

Minutes of a Regular Meeting of the
Ferris State University Board of Trustees
Held on Friday, November 11, 2005
Kendall College of Art and Design
Grand Rapids, MI

1. Call to Order and Roll Call

A regular meeting of the Ferris State University Board of Trustees was held on Friday, November 11, 2005 in the Multipurpose Room of Kendall College of Art and Design, Ferris State University campus, Grand Rapids, Michigan. Chair Arthur L. Tebo called the meeting to order at 10:02 a.m. In addition to Chair Patera, the following individuals were present: Trustees R. Thomas Cook, James K. Haveman, Jr., George J. Menoutes, Gregory L. Patera, and Ronald E. Snead; University President David L. Eisler; Vice Presidents Daniel L. Burcham and Richard P. Duffett; Vice Chancellor Oliver H. Evans; Deputy General Counsel Manuel Rupe; Board Counsel Fredric N. Goldberg; Recording Secretary to the Board Karen K. Paine; and members of the University community. Trustee Gary L. Granger was absent with prior notification. Trustee Olga G. Dazzo joined the meeting at 10:26 a.m.

2. Hearing of the Public

No one responded to Chair Tebo's invitation to address the Board.

3a. Consent Calendar

It was moved by Trustee Cook, supported by Trustee Patera, and unanimously carried that the following items contained in the consent calendar be approved as submitted on this date:

- a. Consent Calendar
 1. Minutes of July 15, August 20, and September 9, 2005
 2. Personnel Items
 3. Charter School Academies' Board Appointments
 4. Furniture Purchase for Residence Halls
 5. Facility Development Agreement with TLC Michigan, LLC
 6. Professional Services Contract, Aria Communications
 7. Change in Board-Approved Policy, Part 10: *Other Matters*
 8. Conveyance and Disposal of Real Estate, State Street Property
 9. Ratification of Executive Committee Action on October 14, 2005 regarding Conflict of Interest

3b. Military Veteran Scholarship Program

Trustee Haveman extended a welcome to the veterans in attendance for today's meeting and expressed his gratitude for their service and their support of the University. Those in attendance included:

Major Mark Tellier, Executive Officer for the Michigan National Guard Recruiting & Retention Command

R. Scott Creswell, Acting veteran representative for the MI Dept. of Labor and Economic Growth

Captain Luis Irizarry, U.S. Army Recruiting, Grand Rapids

Major Jim Blick, Coordinator of the Ferris ROTC program

Major Richard Whitmer, U.S. Marine Corps Recruiting Station, Lansing

Mr. Ismail Abdullah, VFW

Mr. Martin Bennett, AMVETS

Mr. Roger Webster, AMERICAN LEGION

It was then moved by Trustee Haveman, supported by Trustee Cook, and unanimously carried that the Board of Trustees hereby approves the following Resolution:

“WHEREAS, Ferris State University has a proud and distinguished history of providing educational opportunities to veterans of the United States Armed Forces; and,

WHEREAS, today, the fight against terrorism, continuing deployments around the world, and recent aid efforts to victims of hurricane Katrina, have once again placed the United States Armed Forces in the forefront of efforts to help others both at home and abroad; and,

WHEREAS, Ferris State University seeks to do more to thank these brave men and women for the sacrifices they have made for our country by offering the Military Veteran Scholarship Program for veterans of active duty service; and,

WHEREAS, the unique mission and degree offerings of Ferris State University are well suited for assisting veterans to transition and prepare for their next career; and,

WHEREAS, Board approval is required to establish the Military Veteran Scholarship Program, pursuant to Board-approved Contracting policy, Section 4-104, as it relates to scholarships.

NOW THEREFORE BE IT RESOLVED, that the Board of Trustees hereby authorizes David L. Eisler, or his designee, to establish and administer the Military Veteran Scholarship Program, as presented on this date and in accordance with established University procedures, effective Winter Semester 2006.

BE IT FURTHER RESOLVED that the scholarship funds for this program will be provided from tuition revenue beginning Winter Semester 2006 and will be provided as funding allows.”

Recess

At 10:10 a.m., Chair Tebo called for a brief recess.

3c. Child Care Access Means Parents in School (CCAMPIS) Grant Award

At 10:15 a.m., upon returning to Open Session, it was moved by Trustee Cook, supported by Trustee Patera, and unanimously carried that the Board of Trustees hereby approves the following Resolution:

“WHEREAS, in June 2005, the United States Department of Education, Office of Postsecondary Education issued a notice inviting applications for new awards funded under PL HEA (Higher Education Act), Amendments of 1999, 105 – 244 Child Care Access Means Parents in School (“CCAMPIS”); and,

*WHEREAS, on September 29, 2005, Ferris State University was notified that an application for a project entitled, **FSU/Tot’s Place – Assuring Access and Success**, had been approved for a grant in the amount of approximately \$320,000 (\$80,000 per year) beginning October 2005 and ending September 2009; and,*

WHEREAS, the project grant is a four-year grant with two specific goals, first of which is to provide access to childcare for low-income students, and second, to improve the quality of services already provided at Tot’s Place Child Development Center; and,

WHEREAS, Board approval is required to accept this grant award, pursuant to Board-approved Contracting Policy, section 4-102, Contracting Authority of the Board.

NOW THEREFORE BE IT RESOLVED that the Board of Trustees hereby accepts the Child Care Access Means Parents in School (CCAMPIS) Grant Award in the amount of \$320,000 over a four-year period, beginning October 2005.

BE IT FURTHER RESOLVED that President David L. Eisler, or his designee, upon legal review and approval and consistent with Board policies, is hereby authorized to execute agreements or other documentation necessary and to administer the grant award in accordance with applicable policies.”

3d. FY 2005-2006 General Fund Operating Budget

It was moved by Trustee Cook, supported by Trustee Patera, and unanimously carried that the Board of Trustees hereby approves the following Resolution:

“RESOLVED, that the Fiscal Year 2005-2006 General Fund Operating Budget is approved as submitted and as endorsed by the Board’s Finance Committee.”

In response to an inquiry from Trustee Patera, President Eisler reported that the additional faculty positions required for this budget are spread throughout the colleges, with the largest amount added in the Languages and Literature department.

3e. FY'07 State Operating and Capital Outlay Budget Requests

It was moved by Trustee Cook, supported by Trustee Snead, and unanimously carried that the Board of Trustees hereby approves the following Resolution:

“RESOLVED, that the fiscal 2007 State Operating Budget and Capital Outlay budget requests are approved as endorsed and recommended by the Board’s Finance Committee.”

In response to an inquiry from Trustee Haveman, Vice President Duffett reported that in the Capital Outlay Project Request, it is appropriate for the University to indicate that match resources are not currently available, as we would not issue bonds until the project is approved. Trustee Haveman requested that a notation be made to the document, indicating that the University is committed to raising the necessary match funds.

Kevin Alexander, Dean of the Michigan College of Optometry, provided an update on the fundraising efforts for this project.

3f. Change in Board-Approved Policy, *Personnel Policies*, Section 6-106

It was moved by Trustee Cook, supported by Trustee Patera, and unanimously carried that the Board of Trustees hereby approves the following Resolution:

“WHEREAS, pursuant to Board-approved Personnel policy, Section 6-106, the President must obtain approval from the Board prior to creating an additional full-time continuing position beyond the established staffing level most recently approved by the Board; and,

WHEREAS, the Administration has determined that the requirements for seeking Board approval before exceeding the established staffing level, as set forth in Section 6-106 of the FSU Code of Rules, Bylaws and Policies (“Code”), do not provide the Board with the most accurate reporting of University staffing levels and do not reflect current management practices; and,

WHEREAS, the Administration has determined that a revision to the policy should be made in the manner set forth in the attached replacement for Section 6-106 of the Code; and

WHEREAS, the Board agrees with the Administration’s determinations, and believes that the proposed replacement for Section 6-106 of the Code will provide more accurate reporting to the Board regarding University staffing levels and will reflect current management practices.

NOW, THEREFORE BE IT RESOLVED, that the Board of Trustees hereby adopts the attached revised Board policy, Section 6-106, Reporting Requirement regarding University Staffing Levels, as submitted by the administration to replace the current policy.

BE IT FURTHER RESOLVED, that President David L. Eisler, or his designee, is hereby authorized to immediately implement the revised Board policy, Section 6-106, Reporting Requirement regarding University Staffing Levels, and that the Recording Secretary for the Board of Trustees is hereby authorized to make the changes herein approved to the affected Board policies.”

3g. Voluntary Resignation Incentive Program Request

It was moved by Trustee Cook, supported by Trustee Haveman, and unanimously carried that the Board of Trustees hereby approves the following Resolution:

“WHEREAS, Section 20 of the Agreement between the Board of Trustees of Ferris State University and the Ferris Faculty Association, MEA-NEA, which expires June 30, 2006 provides that eligible full-time faculty members may apply for a voluntary resignation from employment with Ferris State University under the provisions of the "Voluntary Resignation Incentive Plan"; and,

WHEREAS, on October 21, 2005, the College of Business's Associate Professor Ralph D. Hobart submitted in writing to the College of Business's Dean David Nicol a request for consideration in the voluntary resignation incentive plan effective May 8, 2006.

NOW THEREFORE BE IT RESOLVED that the Board of Trustees hereby accepts the Administration's recommendation, in the best interest of the University, to grant Associate Professor Ralph D. Hobart's request for a voluntary resignation, with emeritus status, effective May 8, 2006 in accordance with the provisions of the "Voluntary Resignation Incentive Plan," and expressly conditioned upon the execution by Associate Professor Hobart of an effective release of all claims, in a form approved by the University's Office of the General Counsel.

BE IT FURTHER RESOLVED that the request of Associate Professor Hobart will be processed through the Office of Human Resource Development in accordance with the University's established procedures for the 'Voluntary Resignation Incentive Plan.'”

4. Administrative Reports

Legislative Update – Manny Lentine introduced himself and provided a brief overview of his background and experience working with Ferris State University. His discussion included general comments about how the University is perceived in Lansing; his approach and experience in working with the State government; a brief discussion of fiscal issues and projections regarding budget and campaign issues; MPSERS funding; and a projection of the emerging leaders in Lansing. President Eisler extended his appreciation to Mr. Lentine for his assistance with the IRC Renovation Project and commended him on his continued efforts for the University.

Student Government Report – Vice President Burcham provided an update on the activities of the Student Government and presented Chair Tebo with his new gavel for his service as Board Chair.

President and Vice Chancellor Oliver Evans reported that everything is going well at **Kendall College of Art and Design** and extended his appreciation to the Board for being here.

Academic Senate Report – President Eisler provided a review of the Academic Senate report. A copy of this report is located in the official file for this meeting.

In response to an inquiry from Trustee Cook, President Eisler reported that the University does investigate the availability of grants in the areas of criminal justice and homeland security.

President's Report - President Eisler extended his appreciation to the Trustees that attended the Foundation benefit. Highlights of his informational report included the results of the 2005 Foundation Benefit; his appreciation of the entertainment provided by Roy Firestone; the premiere of the new scholarship video; an update on the progress of the Ferris Foundation; increased press response; Ferris's highest enrollment numbers; an update on the task forces; an update on vision discussions with faculty; the rededication of Williams Auditorium; plans for the history task force to build a historical aspect into each building; the AACRAO book authored by several University personnel and issued through our admissions office; and issues related to the cost of utilities.

5. Hearing of the Public

Dean Alexander reminded all attendees that the Michigan College of Optometry will be celebrating its 30-year anniversary this Saturday with a party at the college. Everyone is invited to attend.

No one else responded to Chair Tebo's second request to address the Board.

6. Comments from the Board of Trustees

The following were comments made by the Board of Trustees:

Trustee Cook reported that the Foundation event was excellent and extended his congratulations to Vice President Duffett and to all who assisted in that event. He extended his appreciation for the continued improvements throughout the University.

Trustee Dazzo supported Trustee Cook's remarks and indicated that each time the Trustees hear good news, it is a reflection on how well the University is run and is very

inspiring. In addition, she was recently at a function with Governor Granholm who spoke highly of Ferris State University and of President Eisler's work.

Trustee Haveman reflected on the past 50 years of education in Grand Rapids and extended his appreciation for the University's signs, for our changes in technology and our investment in new products, which is our future.

Trustee Menoutes reported on his conversations with Governor Granholm and indicated he also felt strong support from her of President Eisler. He discussed a report he heard on the radio regarding the scholarship offering from a group in Kalamazoo and encouraged further investigation. He suggested that the University look into the area of prosthetics, as he felt that considering the demand in this area, it may be something of benefit to the University. He extended his appreciation to President Eisler for his hard work.

Trustee Patera extended his appreciation to the Board and guests today for recognizing the veterans and in establishing the Military Veterans Scholarship Program. He congratulated the University for the positive press regarding the record number of college freshmen. He extended his appreciation of the camaraderie with the Board and their unique working relationship, and thanked everyone for the privilege of serving on the Board. He extended his appreciation of President Eisler's excellent work.

Trustee Snead supported the comments of Trustee Haveman regarding the work in Grand Rapids and extended his appreciation for having today's meeting held at Kendall, as Grand Rapids is important to the University's growth. He has enjoyed his brief tenure on the Board and looks forward to many more years of service.

7. Reconfirmation of Next Meeting Date

The next regularly scheduled meeting of the Board of Trustees is Friday, March 24, 2006.

8. Informal Closed Session

It was moved by Trustee Cook that the Board of Trustees recess and go into informal closed session for the following purpose:

- 1. To consider with University General Counsel the legal advice presented in his written legal opinion dated October 19, 2005.*

On a roll call vote of (7) "yes," the motion carried unanimously and the Trustees proceeded into informal closed session at 11:14 a.m.

Motion to Amend

At 11:34 a.m., after returning to Open Session, it was moved by Trustee Haveman, supported by Trustee Menoutes, and unanimously carried that the Board of Trustees amend its agenda for today's meeting by the following item:

Add new Item 9. Legal Representation and Indemnification re: Dividock

9. Legal Representation and Indemnification re: Dividock

It was then moved by Trustee Cook, supported by Trustee Patera, and unanimously carried that the Board of Trustees hereby approves the following Resolution:

“WHEREAS, on September 28, 2005, an action was commenced by Jennifer E. Dividock and Heidi Swaney against Kendall College of Art and Design-FSU (KCAD-FSU) in the United States District Court, Western District of Michigan, 5:05-cv-74, alleging, among other things, various discrimination and conspiracy theories; and

WHEREAS, pursuant to the University's Business Policy Letter 99:10 Legal Representation and Indemnification, the General Counsel, in consultation with President Eisler, approved the engagement of Gary Bartosiewicz of the Law Offices of Early, Lennon, Crocker & Bartosiewicz, PLC, by Indiana Insurance Company, to represent and defend the University's interests in this matter; and

WHEREAS, Plaintiff recently filed a Complaint in United States District Court, Western District of Michigan, adding as individual Defendants Oliver H. Evans, KCAD-FSU President/Vice Chancellor; Kathy Jordan, College Counselor; Sandra Davison-Wilson, Vice Chancellor Administration & Finance; Gary Williams, Assistant Professor; Mark Bird, former employee; Benjamin VanDyke, former employee; Sandra Preuss (Britton), Director of Enrollment Management; and Barbara Bowman (Boltman), Executive Assistant to President/Vice Chancellor; and

WHEREAS, Oliver H. Evans, Kathy Jordan, Sandra Davison-Wilson, Gary Williams, Mark Bird, Benjamin VanDyke, Sandra Britton, and Barbara Boltman, have requested legal representation and indemnification to the Office of the General Counsel pursuant to the University's Business Policy Letter 99:10; and

WHEREAS, it is the policy of the Board of Trustees that, when such civil actions are commenced against employees of the University, the University will provide legal representation to the affected employees, subject to the limitations, conditions and procedural requirements of applicable Board Policy; and

WHEREAS, Kendall College of Art and Design had a policy of insurance with Indiana Insurance Company, who has agreed to defend the KCAD defendants; and

WHEREAS, Indiana Insurance Company has retained the services of Gary Bartosiewicz of the Law Offices of Early, Lennon, Crocker & Bartosiewicz, PLC to represent the interests of Oliver H. Evans, Kathy Jordan, Sandra Davison-Wilson, Gary Williams, Mark Bird, Benjamin VanDyke, Sandra Britton, and Barbara Boltman; and

WHEREAS, pursuant to the University's Business Policy Letter 99:10, the University's General Counsel, in cooperation with the Risk Manager, approved the designation of Gary Bartosiewicz of the Law Offices of Early, Lennon, Crocker & Bartosiewicz, PLC to represent the interests of Oliver H. Evans, Kathy Jordan, Sandra Davison-Wilson, Gary Williams, Mark Bird, Benjamin VanDyke, Sandra Britton, and Barbara Boltman on an interim basis, pending Board approval;

NOW THEREFORE be it resolved that the Board of Trustees approves the requests of Oliver H. Evans, Kathy Jordan, Sandra Davison-Wilson, Gary Williams, Mark Bird, Benjamin VanDyke, Sandra Britton, and Barbara Boltman for legal representation and indemnification in this matter and further approves the engagement of the Law Offices of Early, Lennon, Crocker & Bartosiewicz, PLC to represent and defend the interests of these employees, subject to the limitations, conditions and procedural requirements of the Board Policy Provision of Legal Representation for Other Officers and Employees of the University; Indemnification at Part 10, Subpart 10-4; and Business Policy Letter 99:10 Legal Representation and Indemnification, copies of which have already been provided by the General Counsel to the individual defendants/employees."

10. Adjournment

At 11:35 a.m., it was moved by Trustee Cook and supported by Trustee Patera that the Board adjourn.

Approved by

Submitted by

Arthur L. Tebo
Chair

Karen K. Paine
Recording Secretary