

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

June 27, 2003

The Trustee Finance Committee and Trustee Policy Committee meetings were held in the Board Room of the Administration Building beginning at 2:00 p.m. on Friday, June 5, 2003. Minutes of the meetings are on file in the Office of the Secretary of the Board of Trustees.

Interim President Lou Anna K. Simon called the meeting of the Board of Trustees to order at 10:10 A.M. in the Board Room.

Trustees present: Dolores M. Cook (by telephone), Joel I. Ferguson (by telephone), Dorothy V. Gonzales (by telephone), Colleen M. McNamara, Randall L. Pittman (by telephone), David L. Porteous (by telephone) and G. Scott Romney (by telephone).

Trustee absent: Donald W. Nugent.

University officers present: Interim President and Provost Simon, Interim Provost Robert F. Banks (by telephone), Vice President Poston, Secretary Carter, Vice President and General Counsel Noto, Vice Presidents Denbow, June, Webb and Webster, Executive Director Williams, and Senior Advisor and Director Granberry Russell. Faculty Liaison present: Steven Spees. Student Liaison present: Misty Staunton.

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

1. On a motion by Ms. McNamara, supported by Mr. Porteous, **THE BOARD VOTED to approve** the agenda.
2. President's Report
 - A) Interim President Simon said that on June 26th, 2003, Michigan State University received a check for \$500,000 from the Michigan State University Federal Credit Union representing the first payment toward a \$2.5 million endowed scholarship for Study Abroad. This results from the hard work of Vice President Webb over many years by nurturing the relationship the University has with the Credit Union. Dr. Simon and Dean Hudzik make a presentation to MSU FCU in April. At that time students

accompanied Dr. Simon and Dr. Hudzik and explained to the board of the Michigan State University Federal Credit Union how the study abroad experience impacted their careers and how valuable scholarships would be to ensure that all students can take advantage of the opportunity to study abroad. The Credit Union was very swift in making its decision; the first installment of the gift was made during the present fiscal year. That will enable recipients of the scholarship to be identified in the Fall semester.

Dr. Webb thanked Dr. Simon and Dr. Hudzik for their leadership and solicitation of this gift. There is a great partnership between the University and the Credit Union – each benefiting from the relationship with the other. There is no other credit union, nationwide, that has made a gift of this magnitude to a university. MSUFCU wanted to make an impact on academic programs that would benefit students and also recognize faculty across all academic disciplines.

- B) Dr. Simon then requested Vice President Webster to update the Board on the status of State of Michigan appropriations.

Vice President Webster indicated that, if the timeline holds, the process should be complete by July 13th. The first step in the budget finalization process, target setting, is currently underway. It is unknown at this time what the overall level of funding for universities will be, and how that money will be doled out, university-by-university. Vice President Webster thanked Dr. Simon for all her work with the legislative body, as well as Board members, faculty and alumni. Higher Education will be one of the last bills to be addressed. The planning assumptions the Board utilized in compiling the tuition and budget guidelines will not change markedly.

Trustee Gonzales asked why Grand Valley is getting more money than Michigan State University.

Mr. Webster explained that the House, the Senate and the Executive branch participate in a target-setting and conference committee process. The Grand Valley numbers came from the House and the Senate, without participation of the Governor. The real budget process begins today.

Dr. Simon acknowledged that there were five institutions that remained under their funding floors, going into this budget process. Michigan State is among them, as is Grand Valley.

Mr. Webster said there is an emerging policy discussion around universities whose per-student levels are chronically under funded – approaching \$3,000 per student, and sinking. The \$3,000 level is less support than day care providers receive.

Dr. Simon acknowledged the enormous amount of time Vice President Webster and Ann Beaujean have spent working with legislators to make the case for Michigan State University.

3. Public Participation on Items Germane to the Agenda

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

4. Personnel Actions

Interim Provost Robert F. Banks presented the following personnel actions by telephone:

A. Appointments

Dr. Banks explained that there are three outstanding appointments for the rank of full professor, bringing to Michigan State faculty with expertise in Chicano-Latino history, journalism and land use policy.

- 1) Dr. Adesoji Adelaja, AY-John A. Hannah Distinguished Professor in Land Use Policy, Departments of Agricultural Economics; Resource Development; Geography, \$180,000, with Tenure, effective January 1, 2004.
- 2) Valdes, Dennis N., AY-Professor, Department of History, \$93,500, with Tenure, effective August 16, 2003.
- 3) Briggs-Bunting, Jane L., AN-Professor, School of Journalism, \$115,000, with Tenure, effective August 1, 2003.

B. Other Personnel Actions

- 1) Thornton, Dozier W., AN-Acting Dean, Urban Affairs Programs; Professor, Department of Psychology, for a change in title to Dean, effective June 27, 2003.
- 2) Recommendations regarding the designation of ten outstanding members of MSU's current faculty as University Distinguished Professors.

On June 9, 1989, the MSU Board of Trustees approved the establishment of the University Distinguished Professor designation; twenty-one were approved with the designation on July 20, 1990, fourteen individuals were approved with the designation on October 1, 1992, nineteen individuals were approved with the designation on February 1, 1997, ten individuals were approved with the designation on September 18, 1998, and ten individuals were approved with the designation on June 22, 2001. From a sixth nomination cycle, a standing advisory committee reviewed nominations and recommended ten candidates to the Provost. Based on these recommendations, the Interim Provost and Interim President now recommend approval of the University Distinguished Professor designation for the ten individuals listed below, to be effective June 27, 2003:

Howard A. Brody	Department of Family Practice; Center for Ethics and Humanities in the Life Sciences; Department of Philosophy
Marilyn Frye	Department of Philosophy
Jack R. Harkema	Department of Pathobiology and Diagnostic Investigation
Hassan K. Khalil	Department of Electrical and Computer Engineering
John B. Ohlrogge	Department of Plant Biology
Dennis R. Preston	Department of Linguistics and Languages
Bradley M. Sherrill	Department of Physics and Astronomy; Natural Superconducting Cyclotron Laboratory
Terrie E. Taylor	Department of Internal Medicine
Michael F. Thomashow	Department of Crop and Soil Sciences; Microbiology and Molecular Genetics
Gary D. Westfall	Department of Physics and Astronomy; National Superconducting Cyclotron Laboratory

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

Dr. Banks explained that Dr. Adelaja is currently the Executive Dean of Agriculture and Natural Resources and Director of Agriculture Experiment at the Cooperative Extension Service at Rutgers University.

Trustee McNamara asked whether the change in title for Dr. Thornton is for retirement purposes. Dr. Simon indicated that with the change, his title for retirement would be Dean Emeritus, rather than Acting Dean Emeritus. Given his long service, it is a very appropriate recognition. Ms. McNamara indicated that she is in total agreement.

Trustee McNamara expressed concern that of the twelve sabbaticals listed, five are from James Madison College. She asked why so many James Madison faculty are going on sabbatical simultaneously. Dr. Banks responded that the group of sabbaticals was reviewed very carefully. They balance across the academic year, and the Dean is committed that there is a range of support that will provide the necessary instructional activity. Many of the programs involve commitments overseas, and arrangements were made far in advance. Ms. McNamara expressed concern that this is a huge percentage of faculty on sabbatical from James Madison at the same time. She asked about the schedule for sabbaticals. Dr. Banks responded that every six years an individual has an opportunity to apply for a sabbatical.

With regard to the appointment of Dr. Adelaja, Dr. Simon added that he will be involved with the Victor Institute, and is an important value as an endowed Chair. He will recruit individuals with extraordinary records and those who are very well situated at their current institutions.

5. Gift, Grant and Contract Report

On behalf of Vice President Huggett, Dr. Paul M. Hunt presented the Gift, Grant and Contract Report for the period of May 24, 2003, through June 17, 2003. The report is a compilation of 146 Gifts, Grants and Contracts, 18 Consignment/Non-Cash Gifts, with a total value of \$25,035,969.32.

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

Trustee Pittman noted that the dollar amount and the percentage amount are considerably lower. He asked what the impact is when there is a dollar shortfall.

Dr. Simon indicated that an analysis has been provided to the Board. The gifts accepted in any given year have expenditure patterns three to four years out. The full impact of this decline will be felt in later years. Part of the decline is a natural, periodic decline that results from the completion of a major construction project. Also, because of changes in USDA, the University did not receive the customary support from USDA's IFFIS Program. As rules and regulations change, that may return. Additionally, there was a decline in the Life Sciences Corridor funding that should not have a direct affect on the hiring of people. That accounted for about \$16 million of the decline. The University is very concerned about this trend and needs to work as hard as it can with respect to its goal of increasing NIH funding.

Ms. Cook added that we are going to see more decline next year in funding for the Life Science Corridor.

Dr. Simon responded that the core technology facilities were a major part of the Life Sciences Corridor.

Dr. Simon said one of the hopes is that the Life Sciences Corridor will jump start NIH funding. There will be a strong effort to boost NIH awards. Also, expenditure patterns are expected to smooth, thus giving the University an opportunity to ensure that capital investments are such that it will reap the benefit of the core technology infusion.

6. Committee Chairperson Pittman requested Vice President Poston to present the Trustee Finance Committee report and recommendations.
 - A. Bids and Contract Awards
 - 1) It was recommended that a contract in the amount of \$1,880,594.88 be awarded to Superior Electric, of Lansing, Michigan, and that a budget in the amount of \$2,250,000 be established for the project entitled: Campus Convert Lighting from T12 to T8 – Phase 1 of 2.
 - 2) It was recommended that a contract in the amount of \$4,752,120 be awarded to The Christman Company, Inc., of Lansing, Michigan, and that a budget in the amount of

\$8,225,000 be established for the project entitled: Physics-Astronomy – Building Renovation.

On the motion of Mr. Porteous, supported by Mr. Pittman, **THE BOARD VOTED to approve** all of the above recommendations.

B. Architect/Engineer Selection

- 1) It was recommended that the Board of Trustees appoint the SmithGroup, of Detroit, Michigan, as the Architect/Engineer for the project entitled: Veterinary Research Farm – Proposed Livestock Research Facility.

On a motion by Ms. Cook, supported by Ms. Gonzales, **THE BOARD VOTED to approve** all the Architect/Engineer selections.

Trustee Cook asked what the completion date is for the Physics-Astronomy building renovation.

Ron Flinn indicated the construction project should begin about July 14th and will be completed about May 30, 2004.

Dr. Simon pointed out that the Physics-Astronomy building has been vacant since the move to the Bio-Physical Sciences Building. The vacant building offers an excellent opportunity for renovation. Plus, there is currently a very favorable bidding climate which will make it possible to save approximately 20% of the projected cost.

Trustee Porteous asked what the name of the building would be. Dr. Simon indicated that naming will be addressed at a later time.

C. Fund Functioning as an Endowment:

The Trustee Finance Committee recommends that the Board of Trustees adopt the following Resolution:

BE IT RESOLVED that the Trustee Finance Committee recommends to the Board of Trustees an amendment to the name and purpose of the fund functioning as an endowment entitled *Celebrity Lecture Series*.

The amended funds functioning as an endowment will be entitled *Community Engagement Fund for the College of Arts and Letters* and will be used to support College of Arts and Letters activities that will enhance the ability of the College to engage the on- and off-campus communities in cultural events involving arts and/or humanities faculty, students and/or invited guests.

On a motion by Mr. Porteous, supported by Mr. Pittman, **THE BOARD VOTED to adopt** the Resolution.

7. Trustees' Comments

- A. Trustee Cook passed.
- B. Trustee Ferguson passed.
- C. Trustee Gonzales passed.
- D. Trustee McNamara passed.
- E. Trustee Pittman passed.
- F. Trustee Porteous passed.
- G. Trustee Romney passed.

8. Public Participation on Issues Not Germane to the Agenda

There was no public participation on issues not germane to the agenda.

9. An Executive Session was not requested

10. On a motion by Mr. Romney, supported by Ms. McNamara, **THE BOARD VOTED to adjourn** at 10:34 A.M.

Respectfully submitted,

L. Susan Carter
Secretary of the Board of Trustees