

**Minutes of the Formal Session
of the
Oakland University Board of Trustees
December 3, 2012**

Present: Chair Michael R. Kramer; Vice Chair Richard A. Flynn; and Trustees Monica E. Emerson, Scott G. Kunselman, Dennis K. Pawley, Ronald E. Robinson, Mark E. Schluskel and Jay B. Shah

Also Present: President Gary D. Russi; Interim Senior Vice President Susan M. Awbrey; Vice Presidents Eric D. Barritt, John W. Beaghan, Rochelle A. Black and Mary Beth Snyder; Vice President and Secretary to the Board of Trustees Victor A. Zambardi; and Student Liaisons Jessica M. Drogowski and Benjamin S. Eveslage

A. Call to Order

Chair Michael R. Kramer called the meeting to order at 2:02 pm. 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. Reports

Treasurer's Report

Mr. John W. Beaghan, Vice President for Finance and Administration, presented the Treasurer's Report as set forth in the agendum item.

D. Consent Agenda for Consideration/Action

Consent Agenda

Minutes of the Board of Trustees Formal Session of October 4, 2012

University Personnel Actions

I. Oakland University William Beaumont School of Medicine Standard Appointments, effective December 3, 2012.

The following standard appointments in the Oakland University William Beaumont School of Medicine are for three years, commencing on December 3, 2012, 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:

Akervall, Jan	Professor	Otolaryngology
Berman, Brian	Professor	Pediatrics
Biloikar, Abhay	Assistant Professor	Internal Medicine
Brudvik, Andrea	Assistant Professor	Diagnostic Radiology
El-Wiher, Nidal	Assistant Professor	Pediatrics
Gallardo, Lori Joy F.	Assistant Professor	Diagnostic Radiology
Gebara, Souheil	Associate Professor	Pediatrics
Harb, Joe G.	Assistant Professor	Diagnostic Radiology
Kallabat, Steve	Assistant Professor	Internal Medicine
Khandhar, Paras	Assistant Professor	Pediatrics
Kianowski, Stephen A.	Assistant Professor	Diagnostic Radiology
Kolbe, Karl	Assistant Professor	Internal Medicine
Kulik, Kenneth	Assistant Professor	Internal Medicine
Matuszak, Sean	Assistant Professor	Orthopedic Surgery
Nagori, Lokesh	Assistant Professor	Internal Medicine
Ober, Michelle D.	Assistant Professor	Pediatrics
Prysak, Geoffrey	Assistant Professor	Internal Medicine
Purman, T. Garrett	Assistant Professor	Pediatrics
Qin, An	Assistant Professor	Radiation Oncology
Refai, Wael	Associate Professor	Surgery
Schlachter, Dianne	Assistant Professor	Ophthalmology
Su, Yau-Liang	Assistant Professor	Internal Medicine
Taoudi Benchekroun, Mohammed	Assistant Professor	Internal Medicine
Tenzer, Michael A.	Assistant Professor	Diagnostic Radiology
Truscott, Steven M.I.	Assistant Professor	Pathology
Wiesend, Wendy	Assistant Professor	Pathology
Xu, Xiaochao	Assistant Professor	Radiation Oncology

II. Emeritus Appointments

Jackson, Frances C., Professor Emerita of Nursing, effective December 3, 2012.

III. Administrative Change of Status

Hutchins, Lisa M., from Internal Auditor to Senior Internal Auditor, (\$56,559), effective December 3, 2012.

Belke, Kathleen A., Internal Audit Manager, salary market adjustment, (\$66,247), effective December 3, 2012.

Vartanian, David P., Director, Internal Audit, salary market adjustment, (\$103,019), effective December 3, 2012.

Acceptance of Gifts and Pledges to Oakland University for the Period of September 19 through November 18, 2012

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 September 19 through November 18, 2012.

(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 September 1, 2012 through October 31, 2012

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 September 1, 2012 through October 31, 2012.

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

Final Undergraduate School and Graduate School Reports – Summer II 2012 – August 25, 2012

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 August 25, 2012.

(A copy of the Final Undergraduate School and Graduate School Reports – Summer II 2012 – August 25, 2012 is on file in the Board of Trustees Office.)

Acceptance of Meadow Brook Subdivision Financing Guarantee Report

The Board of Trustees at its meeting of December 3, 2012, approved the Meadow Brook Subdivision Financing Guarantee Report.

Revision of Senior Citizen Tuition Discount Program

RESOLVED, that the Board of Trustees approves the Revised Senior Citizen Scholarship Program as attached, to be effective Winter 2013.

(A copy of the Revised Senior Citizen Scholarship Program is on file in the Board of Trustees Office.)

Amendment to Custodial Services Contract

RESOLVED, that the Vice President for Finance and Administration be authorized to execute an amendment to the Custodial Services Agreement Between Oakland University and Aramark Management Services Limited Partnership ("Amendment"); and, be it further

RESOLVED, that the Amendment providing for additional cleaning services through June 30, 2014 will not exceed \$102,600; and, be it further

RESOLVED, that the Amendment will be reviewed and approved by the Office of 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 and policies of the Vice President for Legal Affairs and General Counsel.

Trustee Dennis K. Pawley, seconded by Trustee Scott G. Kunselman, moved approval of the Consent Agenda and the motion was unanimously approved by those present.

E. New Items for Consideration/Action

Development of Student Housing Complex

Dr. Mary Beth Snyder, Vice President for Student Affairs and Enrollment Management, presented the Development of Student Housing Complex recommendation as set forth in the agenda item.

Mr. Benjamin S. Eveslage and Ms. Jessica M. Drogowski, Student Liaisons to the Board, addressed the Board regarding student support and the findings of a student survey conducted regarding new student housing on campus. Mr. Eveslage and Ms. Drogowski's comments are on file in the Board of Trustees Office.

RESOLVED, that the Board of Trustees authorizes the Vice President for Finance and Administration to negotiate and execute design-build contracts with NeumannSmith/Frank Rewold for architectural, engineering and construction management services for the Housing Complex; and, be it further

RESOLVED, that the total cost for all architectural, engineering, construction and construction management services for the Housing Complex will not exceed \$29,950,000, which includes a 6% owner controlled contingency; and, be it further

RESOLVED, that the contract be reviewed and approved by the Office of the Vice President for Legal Affairs and General Counsel prior to execution, and be in compliance with the law and University policies and regulations, and conform to legal standards and policies 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.

After discussion, Trustee Jay B. Shah, seconded by Trustee Monica E. Emerson, moved approval of the recommendation, and the motion was approved with six positive votes and two abstentions by Chair Kramer and Trustee Mark E. Schlusel.

Student Support Facilities Reimbursement Resolution

Mr. Beaghan presented the Student Support Facilities Reimbursement Resolution recommendation as set forth in the agenda item.

WHEREAS, the United States Department of Treasury has promulgated final regulations that, among other things, impose requirements on governmental entities such as the Board of Trustees of Oakland University (the "University") when they desire to reimburse themselves for expenditures made for capital improvements from the proceeds of tax-exempt debt obligations issued after the making of the expenditures; and

WHEREAS, the University has identified certain capital projects, namely a student residence development of between 475 and 575 beds, a parking structure, and recreation and athletic field upgrades (collectively the "Project"), which are intended to meet student demand for on-campus housing, to aid in university recruitment and retention goals, and enhance the overall quality of campus life, and with respect to which the University expects to expend its funds prior to the issuance of tax-exempt debt obligations, and to reimburse itself from the proceeds of those obligations upon their issuance; and

WHEREAS, the University intends to state at this time its declaration of official intent to reimburse itself for the capital expenditures made for the Project in accordance with Treasury Regulation Section 1.150-2.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The BOARD OF TRUSTEES OF OAKLAND UNIVERSITY makes the following declarations for the purpose of complying with the reimbursement rules of Treas. Reg. Section § 1.150-2 pursuant to the Internal Revenue Code of 1986, as amended:

a. As of the date hereof, the University reasonably expects to expend funds for the Project and to reimburse itself for the capital expenditures in connection therewith from the proceeds of debt to be incurred by the University.

b. It is currently contemplated the Project will be completed on or before August 31, 2014.

c. The maximum principal amount of debt expected to be issued by the University for the capital expenditures described herein, including issuance costs and capitalized interest, is \$60,000,000.

d. The expenditures described above will be "capital expenditures" as defined in Treas. Reg § 1.150-1(b), which are any costs of a type which are properly chargeable to a capital account (or would be so chargeable with a proper election or with the application of the definition of "placed in service" under Treas. Reg. § 1.150-2(c)) under general Federal income tax principles (as determined at the time the expenditures are paid).

2. This resolution shall be operative, effective and valid upon its passage.

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

Meadow Brook Hall Operating Budget for Calendar Year Ending December 31, 2013

Mr. Geoffrey C. Upward, Executive Director, Meadow Brook Hall, presented the Meadow Brook Hall Operating Budget for Calendar Year Ending December 31, 2012 recommendation as set forth in the agendum item.

RESOLVED, that the Board of Trustees approves the Calendar 2013 Budget for Meadow Brook Hall.

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

Approval of Events Sales and Catering Agreement between Oakland University and Continental Cregar's, LLC

Mr. Upward presented the Approval of Events Sales and Catering Agreement between Oakland University and Continental Cregar's, LLC recommendation as set forth in the agendum item.

RESOLVED, that the Board of Trustees approves the selection of Continental Cregar's, LLC as the Meadow Brook Hall event sales and catering company; and, be it further

RESOLVED, that the Board of Trustees authorizes the Vice President for Finance and Administration to negotiate and execute all contracts for the required event sales and catering services with Continental Cregar's, LLC; and, be it further

RESOLVED, that all contracts be reviewed and approved by the Office of the Vice President for Legal Affairs and General Counsel prior to execution, and be in compliance with the law and University policies and regulations, and conform to legal standards and policies of the Vice President for Legal Affairs and General Counsel.

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

Golf and Learning Center Operating Budget for Fiscal Year Ending December 31, 2013

Mr. William M. Rogers, Director, Golf and Learning Center, presented the Golf and Learning Center Operating Budget for Fiscal Year Ending December 31, 2012 recommendation as set forth in the agendum item.

RESOLVED, that the Board of Trustees approves the Oakland University Golf & Learning Center Budget for the fiscal year ending December 31, 2013, with budgeted operating expenditures of \$3,054,182 and capital improvement expenditures of \$25,000; and, now, be it further

RESOLVED, that any expenditure level in excess of the approved amount that is not funded by a direct revenue increase must have the prior approval of the President or his designee and those amounts shall be reported on a periodic basis to the Board of Trustees.

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

Approval of Schematic Design for the Golf and Learning Center Events Building

Mr. Rogers presented the Approval of Schematic Design for the Golf and Learning Center Events Building recommendation as set forth in the agendum item.

Mr. Rogers called on Mr. Terry Stollsteimer, Associate Vice President for Facilities Management, to give a presentation regarding the floor and site plan.

RESOLVED, that the Board of Trustees approves the schematic design of the Golf & Learning Center Events Building (Attachment A, as may be immaterially amended during continuing design and construction phases of the project); and, be it further

RESOLVED that the Board of Trustees authorizes the Vice President for Finance and Administration to negotiate and execute all contracts necessary to complete the design and construction of the Golf & Learning Center Events Building, consistent with the project scope and schematic design, at a not to exceed cost of \$1.3 million; and, be it further

RESOLVED, that all contracts be reviewed and approved by the Office of the Vice President for Legal Affairs and General Counsel prior to execution, and be in compliance with the law and University policies and regulations, and conform to legal standards and policies of the Vice President for Legal Affairs and General Counsel.

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

North Foundation Hall Communication Core

Ms. Theresa M. Rowe, Chief Information Officer, presented the North Foundation Hall Communication Core recommendation as set forth in the agenda item.

Ms. Rowe called on Terry Stollsteimer to give further background on the item.

RESOLVED, that the Board of Trustees authorizes the Vice President for Finance and Administration to negotiate and execute all contracts related to the NFH Communications Core project; and, be it further

RESOLVED that total NFH Communication Core project cost will not exceed \$2,425,533; and, be it further

RESOLVED, that all contracts be reviewed and approved by the Office of the Vice President for Legal Affairs and General Counsel prior to execution, and be in compliance with the law and University policies and regulations, and conform to legal standards and policies of the Vice President for Legal Affairs and General Counsel.

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

Oil and Gas Exploration – Rose Township

Mr. Beaghan presented the Oil and Gas Exploration – Rose Township recommendation as set forth in the agenda item.

RESOLVED, that the Board of Trustees authorizes the Vice President for Finance and Administration to advertise and request bids in the appropriate publications, and that bids must be in writing and sealed and delivered to the Office of the Vice President for Finance and Administration by a specified date; and, be it further

RESOLVED, that all bids will be presented to the Board of Trustees with a recommendation from the President; and, be it further

RESOLVED, that the Board of Trustees reserves the right to lease to a specified party if it is in the interest of the University, and the University shall document in writing the appropriateness of such action and shall establish a fair market value of the lease based upon appraisals; and, be it further

RESOLVED, that the Board of Trustees will make the final decision on all oil, gas and mineral leases and transactions; and, be it further

RESOLVED, that all prospective (or proposed) agreements shall be reviewed and approved by the Office of the Vice President for Legal Affairs and General Counsel prior to execution, and be in compliance with the law and University policies and regulations, and conform to legal standards and policies of the Vice President for Legal Affairs and General Counsel.

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

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


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

G. Adjournment

Chair Kramer adjourned the meeting at 3:04 p.m.

Submitted,

Approved,



Victor A. Zambardi
Secretary to the Board of Trustees



Michael R. Kramer
Chair, Board of Trustees