

**Minutes of the Formal Session
of the
Oakland University Board of Trustees
February 5, 2018**

Present: Chair Richard L. DeVore; Vice Chair W. David Tull and Trustees Tonya Allen (via Teleconference), Marianne Fey, Trustee Ronald E. Robinson, Mark E. Schluskel, Robert Schostak and Melissa Stolicker

Also Present: President Ora Hirsch Pescovitz; Chief Operating Officer Scott G. Kunselman; Senior Vice President James P. Lentini; Vice Presidents John W. Beaghan, Rochelle A. Black, Glenn McIntosh, Angie Schmucker, John O. Young, Vice President and Secretary to the Board of Trustees Victor A. Zambardi; and Student Liaisons Maddy Clark and Sean E. Foe

A. Call to Order

Chair Richard L. DeVore called the meeting to order at 2:01 p.m. in Banquet Room A of the Oakland Center.

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, except Trustee Allen who appeared via teleconference later in the meeting.

C. President's Report

President Pescovitz focused her President's Report on the All University Fund Drive (Drive). She noted that the Drive is an opportunity for the University Community to participate in the University's goals, vision, and mission and to show that it is invested in Oakland's future. She invited Ms. Angie Schmucker, Vice President for Development and Alumni Relations, to present further details on the Drive.

Ms. Schmucker began by noting that the Drive began in the 1970's and encourages Oakland University employees and retirees to give to the University during the most charitable months of the year. It is one of the top two annual campaigns that are run every year. 2017 was the most successful year of the Drive with 1,018 employees and retirees donating a total of \$663,980 to the University for Scholarships, research programs and other programs. The average gift size went up to \$652 and the participation rate increased to 48.7% of all employees, with 74 employees giving for the first time ever. Five donors established permanent endowments, which require a \$25,000 commitment. These new funds provide scholarships to biology and chemistry students, graduate students in training and development, faculty research in environmental science, study abroad for political science and a new speaker series on sexual orientation and gender equity issues. She also noted five of the top funds that received gifts and shared a video that shows the impact of gifts on students.

Ms. Schmucker described that, historically, the President's match had been a 50% match on gifts up to \$5,000 for a match of \$2,500. This year, President Pescovitz increased the cap on this match for gifts up to \$10,000, which resulted in the Office of the President's match directing an additional \$304,444 in OU matching funds.

100% participation was encouraged and a trophy was given out to the School of Education and Human Services for a participation rate of 73.9%, which was up from 59% the year prior. A second trophy for smaller units was given to Athletics and to Development and Alumni Relations who both achieved 100% participation. She noted that the Cabinet and the Deans also achieved 100% participation.

Finally, she highlighted President Pescovitz's commitment of her personal funds to the campaign. She committed to donating 20% of all funds raised, which translated to \$132,796. She generously raised this to a \$160,000 commitment to enable \$10,000 to go to each of the 16 fundraising units. Ms. Schmucker then went through the 16 units who will be benefited by this donation.

D. Consent Agenda for Consideration/Action

Consent Agenda

Minutes of the Board of Trustees Formal Session of December 11, 2017

University Personnel Actions

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

I. Academic Administrative Appointments

Banes-Berceli, Amy, Interim Associate Dean, College of Arts and Sciences, effective January 2, 2018, pursuant to the Employment Agreement between Amy Banes-Berceli and Oakland University that was reviewed and approved by the Office of the Vice President for Legal Affairs and is in compliance with the law and University policies and regulations and conforms to the legal standards and policies of the Vice President for Legal Affairs and General Counsel.

II. Change of Status

LaBlance, Sandra, from Adjunct Assistant Professor of Biomedical Sciences to Assistant Professor of Biomedical Sciences, effective July 1, 2017.

Thomas, David, from Adjunct Associate Professor of Biomedical Sciences to Associate Professor of Biomedical Sciences, effective July 1, 2017.

Acceptance of Gifts and Pledges to Oakland University for the Period of November 11, 2017 through January 12, 2018

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 11, 2017 through January 12, 2018.

(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 1 – December 31, 2017

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, 2017.

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

Approval of Honorary Degree for Angela F. Braly

RESOLVED, that the Board of Trustees awards the honorary degree of Doctor of Science *Honoris Causa* to Angela F. Braly.

Trustee Schostak, seconded by Trustee Fey, moved approval of the Consent Agenda and the motion was unanimously approved by those present.

E. New Items for Consideration/Action

Appointment of Terri L. Orbuch to the Rank of Distinguished Professor

Dr. James P. Lentini, Senior Vice President for Academic Affairs and Provost, presented the Appointment of Terri L. Orbuch to the Rank of Distinguished Professor recommendation as set forth in the agendum item.

RESOLVED, that the Board of Trustees approves the appointment of Terri L. Orbuch, Professor of Sociology, to the rank of Distinguished Professor, effective August 15, 2018.

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

Appointment of Frank Giblin to the Rank of Distinguished Professor

Dr. Lentini presented the Appointment of Frank Giblin to the Rank of Distinguished Professor recommendation as set forth in the agendum item.

RESOLVED, that the Board of Trustees approves the appointment of Frank Giblin, Director and Professor of the Eye Research Institute, to the rank of Distinguished Professor, effective August 15, 2018.

Dr. Giblin thanked the University for the great honor of distinguished professor and also thanked his wife of 53 years, Jane, for her support of his work over the years. He also thanked the University for supporting the Eye Research Institute for the past 50 years. He then thanked the National Eye Institute and colleagues and mentors who have supported him over the years.

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

Pouring Rights Agreement – Extension

Mr. John W. Beaghan, Vice President for Finance and Administration, presented the Pouring Rights Agreement – Extension recommendation as set forth in the agenda item, the attachments provided, and as further discussed and explained at the meeting.

RESOLVED, that the Board of Trustees hereby waives its Competitive Bidding Purchasing Policy relative to the proposed extension to the Pouring Rights Agreement with the Pepsi Bottling Group; and, be it further

RESOLVED, that the Board of Trustees authorizes the Vice President for Finance and Administration to negotiate and execute an extension to the Pouring Rights Agreement with the Pepsi Bottling Group through 2032; and, be it further

RESOLVED, that the agreement include a requirement that the Pepsi Bottling Group provide the University with sponsorships, vending commissions, and complimentary product comparable to their proposal, as summarized in Attachment A; and, be it further

RESOLVED, that the Board of Trustees authorizes the Vice President for Finance and Administration, and his 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 Pouring Rights Agreement; 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.

Mr. Beaghan noted the history of the Pouring Rights Agreement with Pepsi which began in 1999 and was again awarded in 2009, both after a competitive bidding process. Oakland is currently 8 years into the 10-year agreement of 2009, and Pepsi approached Oakland with an interest in extending the agreement.

The proposed extension is for an additional 12 years with the average annual cash proceeds estimated at \$324,000, which is a \$26,000 increase plus \$55,000 in complementary product. There is a unique growth-funding model that will recognize increased vending sales that are expected with the opening of south housing and the Oakland Center expansion. The proposal will result in an average annual sponsorship increase of \$70,000 per year.

In response to questions from Trustee Schostak, Mr. Beaghan indicated that sponsorships are being increased for not only the additional 12-year term, but for the two years remaining on the current contract. Mr. Glenn McIntosh, Vice President for Student Affairs and Chief Diversity Officer, further clarified that if a vendor has a national contract with Coke, they would be required to use Pepsi products because of this agreement. This has happened in the past and no one infringed upon Oakland's pouring rights agreement.

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

Approval of Lease Agreement for Construction and Operation of a High Ropes Adventure/Challenge Course

Mr. Scott G. Kunselman, Chief Operating Officer, presented the Approval of Lease Agreement for Construction and Operation of a High Ropes Adventure/Challenge Course recommendation as set forth in the agenda item.

RESOLVED, that the Board of Trustees authorizes the Chief Operating Officer to negotiate and execute a lease with Auburnfly, LLC upon the terms and conditions referenced in this Agenda item; and, be it further

RESOLVED, that the Board of Trustees authorizes the Chief Operating Officer and his respective designees to perform all acts and deeds and execute and deliver all contracts, instruments and documents that are necessary, expedient and proper in connection with the lease; and, be it further

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

Mr. Kunselman began the presentation stating that he and Mr. McIntosh were charged by former President Hynd to look into campus life enhancement, specifically as it relates to student success. A task force was commissioned and this proposal is the first item coming forward from that venture.

Mr. McIntosh stated that the ropes course would use 3 acres on a 9.15 acre tract of land and wouldn't infringe on development ideas for use of the land in the future. Aesthetically and functionally, it doesn't disturb the topography and will offer jobs, internships and co-op experiences for Oakland's students, as well as the opportunity for leadership and growth.

Mr. Greg Jordan, Director, Campus Recreation, provided a PowerPoint presentation of the concept. He noted that outdoor pursuits programming is a growing aspect of a comprehensive campus recreation program, and it is something Oakland has been working toward for several years. The partnership with Auburnfly models the vision of Oakland's Strategic Plan in regards to student success and community engagement. A high ropes course combines high ropes, zip lines and other obstacles in an array of routes designed to challenge the participant and provide a physical benefit. Students will be hired as employees, and discount pricing and complimentary opportunities will be provided to Oakland's students. It will bring additional members of the community to Oakland University, and there is no financial risk to Oakland as Auburnfly is responsible for all aspects of the operation.

Mr. Maxim Ermakov, of Auburnfly, noted that there will be different tiers of pricing, including group pricing and walk-in pricing, which will be around \$30-\$50 with students paying around \$20. This is for a 2 ½ to 3 hour experience on the course. In response to a question from Trustee Schostak, he indicated that they will offer night climbing, and they are addressing some logistical issues in bringing power to the site. Mr. Gaal Karp, of Auburnfly, has visited the site and the trees are incredible for this project.

The safety system that is used is a double lock safety clip so once the person is clipped into the belay line, they remain clipped in through the entire experience until they are back on the ground. A full body harness is worn. In response to a question from Trustee Robinson, Mr. Ermakov indicated that they have not had any major injury claims, just minor sprains and bruises. They have been operating parks since 2014. In response to a question from Trustee Fey, he indicated that they do not expect students to make up a majority of the revenue. They will draw a lot of group revenue in team building programs from local businesses. They have an online booking system and advertise online through specialized targeted online advertising. They will operate up to seven days per week from April through October depending on the weather.

After discussion, Trustee Schostak, seconded by Trustee Tull, moved approval of the recommendation, and the motion was approved with seven affirmative votes and one abstention by Trustee Schlusel.

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

Mr. McIntosh stated that the prior week they kicked off an initiative of Oakland University called "Our Pledge to Diversity, Equity and Inclusion". There was an amazing turnout of senior level administrators, the President's Cabinet, academic deans, faculty and staff, and the goal of this initiative is consistent with President Pescovitz' vision for diversity to set diversity as one of the key strategic goals of the University. Building on that, they wanted to do something to demonstrate their commitment to diversity, equity and inclusion by having a pledge signing which reads: "Stand Up, Stand Strong, Stand Together. I believe that everyone has the right to live, work and study in a community where they feel welcomed, safe, included, valued and accepted. I pledge to be respectful of others and stand up against bullying. Oakland University 2018". Mr. McIntosh added that the pledge is traveling around the University, has been at several events, has hundreds of signatures already and he invited the Board of Trustees to sign the pledge.

G. Adjournment

Chair DeVore adjourned the meeting at 3:27 p.m.

Submitted,

Approved,



Victor A. Zambardi
Secretary to the Board of Trustees

Richard L. DeVore
Chair, Board of Trustees