

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

April 13, 2006

Trustee Finance Committee and Trustee Policy Committee meetings were held in the Board Room of the Administration Building beginning at 9:30 a.m. on Thursday, April 13, 2006. Minutes of the meeting are on file in the Office of the Secretary of the Board of Trustees.

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

Trustees present: Dolores Cook, Joel I. Ferguson, Melanie Foster, Dorothy V. Gonzales, Colleen M. McNamara, Donald W. Nugent, and David L. Porteous.

University officers present: President Simon, Provost Wilcox, Vice President Poston, Secretary Barber, Vice President and General Counsel Noto, Vice Presidents Denbow, Gray, Hudzik, Webb, and Webster, Executive Director Williams, and Senior Advisor and Director Granberry Russell. Faculty liaisons present: Ross Emmett, Linda Lou Smith, and Jon Sticklen. Student liaisons present: Eric Hinojosa, Robert Murphy, Emily Sorroche, and Andrew Schepers.

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

1. On a motion by Trustee Porteous, supported by Trustee Nugent **THE BOARD VOTED to approve** the agenda.
2. On a motion by Trustee Nugent supported by Trustee McNamara, **THE BOARD VOTED to approve** the minutes of the meeting of February 10, 2006.
3. GPA Awards

Trustee Porteous presented Board of Trustees GPA Awards to students who obtained the highest grade point average in the Spring 2006 graduating class.

Nikunj R. Chauhan
Major: Finance
College: The Eli Broad College of Business
4.000

Erin M. Duffey
Major: Apparel and Textile Design
College: Human Ecology
4.000

Kristen R. Field
Major: Audiology and Speech Sciences
College: Communication Arts and Sciences
Member of the Honors College
4.000

Christine M. Hoppesch
Major: Accounting
College: Eli Broad College of Business
4.000

Joseph C. Keech
Major: Mechanical Engineering
College: Engineering
Member of the Honors College
4.000

Emily A. Kujawa
Major: Human Biology
College: Natural Science
Member of the Honors College
4.000

Justin J. Kuk
Major: None
College: Civil Engineering
4.000

Allison N. Longton
Major: Education
College: Education
4.000

Daniel J. MacArthur
Major: Zoology
College: Natural Science
Member of the Honors College
4.000

Armon Mahajerin
Major: Mechanical Engineering
College: Engineering
Member of the Honors College
4.000

Joshua D. Mastenbrook
Major: Lyman Briggs School-Physiology
College: Natural Science
Member of the Honors College
4.000

Sheena M. Moran
Major: Packaging
College: Agricultural and Natural Resources
Member of the Honors College
4.000

Angela C. Nocdera
Major: Finance
College: Eli Broad College of Business
4.000

Ashley M. Pruitt
Major: Accounting
College: Eli Broad College of Business
4.000

Margaret A. Schirmer
Major: Nursing
College: Nursing
4.000

Stephen M. Shaw
Major: Chemical Engineering
College: Engineering
Member of the Honors College
4.000

Daniel B. Sparks
Major: Biosystems Engineering
College: Engineering
Member of the Honors College
4.000

Paul A. Toste
Major: Human Biology
College: Natural Sciences
Member of the Honors College
4.000

Lucas A. VanEtten
Major: Kinesiology
College: Education
Member of the Honors College
4.000

4. President's Report

President Simon stated that Trustee Ferguson had to leave to attend a funeral and offered him the opportunity to make comments before leaving. Trustee Ferguson said that he has discussed the issues being presented at the Board meeting with his colleagues and President Simon and he would have voted positively on all items before the Board, including the Grand Rapids initiative.

A. Student Awards

President Simon noted that the meeting was Student Liaison Robert Murphy's last meeting. She said that it has been a pleasure working with Mr. Murphy and thanked him for his contributions.

Mr. Murphy stated he would not have traded this experience for anything. He has confidence in his replacement, Mr. Eric Hinojosa, and wishes him the best. Mr. Murphy thanked the Board for allowing him to participate in the Board meetings for the past year. He will be attending the University of Chicago next year to obtain a Masters in International Relations. His future plans may include going into the foreign service as well.

B. Faculty Awards

President Simon recognized Professor Kay Holekamp, Director in Zoology and Professor Jack Liu, the Rachel Carson Chair in Ecological Sustainability and University Professor, Fisheries and Wildlife, for becoming Guggenheim Fellows. She stated that both of them are faculty members in the Ecology, Evolutionary Biology and Behavior Program.

C. Athletics

President Simon recognized the accomplishments of MSU's men's and women's basketball teams. Although the teams did not go quite as deep in the NCAA tournament as they did last year, she asked all to share in thanks and appreciation for how well they represented Michigan State University. She also congratulated the ice hockey team for its CCHA championship and NCAA appearance.

D. State Budget Update

The State Higher Education Budget was passed by the Senate on March 29, 2006. It includes a 2% increase for Michigan State as well as a 2% increase for the Agricultural Experiment Station and Michigan State University Extension. President Simon thanked student leaders for their work during Student Advocacy Week. Student leaders from Michigan State visited state legislators, joining student leaders from other public universities. Julielyn Gibbons, ASMSU Director of Legislative Affairs, was actively involved and spoke at a hearing before the Senate.

Andrew Schepers stated that Student Advocacy Week was a great opportunity for students at MSU. He said that ASMSU plans to participate in this program every year.

E. New York Roundtable on Science and Technology

President Simon had the opportunity to join a small set of presidents and chancellors from nine other major research universities at the annual Science Coalition Media Roundtable in New York. Representatives from media outlets included *The New York Times*, *The Chronicle of Higher Education*, *Inside Higher Education*, *Bloomberg News*, *The LA Times*, and *Popular Science*.

F. Bio 2006 Annual International Convention in Chicago

President Simon said the Board received a packet of materials that was distributed at the Convention. She recognized Professor Steve Pueppke, Director of the Michigan Agricultural and Experiment Station, Sandra Conn, Assistant Vice President for University Relations, and the University Relations team for their participation and for putting together the materials on short notice.

G. Debate Team

President Simon asked Dean Ronald Fisher of the Honors College to introduce the National Championship Debate Team. Dr. Fisher announced that this is the second time in three years that a team from Michigan State University has won the National Debate Tournament. Dean Fisher introduced Mr. Michael Eber, Director of the debate program.

Mr. Eber said the winning debate team was comprised of two James Madison students, Casey Harrigan and Ryan Burke. The head coach of the team is Mr. Will Repko. Mr. Eber stated that the topic this year was US/China Policy. In the 60 years of the tournament, Michigan State is the only public university to win two championships in a three year period.

5. There was no Public Participation on Issues Germane to the Agenda.
6. Personnel Actions

Provost Kim Wilcox presented the following personnel actions:

Appointments

Funk, Julie A., AN-Professor, Department of Large Animal Clinical Sciences; National Food Safety/Toxicology Center, \$110,000, with Tenure, effective April 1, 2006.

Provost Wilcox stated that Dr. Funk has been serving as an Assistant Professor in the Department of Veterinary Medicine at Ohio State University. She graduated with a Masters from Michigan State University in 1991 and with a Ph.D. in medicine and epidemiology from North Carolina State in 2000.

On a motion by Trustee Gonzales supported by Trustee Cook, **THE BOARD VOTED to approve** the appointment.

7. Gifts, Grants, and Contracts

Vice President Gray presented the Gift, Grants, and Contract Report for the period of January 27, 2006 through March 20, 2006. The report is a compilation of 413 Gifts, Grants and Contracts, and 43 Consignment/Non-Cash Gifts, with a total value of \$65,416,501.28.

Trustee Nugent moved **to approve** the recommendation, supported by Trustee Cook.

President Simon added that MSU's faculty is doing a wonderful job in the biotechnology research area. In terms of federal grants, MSU is about 10% further ahead than last year.

THE BOARD VOTED to approve the Gifts, Grants and Contract Report.

Research Presentation (see Appendix A)

Vice President for Research and Graduate Studies Ian Gray informed the Board of an undergraduate research project entitled "Building Michigan's Future." The project is facilitated by two faculty members from James Madison College, Professors Bryan Ritchie and Ross Emmett. Vice President Gray also introduced Mr. David Hollister, President and CEO of Prima Civitas.

Professor Ritchie is an Assistant Professor of International Relations in James Madison College. His research focuses on the political economy of fast growing economies of Asia. Dr. Ritchie has significant and entrepreneurial experience in high tech technology firms. He received his MBA from Brigham Young University and has owned two high technology companies, and has held many leadership positions in private industry.

Professor Ritchie introduced undergraduate team students Ken Curell, Adam Birch, Rebecca Wilson and Erin Smith. The Michigan Futures Research Seminar, a special research seminar of undergraduate students at James Madison College, examines whether lessons we learned from the fast growing economies around the world might be effectively applied to the Michigan economy.

Ken Curell stated that the students in the Michigan Futures Research Seminar have made it their mission to understand how to bring high tech, high skilled and high paying jobs into Michigan. The students have completed over a dozen case studies including Singapore, Ireland, Massachusetts and Mississippi. They have surveyed economic development agencies in 50 states. The Michigan Futures Research Seminar concluded that successful cases can do all of the following:

- Reduce the barriers for entry to business.
- Overcome the collective dilemma of seed capital.
- Retain an educated workforce.
- Facilitate linkages between universities and business.
- Create and maintain an entrepreneurial environment.

Rebecca Wilson explained that that the three areas that correlated most with skilled job growth were research parks, a one-stop shop for business

development and seed capital networks. She said the linkages between these solutions were the driving force behind job growth.

Adam Birch added that while each of the solutions is important on its own, one is self-sufficient. He said that when combined, they work in a multiplicative manner. The highly trained, highly skilled graduate leaving Michigan State and other in-state universities every year form the entrepreneurial base that functions as the glue to hold other pieces together. Last year nearly 12,000 22-29 year olds with undergraduate degrees left the state of Michigan, believing there were no job opportunities here. To change this mind-set, Michigan needs to start at the undergraduate level before these students leave our campuses.

Mr. Curell said the Michigan Futures group recommends the creation of a Michigan One-Stop-Shop--agency that is able to negotiate every aspect of start-up for businesses looking to locate in Michigan or relocate to Michigan. He observed that Michigan State University must restructure its intellectual property/policies office. Technology must move easily between University and business. Michigan Futures research suggests that the process is too academically oriented and too cumbersome to efficiently move research from the University to the private sector. Mr. Curell stated that Michigan State needs to create a central agency that has the ability to link students to firms that match their career goals.

Trustee Porteous commented that he has had involvement in economic development by previously chairing the Michigan Strategic Fund and the Executive Committee of the MEDC (Michigan Economic Development Corporation). He said this is one of the best presentations that he has ever heard or seen and hopes the presentation is shared with policy makers.

Mr. David Hollister noted that the group is scheduled to meet with Governor Granholm on May 1. He said the Michigan Futures Research group has surveyed every state. After reading an article Professor Ritchie had written in the *Lansing State Journal*, he asked Professor Ritchie to survey Michigan. Mr. Hollister said the undergraduate students are enthusiastic and deeply research oriented. He assured the Trustees that the data they received is quality data and some of the best that he has ever seen.

Trustee Cook mentioned that she has been involved in identifying prospective Michigan State students from major high schools in the Grand Rapids. She has talked with the students about intellectual and academic opportunities at Michigan State. Trustee Cook emphasizes that the students will be able to do undergraduate research at Michigan State University, where a lot of academic restrictions are removed so students

can begin to sample different disciplines and work that challenges them. This is a big enticement for bright students.

Professor Emmett added that it has been a pleasure to work with the Michigan Futures group. He pointed out that efforts are underway for another research seminar next year.

8. Finance and Audit Committee

Chairperson Nugent presented the Trustee Finance and Audit Committee report and recommendations.

A. 2006-2007 Housing Rate Recommendation

It was recommended that the Board of Trustees adopt the basic residence halls room and board rate of \$6,044 per academic year effective fall semester 2006.

It is also recommended that the Board of Trustees adopt the remodeled University apartment rates of \$600 per month for a remodeled, one-bedroom apartment and \$665 per month for a basic, two-bedroom apartment effective August 1, 2006.

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

Assistant Vice President Charles Gagliano stated that the residence hall recommendation is 5.25%. This rate is within the estimate given at the February 2006 Board meeting. Vice President Gagliano was pleased that the University was able to recommend a rate that was towards the lower end of its recommendation rather than at the higher end. This recommendation keeps the University at the lowest room and board rate in the Big Ten and Michigan.

Trustee Porteous asked Assistant Vice President Gagliano to speak briefly about what the University is doing regarding a capital investments to the residence halls currently, as well as about some of the furniture replacement plans.

Assistant Vice President Gagliano said that in the last 5 years, the University has averaged \$20 million a year in renovations to keep the main systems working but also to change the motif and the styles to better suit today's students. The University is looking at a series of major renovations and construction projects such as those done in Shaw Hall and Mason Hall. In addition, new furniture is

being installed in Hubbard and Case Halls. The plan is to replace furniture in all of the residence halls.

Assistant Vice President Gagliano said the new apartments in University Village will be furnished apartments. They have been designed with input from all major student organizations on campus, as well as from East Lansing city government and from individuals who live in the residential area most closely adjoining the University Village site.

Director of Housing and Food Services, Angela Brown added that Housing and Food Services engaged in discussions with Residence Hall Association students and other student groups regarding the housing rates. The rates proposed are typical of what has been presented in the past. Although the students do not like to see the rates go up, they understand the need to have the increases so that the University can still offer the same level of services that it has offered in the past. Students are excited about the new construction and project in Snyder/Phillips and in University Apartments.

President Simon commended Assistant Vice President Gagliano and his team for their work.

THE BOARD VOTED to approve the recommendation.

B. Bid and Contract Award

It was recommended to the Board of Trustees that a contract in the amount of \$1,241,000 be awarded to *Aggregate Industries* and that a budget in the amount of \$2,100,000 be established for the project entitled: Wilson Road Reconstruction 2006 – Phase 1 of 3.

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

Vice President Poston pointed out that the long-term 2020 Vision Plan includes the removal of the circle at Wilson and Bogue Street for safety issues. He pointed out that the underpass projects planned in the following years and would increase traffic on Wilson and Bogue Street because Farm Lane will be closed during that time. The intent is to change this to a lighted intersection, making it easier for pedestrians to cross, and at the same time, facilitate the traffic flow.

Trustee Foster asked if this would diminish the landscaping or green space.

Assistant Vice President Ron Flinn explained that the site restoration is going to be a significant effort; however, the landscaping will not be affected.

Trustee McNamara commented that normally traffic circles facilitate a better flow of traffic. She wanted to know if the request to remove the Wilson and Bogue Street circle was due to pedestrian traffic.

Vice President Poston stated that pedestrian traffic is a critical problem and pedestrian traffic at MSU comes in surges, especially when classes change. Circles are most successful in places where you don't have a lot of pedestrian traffic.

THE BOARD VOTED to approve the recommendation.

C. DCPAH Small Animal Crematory Building

It was recommended that the Board of Trustees approve the change to the campus footprint from adding a small incinerator at the Diagnostic Center for Population and Animal Health (DCPAH) site.

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

Vice President Poston said a small animal crematory is needed because it is impractical to use the existing large incinerator for retaining pet ashes.

Dr. Willie Reed, Director of the DCPAH, commented that the cost for cremation would be in the \$100 to \$125 range. The crematory is primarily used for the new Oncology Center and will help to support Michigan State's research and teaching programs.

THE BOARD VOTED to approve the recommendation.

D. Bid and Contract Awards

1. It was recommended that the Board of Trustees approve a contract in the amount of \$442,695 to *Cadwell Brothers Construction Company* and that a budget in the amount of \$684,000 be established for the project entitled: Parking

Lots 23 and 24 Reconstruction (Owen and Van Hoosen Hall).

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

Vice President Poston stated that the project addresses several safety issues. There is a need to separate a bike path from the sidewalk and from the automobile traffic in that area. The plan has been designed to accommodate these changes.

THE BOARD VOTED to approve the recommendation.

2. It was recommended that the Board of Trustees approve a contract in the amount of \$738,331 to *Carol's Excavating LLC* and that a budget in the amount of \$1,100,000 be established for the project entitled: Crescent and Middlevale Road Reconstruction – Phase 2.

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

University Architect Dennis Hansen stated that the University started the Crescent/Middlevale Project last year and continues to replace these roads. The roads were built in the 1960s. Nothing has been done to them aside from patching, minor maintenance and drainage repairs. It is proposed that the University incorporate some waterline replacement in the east section of the road.

The intersection on Harrison is going to be the west detour route around the Farm Lane Underpass Project, so the plan is to get the Crescent/Middlevale Project done before the Farm Lane Underpass is started in the fall of 2008.

Vice President Poston commended Assistant Vice President Flinn and his staff for their advance planning.

THE BOARD VOTED to approve the recommendation.

3. It was recommended that the Board of Trustees approve a contract in the amount of \$258,000 to Sandborn Construction, Inc. and that a budget in the amount of \$400,000 be established for the project entitled: North Campus Communication Ductline – Phase 1.

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

University Engineer Robert Nestle said the project involves installing and separating some communication duct lines on north campus. It is proposed that the University construct some new duct lines on the north campus so that it can move the installation of fiber optic cables out of the steam tunnel and into a more secure environment.

THE BOARD VOTED to approve the recommendation.

E. West Circle Drive – Parking and Traffic Changes 2006-2007

Mr. Nugent said there is no recommendation for this item; however, it is important to discuss and see the presentation (see Appendix B).

University Architect Hansen stated that the West Circle Drive Project started in 2001 with the construction of the Trowbridge Road extension. It is a program to improve pedestrian, cyclist and vehicle safety throughout campus.

He noted that the University's accident rate has decreased by 46% by making small changes such as improving crosswalk safety, adding traffic signals and interconnecting the traffic signals.

The plan will reduce parking capacity on the West Circle by 65 spaces over the next three years. This summer, the plan is to address the Abbot entrance area, and the section of road in front of the President's home. The plan is to reduce this area to one lane and a bike lane to slow vehicles down.

9. Policy Committee

Trustee McNamara presented the Trustee Policy Committee report and recommendations.

A. Grand Rapids Update

It was recommended that the Board of Trustees authorize the administration to implement the expansion of the MSU College of Human Medicine to Grand Rapids, Michigan, through the creation of the MSU West Michigan Medical School, and to take all necessary and appropriate related actions (see Appendix C).

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

President Simon introduced Dr. Marsha Rappley, Dean of the College of Human Medicine. President Simon said the discussion would be centered on the Stakeholders Report as a blueprint for the College of Human Medicine, West Michigan Medical School.

Dr. Rappley outlined a bit of the background for the West Michigan Medical School in Grand Rapids. In October 2005, a report was presented to the Board of Trustees and to the Boards of all the stakeholder entities. At that time, the Michigan State Faculty Oversight Committee recommended that the Stakeholders Report be endorsed and that the University move ahead with planning for a four-year medical school in Grand Rapids. In April 2005, the College Advisory Council and the Executive Committee for the College of Human Medicine unanimously endorsed the concept of a four-year medical school and beginning the work of building that four-year school in Grand Rapids.

The implementation phase will include formalizing agreements with the stakeholders, securing a temporary teaching facility, coming to an agreement about a final permanent building for the medical school, recruiting research and teaching faculty, securing accreditation for expansion, and, finally, recruiting students to the four-year school.

Dr. Rappley concluded by stating that Michigan State has been bold in its vision and has been bold in its partnerships. The University now prepares to be bold in execution of the Michigan State University College of Human Medicine West Michigan Medical School project.

President Simon added that under the four-year program in Grand Rapids, the West Michigan Medical School is responsible to the Dean of the College of Human Medicine through the Provost to the Board of Trustees, in the normal manner of any academic program. She stated that this is a Michigan State University medical school. The collaboration within the community makes it a special medical enterprise. The unique partnerships will mutually strengthen the research programs, the clinical programs of the community and the medical school. The medical school, the education of physicians, is the responsibility of MSU.

Trustee Porteous noted that this is an historic day for Michigan State University. It is exciting to be part of what he believes is the

continuation not just of a great idea, but of a great plan for the future. He commended President Simon, Dr. Rappley, Assistant Dean Denise Holmes and many others who provided leadership from the Michigan State side to help complete the expansion.

President Simon recognized the work of the Oversight Committee and its chair, Professor Norman Abeles. She said the Committee worked diligently through the process on behalf of the faculty, staff, and students to understand the details of this ever changing and complicated work.

Trustee Cook said she supports what the President and the Chair of the Board said about the leadership that brought the proposal to this point. She said Assistant Dean Holmes should be recognized for her involvement. She also thanked Professor Donald Bowersox for the work he put into the project.

President Simon acknowledged William Beekman, Senior Consultant for the Office of the Provost and for the Office of the Vice President for Finance and Operations, and Associate General Counsel Sally Harwood for their work on the project.

THE BOARD VOTED to approve the recommendation.

B. New Construction Project Planning Policy (see Appendix D)

It was recommended to the Board of Trustees that Policies 02-06-01 (Alterations, Improvements and Construction) and 02-06-02 (Architects-Appointment) and the unforeseen exigent circumstances process approved by the Board of Trustees on October 10, 2003, be repealed.

It was further recommended that a new Board of Trustees Policy 02-06-01 – Construction Project Planning and Approval Policy, hereby be adopted and replace the rescinded policies and process.

It was further recommended that the Board of Trustees approve the repeal and removal of the fourth and fifth paragraphs of Article 11 – Property and Facilities.

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

Vice President Poston commended Trustee Foster and Trustee Nugent. He indicated Trustee Foster's past Board experiences and knowledge of construction projects helped to stimulate a new

construction process. At times it is difficult to talk with the community or press about potential changes before having an opportunity to discuss it with the Board of Trustees and this new process will better sequence these discussions. Trustee Nugent stated that this gives the Board a much greater opportunity for review and input.

President Simon added that these changes will make the process easier for those outside the University to understand. This new process is a way of creating more transparency for the community as well as an opportunity for comments and feedback.

THE BOARD VOTED to approve the recommendation.

C. Proposed Amendment to Bylaws for Academic Governance

It was recommended to the Board of Trustees that the following section be added to the *Bylaws for Academic Governance*.

3.2.4.1.2.1 All undergraduate representatives on University level Academic Governance, including, but not limited to Academic Council, Standing Committees, Advisory Consultative Committees, the Executive Council of Academic Council, and any and all ad hoc committees designated by Academic Governance, shall be selected by the student government, ASMSU.

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

Robert Murphy, ASMSU Academic Assembly Chairperson, said the original impetus for this proposal came out of Academic Assembly about a year and a half ago. Currently, Academic Assembly has the power, delegated from the Board through the By-laws for Academic Governance, to appoint all undergraduates on Academic Governance committees with the exception of three committees whose student members are designated by Student Assembly.

He said at present the procedure approving students to ad hoc committees is rather vague. It is not in the By-laws for Academic governance at this time. It is especially critical in the issue of campus wide initiatives which do not fit neatly into the current committee structure.

Dr. Jon Sticklen added that the Faculty Voice Committees included student representatives selected by ASMSU. This is an existing practice, so the recommendation requested today simply incorporates the practice into the Academic Governance rules and structure. Secondly, the recommendation strengthens the Academic Governance system. It makes clear that, in terms of student representation in MSU's Governance system, ASMSU represents undergraduate students. This is an important message to send to campus.

THE BOARD VOTED to approve the recommendation.

D. Faculty Conflict of Interest

It was recommended to the Board of Trustees that it adopt the attached Faculty Conflicts of Interest Policy ([see Appendix E](#)).

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

Vice President Gray stated that this policy has been in the works for a number of years. Policies on this topic have been adopted by many other institutions. He said that MSU is highly ranked with a national and international reputation. It is very critical to protect the integrity of the University.

The Faculty Conflict of Interest Policy is based on self-disclosure by faculty of situations where there may be conflicts of interest relative to finances. The policy presented is basically procedural. It hinges on the creation of a faculty conflict of interest information officer. That person will be charged with the responsibility of developing template disclosure processes, working with chairs and deans of colleges, and developing a handbook and frequently asked questions in dealing with conflicts of interest.

Dr. Gray said that in most cases, conflicts of interest are well defined, but there are going to be occasions, where that may not be the case. The Faculty Conflict of Interest Policy encourages faculty to bring to the attention of the appropriate University officials a situation where there may be conflict. The policy will put into place the mechanism to address conflicts of interest, and potential conflicts of interests, or identify potential conflicts of interests, to the point that the reputation of the faculty member in question and the reputation of the University are protected.

Professor Jon Sticklen added that the policy was approved through the governance system.

Trustee Porteous commented that the Conflict of Interest Policy is essential in an institution like Michigan State. He said he knows that a tremendous amount of time and effort has gone into developing this policy. He believes this policy is one that the University will have to adjust over time. It is a very important and critical first step.

THE BOARD VOTED to approve the recommendation.

E. MSU Appointment to the College of Law Board of Trustees

It was recommended that the Board of Trustees extend the appointments of the current appointed members of the Law School Board until the Board of Trustees reviews the appointment procedure. Current members are Trustees Porteous, Romney and McNamara.

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

President Simon commented that this is the first time the Board has looked at the procedure regarding its appointment of the Law College's Board. She said this was a good time to pause, look at present policy and see whether or not it meets the needs of the Board under the Memorandum of Understanding between the University and the Law College.

THE BOARD VOTED to approve the recommendation.

F. Diversity Report

Paulette Granberry Russell, Director of the Office of Affirmative Action, Compliance and Monitoring and Senior Advisor to the President, thanked the Board for the opportunity to highlight the Inclusion and Diversity at MSU Annual Progress Report. (see [Appendix F](#)).

Ms. Russell said that with regard to MSU's student and work force demographics, since 2004 both for students of color, faculty and staff of color, women, and international students.

Both the data report and the narrative report will be posted on the Affirmative Action Website.

She reminded the Board of the University Excellence in Diversity Awards Program scheduled at 4:00 p.m. at the Kellogg Center. She encouraged the Board's participation.

Ms. Russell informed the Board that Vice President for Student Affairs and Services Lee June is a recipient of one of the Excellence in Diversity Awards.

G. Notices of Intent to Negotiate Contracts

Pursuant to State law, the Chair of the Policy Committee gave public notice to the full Board of the University's intention to negotiate agreements regarding technology licensing, research and related matters with *TCH Pharmaceuticals, Inc.*, a Delaware corporation based in Ann Arbor. Dr. Jetze Tepe, an Associate Professor in the Department of Chemistry, and his immediate family own or have an option to buy an equity interest of more than 5% of the company. Dr. Tepe is also an officer of *TCH Pharmaceuticals, Inc.*

Pursuant to State law, the Chair of the Policy Committee gave public notice to the full Board of the University's intention to negotiate agreements regarding technology licensing, research and related matters with *National Satellite Corporation*, a Michigan corporation based in Troy. Mr. Peter J. Murray, an Information Technologist in James Madison College, and his immediate family own or have an option to buy an equity interest of more than 5% of the company.

Pursuant to State law, the Chair of the Policy Committee gave public notice to the full Board of the University's intention to negotiate agreements regarding technology licensing, research and related matters with *Niowave, Inc.*, a Michigan corporation based in Okemos. Dr. Terry Grimm, a Senior Physicist in the National Superconducting Cyclotron Laboratory, and Dr. Leo Kempel, an Associate Professor in the Department of Electrical and Computer Engineering, and their immediate families own or have options to buy an equity interest of more than 5% of the company. Drs. Grimm and Kempel are also officers of *Niowave, Inc.*

Pursuant to State law, the Chair of the Policy Committee gave public notice to the full Board of the University's intention to negotiate agreements regarding technology licensing, research and related matters with *Biovator USA, Inc.*, a Michigan corporation based in East Lansing. Dr. Kris A. Berglund, a University Distinguished Professor in the Department of Chemical Engineering

and Materials Science, and his immediate family own or have options to buy an equity interest of more than 5% of the company. Dr. Berglund is also an officer of *Biovator USA, Inc.*

10. Technology Report

Vice Provost for Libraries, Computing and Technology David Gift gave a power point presentation overview of the current technology landscape at Michigan State University (see Appendix G). He highlighted several points. The University is at about \$30 million per year of total central IT spending.

The University is challenged by the complexity of the world of research administration, getting grant applications done on-line to federal agencies and remaining in full compliance with all the regulations while simultaneously speeding the work of faculty so they get to do science instead of research administration.

Vice Provost Gift reported that MSU is a “well wired campus” and able to roll out broad wireless coverage effectively. Mr. Gift mentioned that as the University asks people to be more entrepreneurial and to manage limited resources, they need to have good management information systems with which to work.

Michigan State is benchmarking very carefully against Purdue University. Purdue is about a year and a half ahead of MSU in its work on information systems. MSU’s technology project gives an idea, over a span of several years, what the costs are. The main costs is not in software, but in implementation, in training, and in getting people accustomed to using the new systems and in configuring them.

11. Chairman’s Report

Trustee Porteous extended condolences to Trustee McNamara on behalf of the MSU family on the passing of her father. Trustee Porteous said Mr. McNamara was a visionary, not just for southeast Michigan but for the entire state. He not only had a vision, but knew how to get things done.

12. Trustees’ Comments

Trustee Foster commented that she was able to meet the leadership of Michigan State’s Thailand Alumni Association a few weeks ago. She was surprised that it boasts over 800 members. She said it was wonderful to witness the Alumni Association’s support for this institution and the global outreach of Michigan State University.

Trustee McNamara asked Vice President Webb if the University did development for the MSU National Champion Debate Team. Vice President Webb said the University has been successful in getting a major gift to underwrite that program.

13. Public Participation on Other Issues

A. Recycling at MSU - Eco

MSU students Lauren Olsen, Danielle Korpalski and Christina Burke addressed the Board of Trustees regarding Recycling at Michigan State (see Appendix H). The students are members of a campus environmental club called Eco.

Lauren Olsen, a senior in Environmental Economics and Policies, said the group has been around about eight years. They work on sustainability projects. Danielle Korpalski is a junior and a Political Science major. Christina Burke is an Animal Science senior.

The group was there to demand that the Administration provide for a comprehensive recycling program at Michigan State. Ms. Olsen explained that comprehensive meant more mixed paper and newspaper, book hardboard, paperboard, aluminum, tin and, most importantly, plastic. She said it is very important to have recycling because a large amount of land is used in disposing of these materials. She added that it is an easy first step to sustainability. Ms. Olsen said the Association of Governing Boards is promoting recycling and has now agreed that sustainability is a key objective for all universities. She commented that recycling is a form of green marketing.

East Lansing and Michigan State University lacks a facility that can handle recyclables, a place where they can sort the recyclables and bale them into one ton blocks and then sell them on the open market. In Eco's viewpoint and in the viewpoint Peter Pasterz, former director of the Office of Waste and Recycling Management, the only way to remedy this problem is to expand facilities and provide sorting facilities as well as baling at Michigan State.

Christina Burke said the group has collected over 8,300 petition signatures of faculty, students and staff. Its members have built networks of support through their campaign efforts. Ms. Burke said the MSU Committee for a Sustainable Campus supports Eco's idea.

Grass Roots Recycling is a volunteer student-run pilot program. It is putting out bins and collecting and recycling starting in Case Hall and the College of Natural Resources.

Danielle Korpalski said MSU should lead by example. Eco wants the University to start purchasing green products and educating all Spartans on waste reduction and sustainability. Eco would also like increased communication with fellow Big Ten schools. Michigan State is the only Big Ten University that does not have a comprehensive recycling program.

B. Coca-Cola - Students for Economic Justice

Graduate student Neil Sardana will be entering the University of Michigan's Public Policy Program and the Health Management and Policy Program this fall. Tommy Simon is a junior in English and Social Relations. Melissa Luberti is a Political Science senior and Stuart Neils-Craft is a freshman studying Botany.

Mr. Sardana said the Students for Economic Justice have been advocating that Michigan State University cut its ties to Coca-Cola. He said the group addressed the Board at the February 10, 2006 meeting and provided information on Coca-Cola's violation of workers' rights. He said it was time for Michigan State take action and press for an investigation of the bottling plants in Columbia and India.

Mr. Simon said Coca-Cola sent a proposal for a Coca-Cola plant inspection to the University in 2002 (see Appendix I). The letter implies that Coca-Cola will allow for an inspection when the proper security measures are in place. The Students for Economic Justice would like the University to call for an inspection to insure that MSU is not doing business with violators of workers' rights and human rights.

14. An Executive Session was not requested.

On a motion by Trustee Ferguson, supported by Trustee Gonzales, **THE BOARD VOTED to adjourn** at 1:16 p.m.

Respectfully submitted,

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