact on parking. He indicated Rewold was the low bidder and reminded the Board that Oakview was completed ahead of schedule by one month and Rewold brought everything in within dollars of the budget.

Mr. Stollsteimer added that the dining facility will be designed to allow for expansion if additional housing units are built on the south side of campus. The completion date would be August of 2018. In response to a question from Trustee DeVore, Mr. Zambardi

indicated that the construction manager contract would have a penalty provision in the event the schedule is not adhered to.

Trustee Robinson believes that student housing is a positive for student growth. In response to a question about the look of the building from Trustee Robinson, Mr. Stollsteimer indicated the complex should tie in with the buildings on the south of campus and that they will look at what amenities and what materials are available at this point in time and have consulted the master planner in regards to the architecture.

In response to a question from Trustee DeVore, Mr. Stollsteimer indicated that the building will be a gold LEED building as required in the RFP.

In response to a question from Trustee Schostak, Mr. McIntosh indicated that the ultimate goal is to have 4,000 to 4,500 housing units with the idea becoming a more residential population as the national data shows that more students that reside on campus are retained and complete the mission of earning a degree.

Mr. McIntosh added that the complex, along with the proposed Oakland Center expansion, will help alleviate overcrowding in the Oakland Center by offering the dining service in the south region of campus as well as social space in the new housing complex to change the entire traffic pattern of the campus community as a result of both of these projects.

After discussion, Trustee Melissa Stolicker, seconded by Trustee Robert Schostak, moved approval of the recommendation, and the motion was unanimously approved by those present.

Oakland Center Expansion Architecture and Engineering Firm

Mr. McIntosh presented the Oakland Center Expansion Architecture and Engineering Firm recommendation as set forth in the agenda item.

RESOLVED, that the Board of Trustees directs the Chief Operating Officer and/or his designees, to conduct an on-site campus visit to a college(s) or university(ies) to review a completed student center project for which Workshop provided the design services; and, be it further

RESOLVED, that provided the Chief Operating Officer concludes that Workshop should be engaged to provide the design services for the Oakland Center Expansion Project, based upon the foregoing on-site campus visit, then the Board of Trustees authorizes the Chief Operating Officer to negotiate and execute an architecture and engineering contract with IDS/Workshop for the Oakland Center Expansion Project; and, be it further

RESOLVED, that the total cost for all architecture and engineering services for the Oakland Center Expansion Project will not exceed \$3,281,000, which includes a 15% owner contingency; and, be it further

RESOLVED, that the Board of Trustees authorizes the President, the Chief Operating Officer, and their respective designees, to perform all acts and deeds and to execute and deliver all contracts, instruments and documents required by this resolution that are necessary, expedient and proper in connection with the Oakland Center Expansion Project and the ongoing administration of the Oakland Center Expansion Project; and, be it further

RESOLVED, that said contracts, instruments and documents shall be reviewed by and be in a form acceptable to the Vice President for Legal Affairs and General Counsel prior to execution, and be in compliance with the law and with University policies and regulations and conform to the legal standards of the Vice President for Legal Affairs and General Counsel; and, be it further

RESOLVED, that consistent with Board of Trustees policy, the construction manager recommendation, schematic design, and bond documents will be presented to the Board of Trustees for approval prior to proceeding with construction and bond issuance.

Mr. McIntosh indicated that the Oakland Center is the "living room" of the campus with 1.6M people visiting it every year. This expansion project would result in more dining space, more meeting rooms, and more social space with a goal of better serving Oakland's students. The RFP process resulted in a recommendation of a company with a track record for designing student unions who is also the low bidder, IDS and its design partner, Workshop.

Mr. Fekel indicated that Workshop is extensively involved in student union design and is located in Milwaukee. It has a good reputation within his constituencies and has spoken to directors at other universities who have given Workshop stellar reviews. He indicated that the project will serve the needs of the University community for at least another 10 years and addresses the immediate and long-term needs. Mr. Fekel described some of the conceptual elements of the renovation including the view, gathering spaces, dining and kitchen renovations, and meeting room spaces. The expansion will add about 40,000 square feet to the 140,000 square foot building.

In response to a question from Trustee DeVore, Mr. Fekel indicated that students have been and will continue to be involved with the design process.

Trustee Schlüssel expressed concern that no one from Oakland had visited the actual work of the recommended company and suggested that it may be prudent to do so before committing the Board to that company. Mr. Stollsteimer indicated that although the work of Workshop had not been seen, its partner IDS is a Detroit firm with which Oakland has worked with and he has seen many of their projects and that the construction documents will be the work of IDS. Trustee Schostak added that IDS has a very good reputation and he has seen their work at the University of Michigan firsthand. Trustee Tull suggested and moved to amend the agenda item to include that the approval of the recommendation be conditioned upon Oakland visiting some of Workshop's facilities and approving of their work.

After discussion, Trustee Tull, seconded by Trustee Flynn, moved approval of the recommendation as amended, and the motion was unanimously approved by those present.

Elliott Hall Expansion Architecture and Engineering Firm

Dr. Lentini presented the Elliott Hall Expansion Architecture and Engineering Firm recommendation as set forth in the agenda item.

RESOLVED, that the Board of Trustees authorizes the Chief Operating Officer to negotiate and execute an architecture and engineering contract with SmithGroup JJR for the Elliott Hall Expansion Project; and, be it further,

RESOLVED, that the total cost for all architecture and engineering services for the Elliott Hall Expansion Project will not exceed \$1,968,500, which includes a 15% owner contingency; and, be it further

RESOLVED, that the Board of Trustees authorizes the President, the Chief Operating Officer, and their respective designees, to perform all acts and deeds and to execute and deliver all contracts, instruments and documents required by this resolution that are necessary, expedient and proper in connection with the Elliott Hall Expansion Project, and the ongoing administration of the Elliott Hall Expansion Project; and, be it further

RESOLVED, that said contracts, instruments and documents shall be reviewed by and be in a form acceptable to the Vice President for Legal Affairs and General Counsel prior to execution, and be in compliance with the law and with University policies and regulations and conform to the legal standards of the Vice President for Legal Affairs and General Counsel; and, be it further

RESOLVED, that consistent with Board of Trustees policy, the construction manager recommendation, schematic design, and bond documents will be presented to the Board of Trustees for approval prior to proceeding with construction and bond issuance.

Dr. Lentini indicated that the School of Business Administration is at its highest enrollment ever and that with the number of students, there is difficulty maximizing quality areas for them. Developing recognized marque programs will further Oakland's reputation and the School of Business Administration is such a program.

Mr. Stollsteimer indicated that the RFP process resulted in a recommendation of SmithGroup JJR to be the Architecture and Engineering firm for the project. They were the lowest bidder and were used for the Human Health Building and the Engineering Building. He added that, in addition to the business school specific elements, there will be 400 general purpose seats.

In response to a question from Trustee Kramer, Mr. Beaghan indicated that this project is not included in the bonding resolution and that the initial costs for the project would be covered out of physical plant reserves.

After discussion, Trustee Flynn, seconded by Trustee Schostak, moved approval of the recommendation, and the motion was unanimously approved by those present.

Authorizing Resolution – General Revenue Bonds, Series 2016

Mr. Thomas P. LeMarbe, Assistant Vice President for Finance and Administration, presented the Authorizing Resolution – General Revenue Bonds, Series 2016 recommendation as set forth in the agenda item.

**RESOLUTION OF THE BOARD OF TRUSTEES
OF OAKLAND UNIVERSITY
AUTHORIZING THE ISSUANCE AND DELIVERY OF
GENERAL REVENUE BONDS AND PROVIDING
FOR OTHER MATTERS RELATING THERETO**

WHEREAS, the Board of Trustees of Oakland University (the "Board") is a constitutional body corporate established pursuant to Article VIII, Section 6 of the Michigan Constitution of 1963, as amended, with general supervision of Oakland University (the "University") and the control and direction of all expenditures from the University's funds; and

WHEREAS, in the exercise of its constitutional duties and in order to properly serve the needs of students attending the University, the Board proposes to undertake the acquisition, construction, installation and equipping of the capital improvements described in Exhibit A hereto (collectively, the "Projects"); and

WHEREAS, the Board has previously issued and has outstanding certain series of General Revenue Bonds (the "Outstanding Bonds"), and has incurred certain other debt obligations payable from and secured by a lien on General Revenues (as hereinafter defined) (such other debt obligations, together with the Outstanding Bonds, are collectively referred to herein as the "Outstanding Obligations"); and

WHEREAS, the financing of all or a portion of the Projects through the issuance of General Revenue Bonds will serve proper and appropriate public purposes; and

WHEREAS, in the exercise of its constitutional duties, and in order to prudently control and direct expenditures from the University's funds, the Board determines that it is necessary and desirable to authorize the issuance of one or more series of General Revenue Bonds (collectively, the "Bonds") in order to provide funds which, together with other available funds, will be used to pay all or part of the costs of the Projects and to pay costs incidental to the issuance of the Bonds; and

WHEREAS, it may be desirable and in the best interests of the University to secure all or part of the principal and interest on the Bonds by bond insurance, a letter of credit or other form of credit enhancement from an insurance company, bank or other credit enhancement provider; and

WHEREAS, a trust indenture (the "Trust Indenture") or loan agreement (the "Loan Agreement") must be entered into by and between the Board and a trustee (the "Trustee") or a direct placement lender, in either case to be designated by the President or the Vice President for Finance and Administration of the University (each an "Authorized Officer"), pursuant to which the Bonds will be issued and secured; and

WHEREAS, the trust indentures or agreements authorizing the Outstanding Bonds create certain conditions for the issuance of General Revenue Bonds secured by a pledge of General Revenues on a parity basis with the Outstanding Obligations; and

WHEREAS, an Authorized Officer shall, on or prior to the delivery of the Bonds, certify that the conditions for issuing the Bonds, secured on a parity basis by General Revenues with the Outstanding Obligations, have been met; and

WHEREAS, it is necessary to authorize each of the Authorized Officers, individually, to negotiate the sale of the Bonds with an underwriter or group of underwriters to be selected by an Authorized Officer (collectively, the "Underwriter") or with a direct placement lender or lenders to be selected by an Authorized Officer (collectively, the "Purchaser"), and to enter into one or more bond purchase agreements with the Underwriter or Purchaser (collectively, the "Bond Purchase Agreement") setting forth the terms and conditions upon which the Underwriter or Purchaser will agree to purchase the Bonds and the interest rates thereof and the purchase price therefor, or, in the alternative, for all or any portion of the Bonds, to establish the terms for and sell such Bonds to a financial institution (the "Competitive Purchaser") through a competitive bidding process pursuant to a notice of sale (the "Notice of Sale"); and

WHEREAS, in order to be able to market the Bonds at the most opportune time, it is necessary for the Board to authorize the Authorized Officers, or either of them individually, to negotiate, execute and deliver on behalf of the Board, the Trust Indenture or Loan Agreement, the Bond Purchase Agreement, one or more remarketing agreements with the Underwriter or other parties (collectively, the "Remarketing Agreement"), and other related documents, to publish any Notice of Sale required for the sale of all or any portion of the Bonds, to establish the specific terms of the Bonds and to accept the offer of the Underwriter, Purchaser or Competitive Purchaser to purchase the Bonds, all within the limitations set forth herein; and

WHEREAS, the Board has full power under its constitutional authority for supervision of the University, and control and direction of expenditures from the University funds, to acquire, construct, furnish and equip the Projects and to pay all or a portion of the costs of the Projects by issuance of the Bonds, and to pledge General Revenues for payment of the Bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF OAKLAND UNIVERSITY, AS FOLLOWS:

1. Approval of the Projects. The Board hereby approves each of the "Projects" as set forth on Exhibit A attached hereto, and authorizes the Authorized Officers, or either of them, to select the portions of the Projects to be financed, in whole or in part, from the proceeds of the Bonds, and to fund, as appropriate, the remaining portion of the costs of the Projects from available funds of the University or from other available funds, and to proceed with the acquisition, equipping and construction of the Projects.

2. Authorization of the Bonds and Related Agreements; Terms of the Bonds; Related Matters. The Board hereby authorizes the issuance, execution and delivery of the Bonds in one or more series, to be designated GENERAL REVENUE BONDS, SERIES 2016 (with appropriate alternative or additional series designations) in the aggregate principal amount to be established by an Authorized Officer, but not to exceed the amount necessary to produce proceeds of \$124,000,000, plus an amount necessary to fund capitalized interest and issuance costs on the Bonds as an Authorized Officer deems appropriate. The Bonds shall be dated as of the date or dates determined by an Authorized Officer. The proceeds of the Bonds shall be used to pay all or a portion of the costs of the Projects, as shall be determined by an Authorized Officer, and costs incidental to the issuance of the Bonds, including the cost of bond insurance, if any, and funding capitalized interest on the Bonds, if any, in each instance as an Authorized Officer deems appropriate. The Bonds shall be serial bonds, or terms bonds which may be subject to redemption requirements, or both, as shall be established by an Authorized Officer, but the first maturity or mandatory redemption date shall be not earlier than November 15, 2016, and the final maturity shall be not later than November 15, 2047. The Bonds may bear no interest or may bear interest at stated fixed rates for the respective maturities thereof as shall be established by an Authorized Officer, but the weighted average yield (computed using the stated coupon and the stated original offering price) for the Bonds shall not exceed 7.5% per annum for tax-exempt Bonds and not in excess of 10.0% per annum for taxable Bonds. The Bonds may be issued in whole or in part as capital appreciation bonds, which for their term or any part thereof bear no interest but appreciate in principal amount over time at compounded rates (not in excess of 7.5% per annum for tax-exempt Bonds or 10.0% per annum for taxable Bonds) to be determined by an Authorized Officer. Alternatively, all or part of the Bonds may bear interest at a variable rate of interest for all or a portion of their term, and the variable rate of interest shall not exceed the lesser of the maximum rate permitted by law or the maximum rate, if any, to be specified in the Trust Indenture or Loan Agreement. The Bonds may be subject to redemption or call for purchase prior to maturity at the times and prices and in the manner as shall be established by an Authorized Officer, provided that the redemption premium shall not exceed 3.0% of the principal amount being redeemed. Interest on the Bonds shall be payable at such times as shall be specified by an Authorized Officer. The Bonds shall be issued in fully registered form in denominations, shall be payable as to principal and interest in the manner, shall be subject to transfer and exchange, and shall be executed and authenticated, and may be issued in book-entry-only form, all as shall be provided in the Trust Indenture or Loan Agreement.

The Bonds shall be sold to the Underwriter or Purchaser pursuant to the Bond Purchase Agreement or through a competitive bidding process pursuant to a notice of sale for a price to be established by an Authorized Officer (but the Underwriter's or Purchaser's discount, exclusive of net original issue discount, shall not exceed 1.5% of the principal amount thereof) plus accrued interest, if any, from the dated date of the Bonds to the date of delivery thereof.

In relation to the debt service on the Bonds, or in relation to all or any portion of the debt service on the Outstanding Bonds, either of the Authorized Officers may, at any time, on behalf of the Board, enter into an interest rate swap, cap, forward starting swap, rate lock, option, swaption or similar agreement or agreements (collectively, the "Swap Agreement") with a counter-party or counter-parties to be selected by the Authorized Officer. Such Swap Agreement shall provide for payments between the Board and the counter-party related to interest on all or a portion of the Bonds or the Outstanding Bonds, or to indexed or market established rates. If the Swap Agreement is entered into in connection with the issuance of the Bonds, the expected effective interest rates on the Bonds, taking into account the effect of the Swap Agreement, shall be within the limitations set forth herein. Any Swap Agreement in the form of an option, rate lock, swaption or forward starting swap, may, if the Bonds to which such agreement relates are not ultimately issued, be required to be terminated, with a possibility of a resulting termination payment due by the University. In addition, either Authorized Officer is authorized to modify or terminate any Swap Agreement entered into in connection with the Bonds or any of the Outstanding Bonds, if the Authorized Officer determines such action is economic and in the best interests of the Board, based on the advice of the University's financial advisor.

Any or all of the Bonds may be made subject to tender for purchase at the option of the holder thereof. The obligation of the Board to purchase any Bonds subject to tender options may be made payable from General Revenues, from available cash reserves of the University, subject to such limitations as may be specified in the Trust Indenture or Loan Agreement, or from a letter of credit, line of credit or other liquidity device (the "Liquidity Device"), or any combination thereof, all as shall be determined by an Authorized Officer and provided for in the Trust Indenture or Loan Agreement. Any reimbursement obligation for draws under the Liquidity Device shall be a limited and not a general obligation of the Board, payable from and secured by a pledge of General Revenues. Either Authorized Officer is authorized to execute and deliver at any time, for and on behalf of the Board, any agreements or instruments necessary to obtain, maintain, modify, renew or replace, and provide for repayments under, any Liquidity Device deemed by such Authorized Officer to be required for the purposes of this Resolution. Purchase obligations shall not be considered principal of or interest on the Bonds.

3. Limited Obligation of the Board; Security. The Bonds, and the obligations of the Board under the Swap Agreement or Liquidity Device, if any, shall be limited and not general obligations of the Board payable from and secured by a lien on the General Revenues and moneys, securities or other investments from time to time on deposit in certain funds created pursuant to the Trust Indenture, Loan Agreement or Bond Purchase Agreement, or agreements entered into in connection with the Swap

Agreement or Liquidity Device. Except as otherwise determined by an Authorized Officer, as provided below, the lien on General Revenues shall be on a parity basis with the liens on General Revenues securing the Outstanding Obligations.

As used herein and in the Trust Indenture, Loan Agreement or Bond Purchase Agreement and related documents, "General Revenues" shall be defined generally to include all fees, deposits, charges, receipts and income from all or any part of the students of the University, whether activity fees, tuition, instructional fees, tuition surcharges, general fees, health fees or other special purpose fees; all gross income, revenues and receipts from the ownership, operation and control of the Board's housing, dining and auxiliary facilities; all unrestricted receipts from departmental or educational activities; all unrestricted grants, gifts, donations and pledges and receipts therefrom; all unrestricted recoveries of indirect costs; and all unrestricted investment income, but excluding all of the following: (a) student activity fees approved by student referendum and not reported in the University's current funds; (b) any deposits required by law or contract to be held in escrow; (c) any gifts, grants, donations or pledges and receipts therefrom restricted as to use in a manner inconsistent with payment of amounts due on the Bonds and any obligations secured on a parity with the Bonds; (d) appropriations to the University from the State Legislature; (e) any income, revenues or receipts of whatever kind or nature attributed by the University to the University's constituent school of medicine; and (f) up to an amount equal to an aggregate of 5% of General Revenues each fiscal year collected annually from the levy of a special fee hereafter established by the Board and designated by the Board to be excluded from General Revenues.

No recourse shall be had for the payment of the principal amount of or interest or premium on the Bonds, or for the payment of any amounts owing under the Swap Agreement or the Liquidity Device, if any; or any claim based thereon, against the State of Michigan, the Board (except as provided herein) or the University, or any member, officer or agent thereof, as individuals, either directly or indirectly, nor shall the Bonds and interest with respect thereto, or any obligations of the Board in connection with the Swap Agreement or Liquidity Device, if any, become a lien on or be secured by any property, real, personal or mixed, of the State of Michigan or the Board, other than General Revenues and the moneys, securities or other investments from time to time on deposit in certain funds established and pledged pursuant to the Trust Indenture, Loan Agreement or Bond Purchase Agreement, or agreements entered into in connection with the Swap Agreement or Liquidity Device, if any.

Any pledge of General Revenues, and funds specified in the Trust Indenture, Loan Agreement or Bond Purchase Agreement, or agreements entered into in connection with the Swap Agreement or Liquidity Device, if any, shall be valid and binding from the date of issuance and delivery of the Bonds or such agreements, and all moneys or properties subject thereto that are thereafter received shall immediately be subject to the lien of the pledge without physical delivery or further act. The lien of said pledge shall be valid and binding against all parties (other than the holders of any other bonds, notes or debt obligations secured by a parity first lien on General Revenues) having a claim in tort, contract or otherwise against the Board, irrespective of whether such parties have notice of the lien.

Notwithstanding anything herein to the contrary, any obligations of the Board under the Swap Agreement or Liquidity Device, if any, may, if determined appropriate by an Authorized Officer, be payable and secured on a subordinated basis to the Bonds and other General Revenue obligations of the Board, or may be payable from General Revenues, or may be unsecured.

4. Additional Bonds. The right is reserved to issue additional bonds, notes or other obligations payable from and secured on a parity basis with the Bonds and the Outstanding Obligations from the General Revenues, upon compliance with the terms and conditions as shall be set forth in the Trust Indenture, Loan Agreement or Bond Purchase Agreement.

5. Selection of Trustee; Terms of Documents; Bond Insurance. Either Authorized Officer is hereby authorized and directed, in the name and on behalf of the Board, to select the Trustee, if any, and to negotiate the terms of and execute and deliver the Trust Indenture, Loan Agreement or Bond Purchase Agreement. The Trust Indenture, Loan Agreement or Bond Purchase Agreement may contain such covenants of the Board and terms as the Authorized Officer may deem appropriate, including, but not limited to, covenants with respect to the establishment of General Revenues at levels expressed as a percentage of debt service on the Bonds or all General Revenue Bonds, and with respect to the issuance of additional bonds, notes or other obligations payable from and secured by General Revenues. In addition, either Authorized Officer is hereby authorized, empowered and directed to negotiate, if necessary and expedient for the issuance of the Bonds, for the acquisition of bond insurance and to execute and deliver an insurance commitment or other documents or instruments required in connection with such insurance.

6. Sale of the Bonds; Selection of Underwriter or Purchaser; Terms of Purchase. Either Authorized Officer is hereby authorized and directed, in the name and on behalf of the Board, to select the Underwriter or Purchaser and to negotiate, execute and deliver the Remarketing Agreement, if any, and the Bond Purchase Agreement with the Underwriter or Purchaser setting forth the terms of the Bonds and the sale thereof, in such form as an Authorized Officer may approve, all within the limitations set forth herein. In the alternative, if determined by an Authorized Officer, all or any portion of the Bonds may be sold and the terms thereof established through a competitive sale or bidding process pursuant to a Notice of Sale, and any Authorized Officer is authorized to accept the winning bid or offer of the Competitive Purchaser for the purchase of such Bonds.

7. Execution and Delivery of Bonds. Either Authorized Officer is hereby authorized, empowered and directed, in the name and on behalf of the Board, to execute the Bonds by placing his or her facsimile or manual signature thereon, and to deliver the Bonds to the Underwriter, Purchaser or Competitive Purchaser in exchange for the purchase price therefor, as provided in the Bond Purchase Agreement or Notice of Sale.

8. Ratings; Notice of Sale; Official Statement. Either Authorized Officer is hereby authorized to solicit ratings on the Bonds from any national rating services that

the Authorized Officer deems appropriate and to cause the preparation and publication of a Notice of Sale, if necessary, and the preparation of a Preliminary Official Statement and an Official Statement with respect to the Bonds, and to execute and deliver the Official Statement. The Underwriter is authorized to circulate and use in accordance with applicable law, the Preliminary Official Statement, if any, and the Official Statement in connection with the offering, marketing and sale of the Bonds.

9. Additional Acts Required. The Authorized Officers, and any other officers or personnel of the Board or the University authorized by the Board to act on its behalf as certified by the Vice President for Legal Affairs and General Counsel, are, and each of them individually is, hereby authorized to perform all acts and deeds, and to execute and deliver, for and on behalf of the Board, all instruments and documents required by this Resolution, the Trust Indenture, the Loan Agreement or the Bond Purchase Agreement, or necessary, expedient and proper in connection with the issuance, sale and delivery of the Bonds, as contemplated hereby. Any reference to an officer of the Board or the University herein shall include any interim or acting officer appointed by the Board. Any action, required under the Trust Indenture, the Loan Agreement, the Bond Purchase Agreement, any Swap Agreement, the Remarketing Agreement, any agreement or instrument entered into in connection with the Liquidity Device or any other agreement or instrument related to the Bonds, either in connection with the issuance of the Bonds or in connection with the ongoing administration of the financing program related to the Bonds, may be taken by and on behalf of the Board by an Authorized Officer.

In the event that future legislation allows the economic and efficient use of financing structures for the Bonds authorized hereby which are different from or alternative to traditional tax-exempt bond structures, through tax credits or subsidies available to the Board or the holders of such Bonds, or assignees thereof, all or any portion of the Bonds may, subject to the applicable parameters set forth herein, be issued as Bonds for which federal tax credits or subsidies are payable to the Board or Bonds for which the federal income tax credits or subsidies are allowed to the holder of the Bonds, if an Authorized Officer determines that such issuance is economic and in the best interests of the Board, and in connection therewith, either of the Authorized Officers is authorized to make, for and on behalf of the Board, any and all designations or elections (revocable or irrevocable), to make any tax covenants in connection with the issuance of such Bonds, to execute and deliver any agreements, certificates or other instruments to or with the federal government or any agency thereof, and to take any other actions necessary for such Bonds and the Board to receive any available benefits, funds or federal tax credits or subsidies.

10. Continuing Disclosure Undertaking. In accordance with the requirements of Rule 15c2-12 of the United States Securities and Exchange Commission, the Board is required in connection with the issuance of the Bonds to enter into a Disclosure Undertaking for the benefit of the holders and beneficial owners of the Bonds. Either Authorized Officer is authorized to cause to be prepared and to execute and deliver, on behalf of the Board, a Disclosure Undertaking.

11. Approval by Vice President for Legal Affairs and General Counsel.

The Board authorizes and directs that, prior to the execution by either Authorized Officer or other officer or representative of the Board or the University, of documents, certificates or instruments authorized by this Resolution, the Vice President for Legal Affairs and General Counsel of the University shall have reviewed and approved any and all such documents, certificates and instruments, upon, as appropriate, the advice of or consultation with the University's bond counsel.

12. Conflicting Resolutions. All resolutions or parts of resolutions or other proceedings of the Board in conflict herewith are hereby repealed to the extent of such conflict.

Mr. LeMarbe indicated that this bond resolution recommendation is substantially the same as the bond resolutions that the Board has approved in the past. In response to a question from Trustee Kramer, Mr. LeMarbe indicated that the resolution also includes money for renovation of Anibal Hall and Fitzgerald House.

In response to a request from Trustee Robinson, Mr. Beaghan confirmed that the bond request is within Oakland's debt capacity and that Oakland worked with its debt advisor, Public Financial Management, Inc. (PFM), and potential underwriters who have suggested that Oakland's debt capacity at its current credit rating would be about \$200M.

Ms. Kari Blanchett, Director PFM Group, explained that the residential component of the bond is actually credit positive and that when completed it might allow for additional debt capacity for other projects.

In response to a question from Trustee Schlusser, Ms. Blanchett indicated that if Oakland's credit rating was to drop, it would only result in about a 15 basis point increase because interest rates are so low, the credit spreads are tight. A large drop in credit rating to BBB, would result in about a .5 percent increase in interest rate.

After discussion, Trustee Tull, seconded by Trustee DeVore, moved approval of the recommendation, and the motion was unanimously approved by those present.

F. President's Report

Dr. Hynd indicated that he and his wife are now residing in Sunset Terrace and they have had over 40 individuals over for dinner and discussions, and it will continue to be used as a University resource to initiate and maintain relationships to benefit the University.

He indicated that Oakland maintains an active crisis management team which recently went through an exercise dealing with an active shooter scenario which was valuable to prepare the University to respond to crises.

He has reached out to alumni with events in Los Angeles, La Jolla, Manhattan Beach and in Florida. He had the opportunity to meet with Oakland supporters and noted that there are 2,000 alumni living in Florida as well as a number of retired faculty who remain

engaged with Oakland. These efforts will continue with a focus on the 70,000 alumni in the state of Michigan.

The strategic planning process continues with a goal of identifying possible action plans, metrics, and goals to be published this year. Several leadership searches are underway including two dean searches, the Associate Provost for Research and Vice President for Development and Alumni Relations searches. He updated the Board on the master planning process. He noted that Education Trust Mid-West increased its rating of Oakland-sponsored charter schools. Oakland's online master's program in engineering management is ranked #44 nationally. Dr. Lentini has put out a request for proposals to create centers of excellence and interdisciplinary research centers. He received 20 letters of intent and will award 3 to 5 of the proposals with front-funding.

He recognized dance professor Ali Woerner who was named one of Oakland County Executive's top 40 under 40 and highlighted the work she had with Parkinson's disease patients. He also congratulated engineering faculty and students who won a \$1M international prize in a drone competition. He noted that CEO Magazine ranks OU's Executive MBA programs as one of the best in the country.

G. Dean's Report

Dr. Gary Moore, Interim Dean, School of Nursing, began with a description of the undergraduate nursing program which has three tracks which all lead to the Bachelor of Science in Nursing. The traditional track involves students taking prerequisite science courses and social sciences the year before they apply to the School. They come to the School of Nursing as sophomores and complete the program in 3 years, not including summers. The second track is the accelerated second degree option. That involves students who have a bachelor's degree in some other field but want to become a nurse. It is a 12 month accelerated, but not abbreviated program. The third track is a BSN degree completion track which is for students who are already nurses who received their credentials through an associate's degree program or a diploma school. It can be completed in a 14 week rotation or through an accelerated format in 7 weeks.

Due to state restrictions and limited faculty, Oakland can only admit 96 undergraduate students in the fall and 96 in the winter to the traditional undergraduate program. 60 students are admitted each semester to the accelerated second degree program. He explained that clinical placements are controlled through a state program called ACE which allocates clinical placements.

In the Masters of Science in Nursing category, there are two tracks. One is adult gerontology and the other is family nurse practitioner program. Oakland receives about 175 applications for only 50 slots.

Oakland has a nurse anesthetist program which receives up to 225 applicants each year for only 25 slots. Oakland is a partner with William Beaumont in this program which has been in existence since 1991.

The School of Nursing's newest program is the Forensic Nursing Program which is the only one of its kind in the state of Michigan and one of the few in the country. The program partners with entities in Wayne, Oakland and Macomb counties.

Dr. Moore highlighted the improvements made with differential tuition dollars including redesigning clinical support services, two new faculty positions and lab upgrades. He highlighted the fact that the school has 25 endowed fund scholarships as well as two endowed professorships. There are over 400 undergraduate clinical placements every semester and students are active in a variety of nurse associations including the Student Nurses Association of Oakland University, the Michigan Council of Nurse Practitioners at OU, and the Black Student Nurses Association. There is currently one study abroad program in Italy.

More than 90 percent of OU School of Nursing graduates stay in the Detroit area, working in the area's best health care facilities and contribute regularly to the economy. He highlighted the accomplishments of one student, Carlie Austin, who won the Ylvisaker Award as well as a Keeper of the Dream Award and is on the dean search committee. He also highlighted the accomplishments of School of Nursing alumni including Lia Chism, Heidi Goode, and Marlene Mullen, and noted that many of the top nursing leadership positions in the area are held by OU School of Nursing graduates. He concluded by noting the accomplishments of faculty members Lan Yao, Judi Fouladbakhsh, Barbara Penprase and Suha Kridli.

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

There were no other items for consideration/action presented to the Board.

I. Adjournment

Chair Schlusssel adjourned the meeting at 3:54 p.m.

Submitted,

Approved,



Victor A. Zambardi
Secretary to the Board of Trustees

Mark E. Schlusssel
Chair, Board of Trustees