



Board of Governors

OFFICIAL PROCEEDINGS

September 23, 2016

Regular Meeting

The meeting was called to order at 4:05 p.m. by President Wilson in Room BC of McGregor Memorial Conference Center. Secretary Miller called the roll. A quorum was present, with the following Board members in attendance:

Governors Dunaskiss, Kelly, Massaron, Nicholson, O'Brien, Pollard, Thompson, and Trent; and President Wilson

Also Present: Provost Whitfield, Vice Presidents Burns, Decatur, Hefner, Lessem, Lindsey, Staebler, and Wright; and Secretary Miller

APPROVAL OF CONSENT AGENDA

ACTION — Upon motion by Governor O'Brien and seconded by Governor Dunaskiss, the Consent Agenda was approved as presented. The motion was adopted unanimously.

Board Meeting

- A. Approval of the Official Proceedings of June 24, 2016
- B. Personnel Recommendations

Academic Affairs

- C. Establishment of an Undergraduate Certificate in Entrepreneurship and Innovation

Budget and Finance

- D. New Data Center
- E. Hilberry Gateway Performance Complex
- F. Thompson Home Conversion to Student Housing
- G. Authorization to Form a Public-Private Partnership with Corvias Campus Living LLC to Operate Campus Housing Facilities
- H. Authorization to Execute Phase I of Campus Housing Master Plan

Approval of the Official Proceedings of June 24, 2016 (Board)

ACTION — Upon motion by Governor O'Brien and seconded by Governor Dunaskiss, the Official Proceedings of the June 24, 2016 regular meeting of the Board of Governors were approved as presented. The motion was adopted unanimously.

Personnel Recommendations (Board)

ACTION —Upon motion by Governor O'Brien and seconded by Governor Dunaskiss, the personnel recommendations were approved and action authorized in accordance therewith. The motion was adopted unanimously.

College of Fine, Performing, and Communication Arts

Melvin Rosas, for renewal as the Elaine L. Jacob Endowed Professor in the James Pearson Duffy Department of Art & Art History, effective August 18, 2016 through May 15, 2019.

School of Medicine

Alan Dombkowski, for appointment as associate professor with fractional 50% tenure per University year in the Department of Pediatrics, effective June 6, 2016.

Basim Dubaybo, for appointment as the Endowed Professor of the Liborio Tranchida, M.D. Endowed Professorship in the Department of Internal Medicine, effective March 1, 2016 through February 28, 2021.

Deborah Ellis, Professor, Department of Family Medicine and Public Health Sciences, for transfer of fractional 50% tenure per University year from the Department of Pediatrics to the Department of Family Medicine and Public Health Sciences, effective January 4, 2016.

Sidhartha Tan, for appointment as professor with fractional 25% tenure per University year, in the Department of Pediatrics, effective July 1, 2016.

Special Notes on Administrative Appointments***College of Engineering***

Farshad Fotouhi, for reappointment as Dean, effective February 29, 2016, for a term of three and a half years, subject to the pleasure of the President or his/her designee during the term of the assignment.

College of Fine, Performing, and Communication Arts

Matthew Seeger, for reappointment as Dean, effective August 1, 2016, for a term of five years, subject to the pleasure of the President or his/her designee during the term of the assignment.

Irvin D. Reid Honors College

Jerry Herron, for reappointment as Dean, effective August 19, 2015, for a term of five years, subject to the pleasure of the President or his/her designee during the term of the assignment.

Establishment of an Undergraduate Certificate in Entrepreneurship and Innovation
(Academic Affairs)

The above-named certificate is designed to provide students with the specialized knowledge and skills required to develop and launch a new venture. Entrepreneurship and innovation are critical to the long-term health of the U.S. economy and society, and in response there has been a growth in course offerings and academic program options both nationally and regionally. Currently WSU's course offerings are limited to an undergraduate certificate in engineering entrepreneurship, but the proposed certificate will significantly enhance WSU's academic offerings and provide training to a broader range of students. The target audience for this Undergraduate Certificate is individuals working toward or holding a bachelor's degree who wish to create or grow a new venture, join with others, or enter the entrepreneurial system in another capacity. The program will be available to all current undergraduate students who wish to add the certificate on to an existing bachelor's degree program, as well as to those who wish to earn it as a post-baccalaureate student.

ACTION — Upon motion by Governor O'Brien and seconded by Governor Dunaskiss, the Board of Governors approved the establishment of a new undergraduate certificate program in Entrepreneurship and Innovation in the Mike Ilitch School of Business, effective Winter Semester 2017. The motion was adopted unanimously.

New Data Center (Budget and Finance)

The C&IT Building, located at 5925 Woodward and built in 1915, has served as the center of the University's computing operations since 1960. Over the last 55 years, many improvements have been made in the facility to try to keep up with the demands created by new computing equipment. The building, however, was designed for a different computing era, and the structural integrity of the building as well as the efficiency of the 24-year-old air conditioning equipment causes great concern for the safety of the University's computing operations. The proposed recommendation would authorize the design of a new Data Center to provide a current-best-practice environment that would support the new technology and services and also offer flexibility for future growth. The new building is planned for a 6,000 square foot data center with an additional 4,000 square feet of support spaces.

ACTION — Upon motion by Governor O'Brien and seconded by Governor Dunaskiss, the Board of Governors authorized the President, or his designee, to award contracts to begin design phase activities for the eventual construction to build a New Data Center. It is further recommended that the Board of Governors authorize spending up to \$840,000 to design the facility through construction documentation and site administration. Funding for this project will be provided from future Bonds. The motion was adopted unanimously.

Hilberry Gateway Performance Complex (Budget and Finance)

The proposed recommendation would allow design phase activities to begin for the eventual construction of the Hilberry Gateway Performance Complex. The current Hilberry Theatre was originally constructed in 1916 as for former First Church of Christ Scientist and has been renovated and updated many times. Nevertheless, the core facility remains ineffective for

21st century theatrical production, with set design and theatrical technologies significantly limited, and adjacent set and costume fabrication and storage located in a separate building a block away.

The Hilberry Gateway Study was initiated in 2010 to explore facility development options that would satisfy the future needs of both the Maggie Allesee Department of Theatre and Dance and for the Hilberry Theater Company. The result of the study was a three-phase project plan that began with the design and construction of a new 5000-seat Main Thrust Stage Facility at the corner of Cass and Forest and the relocation of the Mackenzie House immediately south of the Hilberry Theater; second, the renovation and conversion of the Hilberry Theatre to a multiform performance space suitable for intimate theatrical or dance performances; and finally, the development of additional support space to house the costume and scene shop to be relocated from 95 West Hancock.

With the recent generous gift from Gretchen Valade, the Hilberry Theater has been designated as the future home of the Gretchen Valade Jazz Center. This will require a re-evaluation of phase 2 of the study to determine what adjustments must be made to the original design to accommodate both the Jazz Center as well as theatrical and dance requirements. In addition, the administration wishes to advance design phase activities sufficiently enough to develop, confirm, and update project budget and funding plan proposals.

ACTION — Upon motion by Governor O'Brien and seconded by Governor Dunaskiss, the Board of Governors authorized the President, or his designee, to award contracts to begin design phase activities for the eventual construction of the Hilberry Gateway Performance Complex for an initial cost not to exceed \$350,000. Funding for this effort will be provided by additional philanthropic gift contributions and by borrowing from the Cash Pool, with repayment provided by future bond proceeds that would be secured for the purpose of implementing this project. The motion was adopted unanimously.

Thompson Home Conversion to Student Housing (Budget and Finance)

The administration requested approval to award contracts to renovate the Thompson Home into residential student housing. The conversion of the Thompson Home to student housing is part of the 2016-2026 Housing Master Plan that was discussed at the Budget and Finance Committee meeting of January 29, 2016, and that would expand the capacity of university housing to 3750 beds by 2021. The renovated Thompson Home, with a planned opening in fall 2017, would provide approximately 57 beds organized around an academic living-learning community for the College of Fine, Performing and Communication Arts.

ACTION — Upon motion by Governor O'Brien and seconded by Governor Dunaskiss, the Board of Governors authorized the President, or his designee, to award contracts to renovate the Thompson Home into residential student housing for a project cost not to exceed \$5,400,000. Funding for this project will be provided from the Housing Maintenance Reserve. The motion was adopted unanimously.

Authorization to Form a Public-Private Partnership with Corvias Campus Living LLC to Operate Campus Housing Facilities (Budget and Finance)

The administration presented the Housing Master Plan for 2016-2026 at the Budget and Finance Committee meeting of January 29, 2016. The plan would increase the number of beds

to 3750 by 2021 through the demolition of DeRoy Apartments, the renovation of the remaining five buildings, the construction of two new apartment buildings to be built along Anthony Wayne Drive, and the conversion of the Thompson Home to student housing.

Vice President Decatur also discussed several approaches to financing the housing plan, all with the ultimate goal of preserving the University's debt capacity to the largest extent possible for top priority academic and research facilities. At the time, Mr. Decatur stated the administration would be evaluating several proposals during the year to determine what would be the most beneficial route for the University. The result of the study is the current recommendation to form a public-private partnership with Corvias Campus Living LLC to operate campus facilities. Details of financial and legal transactions can be found in the document presented to the Committee. Wayne state would benefit from the agreement with the addition of new housing in 2018 and 2019, control over the design and construction process, continued control of all residence life aspects, funding of the housing master plan without the issuance of new debt, the defeasance of more than \$102 million in outstanding WSU debt, as well as other financial and economic provisions.

ACTION — Upon motion by Governor O'Brien and seconded by Governor Dunaskiss, the Board of Governors adopted the proposed resolution to create the Public-Private Partnership for Corvias Campus Living. The motion was adopted unanimously.

RESOLUTION TO CREATE
PUBLIC-PRIVATE PARTNERSHIP WITH CORVIAS CAMPUS LIVING

WHEREAS, Wayne State University's on-campus housing facilities have been fully occupied since 2009; and

WHEREAS, in 2014, 2015 and 2016, student occupancy exceeded on-campus capacity at fall opening, requiring WSU to house residents in temporary spaces on campus and in a local hotel; and

WHEREAS, WSU desires to provide on-campus housing for all students who request it; and

WHEREAS, in December 2014, WSU completed a student housing market demand analysis conducted by an external expert which identified a projected demand by 2020 for on-campus housing exceeding current capacity by nearly 800 beds; and

WHEREAS, in January 2016 WSU completed a ten year housing facilities' master plan to expand and improve all on-campus housing by 2026 through a combination of new construction and renovation and/or demolition of existing housing facilities; and

WHEREAS, a goal of the housing facilities master plan is to minimize, to the extent possible, the impact on WSU's balance sheet and debt capacity; and

WHEREAS, WSU wishes to retain ownership of its on-campus housing facilities and control of the residence life staffing and educational program; and

WHEREAS, the Helen L. DeRoy Apartment Building has exceeded its useful life and the cost of renovations to that building is estimated to be over 65% of its replacement value; and

WHEREAS, following extensive Request for Qualifications and Request for Proposals processes, WSU identified a private company, Corvias Campus Living, LLC ("Corvias") that WSU believes is best qualified to complete the construction, demolition and renovation activities in the housing facilities master plan and manage the on-campus housing portfolio over a 40-year term; and

WHEREAS, under the proposed arrangement, Corvias will be responsible for all aspects of housing property and asset management, including maintenance, janitorial, capital budgeting, and repair and replacement services, while WSU will retain responsibility for residence life staffing and programming and operations; and

WHEREAS, the arrangement contemplates that a non-WSU dedicated funding source will be created to provide funds for housing facility capital requirements, and for future renovations and/or construction during the 40-year term; and

WHEREAS, initial funding of approximately \$300 million in new, non-recourse debt will be obtained by an entity other than WSU, and will be used to defease WSU's existing housing facility debt, fund the construction of two new apartment buildings on Anthony Wayne Drive, fund the demolition of the Helen L. DeRoy Apartments on Anthony Wayne Drive, and fund the renovation of the Chatsworth Apartments; and

WHEREAS, Corvias is liable for all pre-development costs to date, including design and preconstruction costs, and will remain so unless WSU elects for its own convenience to withdraw from this arrangement after Board approval and prior to finalization of contracts; and

WHEREAS, the Administration will present to the Board of Governors for approval the design of the two new apartment buildings and the renovation of Chatsworth; and

WHEREAS, nothing in this resolution is intended to authorize the Administration to undertake the construction or renovation of existing facilities using WSU funds, except in accordance with Board of Governors policy;

NOW THEREFORE, the Board of Governors hereby authorizes WSU to enter into agreements with Corvias as described in this resolution, and authorizes the President or his designee to enter into contracts with Corvias Campus Living, LLC to obtain financing, design and construct two new apartment buildings on Anthony Wayne Drive, demolish the Helen L. DeRoy Apartments on Anthony Wayne Drive, renovate the Chatsworth Apartments, and manage WSU's housing facilities.

Authorization to Execute Phase I of Campus Housing Master Plan (Budget and Finance)

The proposed recommendation represents Phase I of the Campus Housing Master Plan described previously. It involves the construction of two new apartment-style buildings providing 838 beds on the current surface parking lot 41, located immediately east of Parking Structure #2, and the eventual demolition of the Helen DeRoy Apartments. The first building is set to open in Fall 2018, with the second in the Fall of 2019. The first floors of both buildings will include secure entrances, public study and assembly spaces, retail space, and 10,000 square feet dedicated to the Student Health and Wellness Center, which will move from its current location in DeRoy Apartments. The buildings will have a mix of furnished studio, one-bedroom, two-bedroom, and four-bedroom apartments with full kitchens. Both buildings will be built to meet

the LEED Silver accreditation standard from the U.S. Green Building Council. After the DeRoy Apartment building is demolished, the site will provide space for the expansion of the Keast Commons, the grassy recreation space used by residents of the surrounding housing units.

ACTION — Upon motion by Governor O'Brien and seconded by Governor Dunaskiss, the Board of Governors authorized the President, or his designee, to approve completion of Phase 1 of the campus housing facilities' master plan to include the construction of two new apartment buildings on Anthony Wayne Drive and the demolition of the Helen L. DeRoy Apartments also on Anthony Wayne Drive for a project cost not to exceed \$113,930,000. These housing facilities' master plan phase 1 activities will be funded and completed by the WSU-Corvias Campus Living Partnership from bond proceeds available from an April 2017 new debt issuance by the partnership. The motion was adopted unanimously.

PRESIDENT'S REPORT

President Wilson gave a brief report on recent events on campus.

The second annual Baroudeur was held on August 22, with more than 850 cyclists participating, some from as far away as California, and about two or three times as many sponsors as last year. About 150 volunteers helped showcase both the campus and the city, and the event provided opportunities for people to interact and socialize on campus.

In late August President Wilson and Associate Provost Ahmad Ezzeddine traveled to several universities in Korea and China with which WSU has agreements. The purpose of the trip was to expand partnerships, including areas of joint research and faculty exchanges. The relationship with Hudan University in Shanghai, one of the top universities in China, is relatively new, but has already resulted in the creation of a new joint laboratory, the Hudan-WSU Alliance for Stem Cell Translational Research Laboratory in Hudan. A medical symposium was held last year at Hudan, attended by Professors Huang of the Department of Biochemistry and Molecular Biology and Larry McMacaby, director of the Cancer Biology graduate program. The plan is to hold a symposium at WSU next year, and then at alternate sites every year forward. President Wilson and Dr. Ezzeddine also visited Nanjing Medical University with whom WSU has several agreements, among them a student exchange program, a 3+2 degree program in Biomedical Engineering, and a 4+2 program in Basic Medical Sciences. Finally, they also visited Kankug University in Seoul with whom WSU has had a student exchange program for more than five years, and Pungyang National University in Pusan with whom WSU established an exchange agreement in 2014. President Wilson said the University hopes to expand opportunities for both students and faculty in these exchange initiatives.

On September 21 the Office of International Programs hosted the Global Fest and Study Abroad Fair on Gullen Mall. The event featured ethnic food prepared by student organizations and sold as a fundraiser for their groups, and gave WSU students an opportunity to meet with students from other cultures. The Fair highlighted the 29 programs on five continents, in Brazil, Poland, Italy, Germany, China, Cuba, Spain, England, and France, and provided students the opportunity to learn more about the new Global Studies major in the College of Liberal Arts & Sciences. President Wilson noted that during his University address earlier in the term, he emphasized the value of international education for students and the desire to at least double the number of students who currently go abroad internationally by 2021, and to make that opportunity available to all socio-economic groups of students.

The Pivotal Moments Campaign is well on its way to having one of WSU's most successful fundraising years ever. Both Steven Ross and Dan Gilbert each contributed \$5 million to the Law School. Lear Corporation committed \$2.5 million to the Mike Ilitch School of Business to name the Lear Corporation Auditorium within the building. Matt Simoncini, the CEO of the Lear Corporation, is an alumnus of the Business School and Chair of the Wayne State University Foundation. On October 6, an event will be held at the Chicago History Museum, and a number of visits in other cities are planned for the next several months into next year. President Wilson said he is grateful for the support given the University, but he emphasized that often the second half of a venture is harder than the first half, and the University must redouble its efforts to make sure that the campaign ends successfully.

Updating the news on athletics, President Wilson noted that WSU student athletes volunteered a school record of 12,435 hours last year. He added that Trent Brodbeck was selected as one of the All-State American Football Coaches Association Good Works Team, a group that recognizes football student athletes for their community service efforts, and that only 12 non-Division 1 Football student athletes nationally were named to the team. On August 25 to 27, WSU hosted the Detroit Sports Commission Prep Kickoff Classic for the fifth consecutive year, with seven games played at Tom Adams Field involving 14 metropolitan area high schools. In addition, Wayne State is again serving as the home field for the Warren DeLaSalle Varsity football team. President Wilson added that he often talks about the outstanding athletes in other teams besides football or basketball, but this time he wanted to mention the exciting home season opener where the Warriors football team had an impressive win over Lake Erie of 50-7. The team broke a 49-year old record with 659 yards of total offense. He urged everyone to come to the next game against Tiffen University and support the Warriors.

Lastly, the President announced that Wayne State was one of five finalists recognized for the 2016 Project Three Completion Award by the Association of Public and Land Grant Universities (APLU). The annual prize identifies, recognizes, and rewards institutions that employ innovative approaches to improve retention and degree completion. Wayne State's six-year graduation rate has improved by 12 percentage points over the past five years, and the five-year graduation rate has improved by 11 percent during the last four years. The winner will be announced in November, and although the University is proud to be a finalist, President Wilson said he hopes to report at the Board's next meeting that WSU won the award.

The President concluded his report.

SPECIAL TOPIC – MIDTOWN

The special topic for the meeting was an update on Midtown, and President Wilson asked Ms. Sue Mosey, Executive Director of Midtown Detroit, Inc., to give the presentation. He added that Ms. Mosey has been an outstanding partner to the University, and much of the transformation of Midtown is directly attributable to her efforts.

Ms. Mosey's discussion was accompanied by a slide presentation to give the audience a better visual sense of what is happening in Midtown. Just like the University experienced good news with increased enrollment, Midtown actually grew 7% during the last few years, revitalizing the neighborhoods and bringing in new businesses. At the same time they have managed to maintain a strong diversity index of 56%. There are over 50,000 workers in the district, with 54% of them in the three major anchor institutions. A scan of the small businesses, that is everyone under 500 employees, found that 51% of their employees are Detroit residents, about double that of the city as a whole. Opening a business in Midtown makes it eligible for the

Empowerment Zone wage credits, and Ms. Mosey reviews that information with new owners so that it serves as an incentive to hire more local residents who live in the zone.

The pace of business growth has been good. Between 2013-2016, 96 storefront businesses have opened in Midtown and New Center, and 94 start-ups in TechTown and the Green Garage, the two business incubators in the area. In addition, 27 new businesses will open between now and the end of the year. These businesses include restaurants, office users, and retail, and there are still opportunities on Cass, Second or Third for affordable rents for those who cannot manage the more expensive Woodward Avenue market. Housing in Midtown has also flourished, with 98% occupancy and steadily increasing pricing both in the "for sale" and rental areas. Collectively, over the last ten years, there has been about \$2.1 billion in investment, with another \$2.3 billion in the pipeline.

Ms. Mosey then proceeded to discuss and show slides of the specific projects. The Cass Avenue project was funded with a million dollars from the Legislature and a federal grant. New decorative LED streetlights and LED pedestrian lights have been installed, and planting will be starting shortly. There have been issues with underground cables and the need to rebuild infrastructure underground, but the project will be completed by the second week in November. The viaducts along Cass and Second Avenue became an "art project", and the lights that were coming down on Woodward Avenue, rather than being discarded, were upgraded to LED and moved over to John R between Canfield and Mack Avenues, which benefits both the Medical School and Applebaum Pharmacy College.

Two apartment buildings, the Forest Arms with 81 units and the Strathmore with 129 units, are fully occupied with small businesses on the ground floor, one of which is a music store planning to give children classes in musical instruments. The UCCA bought property on Woodward Avenue in the New Center area, primarily because it was vacant or the businesses were planning to close. The buildings are under reconstruction, with business tenants for the ground floors and housing on the upper floors, with some units set aside for young artists and about 30% rent-restricted and affordable. One large 2500-square-foot space will be called the North End Collective and is set aside for minority entrepreneurs. Another housing project is 110 East Ferry, the last building on the Ferry block that the UCCA purchased, which will be turned into four two-story condos that will go on the market next year.

Ms. Mosey said that about \$1.5 million was raised to help businesses during the two and a half years of rail construction. The money was spent on leasing parking spaces for free customer and employee parking, rent subsidy support, small business equipment purchases, and new pointed sales system marketing. The effort paid off, because typically 30-40% of businesses are lost during road or rail construction, but in this case only 11 businesses were lost along the entire length of the Woodward construction.

For residential numbers, the Live Midtown program has also been successful. The program brought in 2,025 new residents, including children and spouses, and most of the previous residents were retained, leaving a good mix from both the economic and race/ethnicity standpoint. Rezoning should also help. Recently the entire west side of the neighborhood was rezoned to allow a mix of commercial and residential. For instance, one can make or produce something, sell it, and live in the same building. In addition, parking requirements on both commercial and residential have been reduced to make it less onerous to open a business in the neighborhood.

The next slides illustrated the intensive development that is taking place in Midtown. Buildings such as the Kirby Lofts, the Century, Billinghamurst, the Ellmore, and the Crystal Lofts are among those in the Cass Corridor and on either side of Woodward being renovated for housing and commercial use. Many of the old buildings had been vacant for decades and require a total rehab. Other construction is new, such as a luxury condo project that has just broken ground on

Selden near Cass. A certain percentage of units has been set aside for affordable housing, but all the buildings in Midtown are fully occupied, and all have waiting lists. The ground floors of many of the buildings are occupied by businesses, restaurants, and storefronts, in essence creating an urban neighborhood. Ms. Mosey said there are still several commercial tenants needed in the neighborhood, such as apparel retail, a movie theatre, and a good deli, all of which they are hoping to add in the next couple of years. She concluded the report and asked if there were any questions.

President Wilson asked about a recent article in *The Wall Street Journal*, and Ms. Mosey replied that the article will be about a new resident in the neighborhood, but that she could not comment at this time. Governor Thompson asked about the projected population growth over the next five years. Ms. Mosey replied that there are about 2100 units of apartments and condos in the pipeline, so that about 3,000 more residents should be expected within the next three years. If that happens, that would bring the Midtown population up to 25,000 in three years, compared to its current population of 21,000, which also happens to be the same size as the city of Ferndale.

Vice President Staebler continued the report about Midtown, but from the perspective of Wayne State University. Of the more than 2000 residents that moved into the area through the Live Midtown program, 858 are directly connected to the University, making WSU part of the reason why the occupancy rate is at 98%. A project on Cass and Canfield on the old Vernor site, although significantly delayed, has regained momentum and should break ground early next year.

One of the reasons so many businesses have opened their doors in Midtown is because of the work of Chief Tony Holt and his staff in WSU's Department of Public Safety. There has been a 60% decrease in crime since 2009, and last year WSU was named one of the 50 safest campuses in the country. The crime rate in the area is actually lower than in most suburban communities, and the reason is largely because the WSU police force is proactive in terms of community policing.

The University has also been proactive in supporting the local businesses. There is a mobile app available that buzzes when walking past a restaurant or shop that offers discounts to WSU students and employees, and showing WSU's OneCard in many businesses is another opportunity to save. The University has also provided a guide for local businesses, listing the many resources the University has to offer them such as advertising in *The South End* or the services available in TechTown.

The M-1 Rail will be opening in the spring of 2017, and the University has held discussions about the possibility of a OneCard fare card for the rail. There is still the possibility of a unified fare card with SMART, D-DOT, and RTA in the future, but currently the University has distributed 3,000 D-DOT bus passes to students in the residence halls. Also available is a SMART track app and a WSU app that shows where the shuttles and the zip cars are throughout the city.

Other modes of transportation and use of the roads are being explored. Bike-sharing, started about three years ago, is now fully funded, and a publicly owned and publicly available bike-sharing system will be launched in the spring of 2017. The University has been installing public bike repair stands and air pumps, as well as increasing bike parking across campus. The Midtown Loop provides a path for walkers and bikers around campus and connects to Eastern Market and the Dequindre Cut. Another effort to get people out walking and using alternative transportation is the "Walk Wayne State" project. Signs have been placed up around campus informing pedestrians they have a three-minute walk to a theatre or a five-minute walk to a certain restaurant. Pop-ups show where flexible seating is available on campus or off-campus such as the Farmer's Market. The "Walkable Warren" project involves placing buffered bike lanes with parking on the outside so that bikes can get through safely. Pedestrian safety has always

been a concern, and the goal is to show that roads are not only for the purpose of moving traffic along as quickly as possible but also for the use of the community. A related concept is "Open Streets". Many cities around the world close down major thoroughfares to cars at certain times, such as Sunday afternoons, when people go out to walk, ride, and interact. Detroit will hold such a day on September 25 and October 2 along Michigan Avenue and Vernor in the Corktown area.

The University has conducted many tours on campus and has been training street squad members, RAs, and orientation leaders to help tell the story of Midtown and the campus. The Detroit Orientation Institute has also taken part in this effort and will be celebrating its 25th anniversary with an event on November 16. Vice President Staebler concluded his report.

Governor Pollard commended Sue Mosely for her presentation and for her work in Midtown. He asked Secretary Miller to obtain a copy of the presentation. Governor Massaron recalled that he met Ms. Mosely about 16 years ago, and at that time the talk was about getting flowers planted on the Boulevard. People should appreciate the tremendous contributions she has made toward developing Midtown, and she should feel pride in her accomplishments. Ms. Mosely replied that she is happy with the green spaces, the community gardens, and the dog park that have been created in the neighborhood. They are small things, but probably add most to the community.

BOARD COMMITTEE REPORTS

President Wilson reported that three of the Board's standing committees met during the morning session. A detailed report of the discussions during each committee can be found in the Minutes of that committee.

Academic Affairs Committee

The Committee had one action item that was approved as part of the Consent Agenda. There were two informational reports.

Update on General Education Review — Provost Whitfield gave an update on the review of General Education requirements. The new recommendations propose a more flexible and smaller curriculum that provides pathways for all students, including non-traditional and transfers, to cultivate intellectual and practical skills as a foundation for further study and lifelong learning. During the next few months, there will be an assessment of what instructional resources and staffing are needed, an evaluation of faculty expertise and interest in the new curriculum, the process for creation and approval of new courses, and other assessments to help ensure the success of the curriculum.

Status Report on Accreditation — Provost Whitfield presented the annual report on the accreditation status, as of August 2016, of the schools, colleges, departments and/or programs within the University that have professional or specialized accreditation. The accrediting agency, the accreditation status, the annual cost of accreditation, and the anticipated date of the next review are indicated for each program. Committee members also discussed the accreditation status of programs within the School of Medicine and the Ilitch School of Business.

Budget and Finance Committee

The five action items on the Committee's agenda were approved by the Board as part of the Consent Agenda. The one informational report dealt with the ***Contingency Reserve***. There were no requests for transfers from the Reserve, and the remaining balance for FY 2016 is \$290,643.

Personnel Committee

The Personnel Committee heard two informational reports.

Office of Diversity and Inclusion — Provost Whitfield provided updates on initiatives taken by the Office of Diversity and Inclusion during 2015-2016. The report discussed ongoing initiatives, student outreach and engagement activities, and upcoming key initiatives directed towards students in the Health Sciences and first-generation and low-income students.

Supplier Diversity and Inclusion — Vice President Decatur presented a report on the University policy on supplier diversity and inclusion, describing the University's procurement and strategic sourcing, membership in diversity-based organizations, and diverse public workshops in which the University took part during 2015-2016. He also discussed initiatives the University is taking to expand the supplier diversity program and the construction bidding process.

REPORTS AND RECOMMENDATIONS FROM THE UNIVERSITY ADMINISTRATION

The Provost and the vice presidents submitted the written informational reports listed below, describing activities in their divisions. The reports are accessible on the Board of Governors web site and on file in the Office of the Secretary. President Wilson invited additional comments or highlights to the reports.

Academic Affairs Informational Report — Student, Faculty and Academic Staff Achievements — Provost Whitfield.

Waivers Approved to Statute 2.41.01.140 — Vice President Lanier

Economic Development — Vice President Staebler

Development and Alumni Affairs Report — Vice President Burns

There was no discussion of the above reports.

Faculty Presentation

Vice President Lanier announced that in lieu of a faculty presentation, he planned a special recognition of Dr. Gloria Hepner to honor her for her many years of service. However, Dr. Hepner was unable to attend the meeting, and the recognition will be rescheduled for a future meeting.

Research Awards Report

Vice President Lanier highlighted a few developments in the research area. RetroSense Therapeutics, a biotech company spun out of WSU focusing on gene therapy technology for treating retinal degeneration, was recently acquired by Allergan, a major pharmaceutical company, for \$60 million up front, with the potential of \$600 million going forward. The University was awarded two programmatic grants. One, dealing with prenatal exposure on child health, represents the successful collaboration of the three universities in the University Research Corridor. The \$28 million grant from NIH will give \$7 million to Wayne State, \$7 million to Michigan State, and \$15 million to the University of Michigan. The other grant, dealing with diversification, awards \$1.8 million from the Center for Disease Control to the School of Social Work, focusing on behavioral intervention related to sexual violence in high schools. Finally, Dr. Lanier commented on the recruitment of researchers to the iBio building. Two individuals have already been signed, and six others are in various stages of the interviewing process. Seven of

the eight have external funding, and their work is closely related to the thematic areas that are housed in the building.

Governor Thompson noted a large increase in corporate funding from 2015 to 2016. Vice President Lanier explained that the increase is due to a change in how clinical trials and clinical trial awards are counted. The new affiliation agreement with Karmanos Cancer Center counts their clinical trials as part of WSU's portfolio, which had not been done the last two years. In addition, clinical trial awards are calculated differently; the total award is counted rather than just the expenditure-based model that was used previously. Both those factors account for the increase in corporate dollars that are reported for 2016.

CONFLICT OF INTEREST CONTRACTS

Vice President Lanier presented three contracts for Board approval with companies in which faculty members play a participatory role. This creates a potential conflict of interest. Michigan Conflict of Interest law requires specific sunshine procedures in order for a University employee, or a company owned by a University employee, to contract directly or indirectly with the University. The law requires disclosure of any pecuniary interest in the contract, and the disclosure must be made a matter of record in the Board's proceedings, including the name of the parties involved, and the terms of the contract. The contract must be approved by the Board with a vote of not less than two-thirds of the full membership of the Board in open session.

The disclosures required by the Conflict of Interest law for each contract are shown below.

Magnetic Resonance Imaging Institute for Biomedical Research

- (i) The parties involved in the contract are Wayne State University and The Magnetic Resonance Imaging Institute for Biomedical Research.
- (ii) The contract will provide that:
 - (a) The University shall perform an NIH research subcontract in the amount of \$21,600. The University will retain ownership of discoveries and related technology resulting from the Research Program;
 - (b) The term of the subcontract will extend through December 31, 2016, unless extended by the parties or NIH. The agreement may be terminated by the University in the event of an uncured breach of the agreement by the Magnetic Resonance Imaging Institute for Biomedical Research;
 - (c) During the course of the project, the Magnetic Resonance Imaging Institute for Biomedical Research may utilize facilities at Wayne State University with compensation to Wayne State University for such use; and
 - (d) An employee of Wayne State University will function as principal investigator, and no part of the subcontract funds will support work performed by Dr. Mark Haacke, Department of Radiology, related to the prime contract.
- (iii) Dr. Haacke is the President of The Magnetic Resonance Imaging Institute for Biomedical Research and has no stock or liquid assets. Dr. Haacke has no pecuniary interest in this situation or the ability to financially benefit from The Magnetic Resonance Imaging Institute for Biomedical Research's success. The Magnetic Resonance Imaging Institute for Biomedical Research has no investments or stock. Wayne State University's pecuniary interest consists only of the amounts to be provided under the subcontract during a twelve-month period. Wayne State University facilities and services will be provided in the course of carrying out the subcontract, and two Wayne State University employees will be assigned to the project and supported by the subcontract budget.

ACTION — Upon motion by Governor Nicholson and supported by Governor Massaron, the Board of Governors authorized the President or his designee to contract with The Magnetic Resonance Imaging Institute for Biomedical Research, Waterloo, Ontario, Canada, related to a grant from the National Institutes of Health. The motion was adopted with the following roll-call vote:

Governor Dunaskiss — Yes
 Governor Kelly — Yes
 Governor Massaron — Yes
 Governor Nicholson — Yes

Governor O'Brien — Yes
 Governor Pollard — Yes
 Governor Thompson — Yes
 Governor Trent — Yes

MSTM, LLC

- i. The parties involved in the contract are Wayne State University and MSTM, LLC.
- ii. The contract, in the amount of \$227,295 is in support of the performance of a research program. WSU will conduct the following experiments:
 - Determine best matrix combinations working with MSTM, LLC manual platform.
 - Assist in developing the ionization technology for automation and validating the technology with MSTM, LLC automation platform.
 - Develop methods to minimize cross-contamination to increase throughput.
 - Apply automation technology to surface analysis using the novel ionization methods.
 - The Wayne State University Department of Chemistry facilities will be used to execute these experiments.
 - The contract will have an initial term of 24 months, with an estimated start date of October 1, 2016.
 - The research will be conducted by two postdoctoral fellows funded by this contract and under the direction of Professor Sarah Trimpiin, Department of Chemistry. Professor Verani will act as a faculty associate to oversee the subaward and to prevent any conflict of interest that may arise in the conduct of the research.
- iii. The pecuniary interest is based on Dr. Trimpin's 45% ownership interest in MSTM, LLC.

ACTION — Upon motion by Governor Dunaskiss and supported by Governor Pollard, the Board of Governors authorized the President or his designee to enter into a contract for research from MSTM, LLC, a start-up company organized to exclusively license for commercialization the intellectual property encompassing the limited liability company under the laws of Delaware and having a principle place of business in Newark, Delaware. This contract will be to perform services under a National Science Foundation Small Business Technology Transfer Program Phase II Solicitation FY 2016-2018 award to MSTM, LLC entitled STTR Phase II: Novel Ionization Process for Materials Characterization Using Mass Spectrometry. The motion was adopted with the following roll-call vote:

Governor Dunaskiss — Yes
 Governor Kelly — Yes
 Governor Massaron — Yes
 Governor Nicholson — Yes

Governor O'Brien — Yes
 Governor Pollard — Yes
 Governor Thompson — Yes
 Governor Trent — Yes

Re-Dox Healthcare, LLC

- (i) The parties involved in the contract are Wayne State University, Penrose Therapeutix, LLC and Re-Dox Healthcare, LLC.

- (ii) The contract, in the amount of \$364,315 combined direct and indirect costs, will be a sponsored research agreement providing financial support for the research to be conducted by Dr. Jeremy Kodanko, Department of Chemistry, and Dr. Izabela Podgorski, Department of Pharmacology. The contract will have a term of two years with an estimated start date of September 2016. Wayne State University facilities and personnel will be utilized during the project including support of a full-time graduate student, post-doctoral researcher and partial summer salary for the professors. Inventions developed under the agreement created by Wayne State employees will be owned by Wayne State University. Penrose Therapeutix will have an option to acquire a license to any inventions developed by WSU employees in the course of performing the sponsored research. The agreement will also be subject to any required conflict of interest management plans developed by the Conflict of Interest Committee.
- (iii) Dr. Kodanko is a 2% shareholder in Re-Dox Healthcare, LLC.

ACTION — Upon motion by Governor O'Brien and supported by Governor Dunaskiss, the Board of Governors authorized the President or his designee to contract with Re-Dox Healthcare, LLC, a Delaware Limited Liability Company and the parent holding company of Penrose Therapeutix, LLC which has a primary place of business located at 15900 Michigan Avenue, Dearborn, Michigan 48126, to enter into a sponsored research agreement to perform a research project titled, "Elucidating Mode of Action for a Novel Combination Therapy for Cancer." The motion was adopted with the following roll-call vote:

Governor Dunaskiss — Yes
 Governor Kelly — Yes
 Governor Massaron — Yes
 Governor Nicholson — Yes

Governor O'Brien — Yes
 Governor Pollard — Yes
 Governor Thompson — Yes
 Governor Trent — Yes

Government and Community Affairs Report

Vice President Lindsey highlighted the task force report on treating opioid addiction. President Obama had asked universities to help with the problem, and Wayne State University appointed an interdisciplinary task force comprised of representatives from the four health science schools to identify ways to incorporate changes to the curriculum. The joint document was presented to Michael Botticelli, President Obama's advisor on addiction, when he visited the campus on September 13.

Establishment of Endowment Funds

Vice President Burns presented the endowment funds listed below for approval.

ACTION — Upon motion by Governor Trent and seconded by Governor O'Brien, the Board of Governors established endowment funds that total \$1,332,177 for the purposes presented. The motion was adopted unanimously.

- 1. The Sean Anderson Foundation for the Helping Individuals Go Higher (H.I.G.H. Program Endowment to support the H.I.G.H. Program in assisting at-risk students in overcoming personal and financial obstacles so that they may complete the academic requirements needed to graduate their degrees from Wayne State University. \$25,000

2. The Dr. John and Mrs. Patricia Buday Endowed Scholarship to recognize scholastic achievement, encourage continued progress and provide assistance to students in financing their education in the School of Medicine. \$25,000
3. The Robert Cook Bushnell Endowed Scholarship to recognize scholastic achievement, encourage continued progress and provide assistance to students in financing their education in the Mike Ilitch School of Business. \$55,600
4. The Dr. John and Denise Carethers Endowed Scholarship to recognize scholastic achievement, encourage continued progress and provide assistance to students in financing their education in the School of Medicine. \$25,000
5. The Ford Customer Service Endowed Scholarship to support financially challenged Wayne State University students who are pursuing degrees in engineering or STEM-related fields. \$25,000
6. The Leda McIntyre Hall Endowed Ph.D. Fellowship in Political Science to provide doctoral students studying political science at Wayne State University with the opportunity to pursue their passion without worry of financial burden. \$750,000
7. The Chuan-Pu Lee, Ph.D., Endowed Graduate Student Research Fund to provide resources for the currently titled Graduate Student Research Day (GRSD) which is a student-organized event that promotes interactions among Wayne State University departments and students within the biomedical field. The endowed fund will provide GRSD awards and prizes. \$200,000
8. The Deon D. Middlebrook, M.D., Endowed Scholarship to provide assistance for students who exhibit financial need in the School of Medicine. The objective of this fund is to expand student diversity by assisting students interested in health disparities who come from disadvantaged backgrounds. \$25,000
9. The Annie and Kevin O'Brien, M.D., Endowed Scholarship to recognize scholastic achievement, encourage continued progress and provide assistance to students in financing their education in the School of Medicine. \$25,000
10. The Drs. Raya Hussain and Mahmoud Rahim Endowed Scholarship to recognize scholastic achievement, encourage continued progress and provide assistance to students in financing their education in the School of Medicine. \$25,000
11. The Stephanie Myers Schim, R.N., Ph.D., FAAN Endowed Scholarship to recognize scholastic achievement, encourage continued progress and provide assistance to students in financing their education in the College of Nursing. \$25,000
12. The Matthew J. and Mona M. Simoncini Endowed Scholarship to recognize scholastic achievement, encourage continued progress and provide assistance to students in financing their education in the Mike Ilitch School of Business. \$100,000
13. The Rajan and Susan Telang Endowed Scholarship to recognize scholastic achievement, encourage continued progress and provide assistance to students in financing their education in the Mike Ilitch School of Business. \$26,577

Naming of Facilities

Vice President Burns presented two recommendations for the naming of facilities. The first was to name the DeMars Football Locker Room Annex in recognition of the DeMars family's support for the Athletics Department. The second recommendation, to name the Gary L. Bryce Softball Field, was to honor Gary Bryce, WSU's head softball coach for the last 35 years. Mr. Bryce's record is exemplary, ranking 10th all-time in the history of NCAA softball. In addition to many other achievements, he was inducted in the national Hall of Fame in 2008.

DeMars Football Locker Room Annex

ACTION — Upon motion by Governor O'Brien and seconded by Governor Pollard, the Board of Governors approved the naming of the DeMars Football Locker Room annex. The motion was adopted unanimously.

Softball Field

ACTION — Upon motion by Governor Dunaskiss and seconded by Governor Trent, the Board of Governors authorized the naming of the Wayne State University softball field located on the athletic campus where the University has played softball since 1978. The current name is Wayne State softball field. The new name would be:

The Gary L. Bryce Softball Field

Further, the new name will be reflected in WSUCA 2.85.07, the Board Statute that lists the names of facilities. The motion was adopted unanimously.

BOARD OF GOVERNORS EXPENSES

In accordance with Board policy, Secretary Miller presented the annual informational report on expenses incurred by Board members during the 2015 calendar year.

REVISED SCHEDULE OF MEETINGS, 2016-2017 AND 2017-2018

The Secretary presented a revised schedule of meetings for adoption by the Board.

ACTION — Upon motion by Governor Massaron and seconded by Governor Nicholson, the Board of Governors adopted the revised Schedule of Meetings for the two years of 2016-2017 and 2017-2018 as submitted. The motion was adopted unanimously.

The schedule of meetings of the Board, its standing committees, and the Executive Committee, for the two years of 2016-2017 and 2017-2018 is as follows:

<u>2016-2017</u>	<u>2017-2018</u>
September 23, 2016	September 15, 2017
December 2, 2016	December 1, 2017
January 27, 2017	February 2, 2018
March 24, 2017	March 23, 2018
April 28, 2017	May 4, 2018
June 23, 2017	June 22, 2018

Unless noted otherwise, the time schedule for the above meetings will be as follows:

- 10:30 a.m. — Board standing committee meetings
- 12:00 p.m. — Executive Committee meeting
- 3:00 p.m. — Board of Governors meeting

Additional dates will be used only if a meeting of the Executive Committee is deemed necessary. Such a meeting would start at 9:00 a.m. on the following dates:

<u>2016-2017</u>	<u>2017-2018</u>
October 28, 2016	October 27, 2017
February 17, 2017	March 2, 2018
April 21, 2017	April 13, 2018
June 2, 2017*	June 8, 2018

*This meeting time is scheduled for 2:00-4:00 p.m.

RATIFICATION OF EXECUTIVE COMMITTEE ACTION and PUBLIC COMMENTS

Governor Pollard presented a personnel action taken by the Executive Committee earlier in the summer for ratification by the Board of Governors. His statement follows:

It is a normal procedure to ratify an executive committee action taken between Board meetings at the next public meeting of the Board. I and other members of the Board feel strongly supportive of this action, which is a bonus of \$25,000 for President M. Roy Wilson, as his contract stipulates. While his compensation is low in comparison to the amounts paid to presidents of many other institutions, including Michigan public universities as well as our peer urban research universities, our appreciation of him is great. In his three years, President Wilson has had a profound impact on Wayne State University and we are fortunate to have him leading this great institution. The President has said in addresses to the University that Wayne State is at a crossroads, facing tough challenges but also tremendous opportunities. Under his leadership the University is stepping up to both with courage and urgency. He has led to the development of a five-year strategic plan that includes a distinctive vision and mission, as well as cultural values that he models and we all aspire to live to, beginning with excellence and integrity. This plan includes focus and discipline, particularly in those areas which are uniquely Wayne State, including student success, diversity, inclusion, teaching excellence, and community engagement. We are making progress in our student success with gains in our six-year graduation rates and retention. President Wilson has appointed strong leaders to lead the way in dealing with difficult issues, some of which were uncovered only due to his insight and experience; that particularly is true with the Medical School which is quickly strengthening its operations while restoring its historical strength and diversity. We held a groundbreaking ceremony for the new Mike Ilitch School of Business which will offer tremendous opportunities for our business school students who someday will be our business leaders and entrepreneurs. Under his leadership, research is gaining again. Under his leadership, we have our first increase in total enrollment in seven years, which includes significant gains in new students and graduate students. He has built strong connections from students and faculty on campus to leaders in the community. In fact, he is now recognized as a leader in the community, a leader who can be trusted, one who is willing to step up, lend a hand, and be held accountable, one who has made Detroit his home and shares the vision of a city where everyone prospers. Mostly, we are thankful for his outstanding efforts on behalf of this university. Wayne State has been here for nearly 150 years; our history is one of great success, from our founding, our first founding as the Detroit Medical College in 1868, to our present status as a major public

urban research university. We have no doubt that the status as a major urban research university is due to President Wilson leading this institution with his tireless efforts.

Governor Pollard stated that the Secretary received three requests to speak from members of the community. He asked that a motion be put on the table, and that the vote will be taken after the public comments are heard. He reminded the speakers that they each have four minutes to present their comments.

MOTION by Governor Pollard and seconded by Governor Massaron that the Board of Governors ratify the action approved by the Executive Committee on July 22 for the payment of a \$25,000 bonus to President Wilson for 2015-2016, as per the contract signed with him when he was first appointed.

Professor Francis Shor

Thank you for the opportunity to address this body. My name is Francis Shor; I am an Emeritus Professor of History here at Wayne State. During my 40 years as a faculty member here, I believe I only addressed the Board once, in 2007 when it was considering eliminating the special degree granting program for working adults in which I taught. Unfortunately, the Board ratified by a 6-2 vote the very shortsighted proposal of the administration. In the immediate aftermath, the University began losing students, ours included, and became a less accessible institution of higher learning for working adults and also African Americans, who had constituted a majority of students in our program and who we graduated at a much higher percentage than their younger cohorts in the traditional undergraduate programs at Wayne State.

However, I am not here to rehash an old mistake, but to address what is potentially a new mistake, albeit on the surface not as consequential. As a retiree and less directly affected by the decision-making at Wayne State, my appearance here today reflects the concerns I have as a member of the extended university community and a citizen of Michigan. The proposal to raise the President's salary to \$522,000, which I understand requires a vote of the Board, requires a serious review of some of the following problems I wish to cite and bring to the Board's attention. My opposition to the President's raise is not based on any animus towards the President, who I believe is acting with honorable intentions to make Wayne State a better institution. However, these examples which I will cite shortly, call into question his leadership and managerial style, a style too much in evidence in higher education as it's becoming increasingly corporate in its orientation. While we all recognize that declining state support has especially hurt Wayne State, this is not the only explanation for what have been unconscionable increases in tuition, such that the sons and daughters of Michigan working families are either priced out of Wayne State or take on additional debt burdens to graduate with a Wayne State degree. In particular, while President Wilson did not initiate the massive increase in administration positions and salaries, he has done nothing to curb such administrative excess. For example, in the Medical School, there are 11 associate deans getting a total salary of \$3 million. Other administrators in the medical school double dip by being part of the University Physician Group, including one dean who receives over \$355,000 in addition to a Wayne State salary of \$423,000. Maybe these outrageous salaries and refundable redundancies account for the terrible hemorrhaging and losses from the Medical School. But it isn't just the medical school where salaries and positions expand almost exponentially. When a new administrative position is created such as the Associate

Provost for Teaching and Learning, that person turns around and hires an associate director and an assistant director. Surely, there are better and more efficient and less bureaucratic ways to run Wayne State.

Another concern compounded by this administration because of its initial lack of transparency is the Ilitch School of Business. It's still unclear what role the Board had in fully vetting this business transaction. One can hardly call it a gift when the University has to raise an additional \$25 million to move away from campus and onto land given to the Ilitches for which they get a tax write-off, make special financial concessions about timetables, and most egregiously, surrender curricular decision-making, something which should be under the purview of the faculty. There are numerous other concerns that underscore the reason a raise is not warranted, from the continuing problems of recruitment and retention of African American faculty and students, to top-down decision making about curricular changes.

One final point that I believe has largely gone unnoticed but raises a serious question about the concern of the health and safety of the campus community has to do with the lead in the water pipes and fountains. While the University did testing in the aftermath of the tragedy in Flint, it is my understanding, and I could be corrected on this, that the methodology used to determine the lead content in WSU water underwent the same unscientific and discredited methods used by the State Department of Environmental Quality. Ultimately, the Board ...

Governor Pollard noted that Professor Shor exceeded his time and thanked him for his comments.

Steve Neavling

Good afternoon, Board members. I am Steve Neavling, the reporter and publisher of Motor City Muckraker. You may recognize me from the "Wanted" flyer that was posted of me on campus by the President's wife, saying that I was a dangerous person. At a time when we are worried about terrorism, it is absolutely disrespectful. The only danger I present to the University is the truth about this Board's failure to act transparently and in the best interests of students and people who elected you. In July, just one month after six of you raised tuition 4.2%, you held a secret Board meeting over the phone to give the president a \$25,000 bonus. While some of you believe you are not subject to the Open Meetings Act and the constitutional provisions demanding transparency, you have an ethical and moral obligation to hold your meetings in public. But at 3:00 p.m. today you once again met behind closed doors. Democracy dies behind closed doors. While Black enrollment continues to decline at unprecedented rates here, and while students are forced to pay more to attend this school, you had the nerve to secretly meet over the phone to approve a bonus for a president making nearly \$500,000, which is more than the President of the United States makes. In my 17 years as a reporter, I have never encountered an elected board in a public institution so dismissive of transparency and media scrutiny. I am not here to tell you how to vote on the bonus. I am here to ask you that you begin meeting and voting in public. Students deserve it, faculty deserve it, and the taxpayers deserve it. What I don't deserve is to be subjected to a libelous Wanted flyer that said I was dangerous because I'm asking questions that the mainstream media won't. Black enrollment is down 50% since 2009 in a city that is more than 80% Black. I have asked the Board and I have asked the administration to explain

why this is happening and what they're doing to make this stop happening, and I got zero response. I also encourage you to investigate the money spent on the President's wife's HIGH program and the tax dollars spent on the mansion where she works on that program. I plan on sending FOIA requests for those costs. My last comment is to remind you that you are the only people accountable to the public. You need to answer media questions and scrutiny, you need to scrutinize spending on campus, since tuition is up a whopping 153% since 2003. Please show some leadership and transparency because the public and students deserve it and expect it.

Malik Shabazz

Thank you. I'm giving honor to God. I too want to express righteous indignation. First of all, I'm upset about the raising of tuition, at a time of economic downturn. I know President Obama's recovery is in effect, but like with all things good in this country, in a generalized way we, the Black, the Latino, women with children and what-not, others, we are behind on the recovery. It hasn't quite hit us yet; it hasn't quite hit Detroit yet. To raise tuition at this time is wrong, and I want to state that. I also want to thank two Board members, a Democrat and a Republican, David Nicholson and Dana Thompson, for voting against this 4% plus increase; I want to thank them. And I want to encourage the rest of the Board members to try to follow their lead on these kinds of issues, at a time when our enrollment is down, we talked about this at the last meeting, and even some of the people in the audience for once applauded what we had to say about the lack of diversity and reaching out and hands up and empowering all, reaching the underserved, those who were underserved before this nation was a nation, at the founding of it, and now. To raise tuition says we're not trying to recruit Detroiters. That's clearly what that says to us, that you're not interested in recruiting Detroiters and Black folks. No disrespect to President Wilson; everybody has a right to eat, but I think it's inappropriate where our participation in this college is down, and where our Black and people of color tenured professors is abysmal, that record is abysmal, it's the wrong time for a \$25,000 increase. Now if we can raise the numbers and bring Ike, Mike, Mary, Lashonda, Junebug, the average Detroiters, we thank God for Midtown and the presentation of what's going on downtown, that's great. But most Detroiters live in the neighborhood, like me. I live between two abandoned houses; I boarded them up, I cut the grass, but I'm right in the middle. That's how most Detroiters are living. So let's increase the Black, the Latino, and other minorities tenured professorships; let's increase the recruitment of these people, and then I'll support a \$25,000 bonus. Hell, I'll do some hot dogs and barbecue for you, Dr. Wilson, myself, I'll do it. But let's do that first. This is important. Something is going on in our country. We ought to be able to look and to see the times; it's time now. Either everybody is going to be put in, or ... I know my time is up. Dr. Wilson, why don't you donate your bonus to Black Lives Matter, and if that's too far, or too distant, Detroit Public Schools, and we have a school board member, Wanda Aquila Redmond, newly elected Board member, donate your bonus to DPS.

Governor Pollard thanked the speakers for their comments. He then turned to the Board members and asked if they wished to speak. Several Board members responded, and their statements follow:

Governor Massaron

Thank you, Mr. Chairman. First of all I would like to express my agreement with Governor Pollard's evaluation of President Wilson. Roy is providing strong, capable leadership for this University and is committed to Wayne State University's progress.

This is probably my last public meeting as a member of the Board, but during my 16 years as a member of the Board of Governors, I have appreciated the fact that the Michigan media usually covered Wayne in a fair manner. Most local reporters have worked hard to get all the facts and accurately report them to the public. As a public university, I really believe that Wayne must encourage and respect freedom of press and speech, and therefore it's been the University's policy, and still is, in practice to promptly and candidly respond to media inquiries. Similarly, it is our policy and practice to fully comply with the Michigan Freedom of Information Act. Citizens have a right to know, I believe that, and the University has the duty to help them be informed. Unfortunately, a reporter in one very small media outlet has recently written a series of articles filled with what I believe to be inaccurate and unfounded allegations. So I'm going to try to address some of them, can't address all of them, we don't have time.

First, it's been alleged that the Board of Governors acted illegally by holding an Executive Committee meeting to discuss whether President Wilson has demonstrated good performance and was entitled to the performance bonus provided in his employment contract with the University. In fact, the Board addresses personnel matters in executive session, which is legal. In this case the Executive Committee voted in July to approve the bonus, and the matter was referred to the Board for ratification at its next public meeting, and that's what this meeting is about today, and this is the same way we have operated in the past.

Second, it's been contended that there was something illegal about the Board conducting an executive committee meeting at which some members participated by phone; that is true. The fact is the Board of Governors and its various committees conduct several meetings each year, and it has been our practice that if a Board member cannot travel to Wayne State's campus to attend the meeting, he or she may participate by phone.

Third, it was alleged that the President lacked legal authority when he accepted the \$40 million gift to the University from Mike and Marian Ilitch. That is not accurate. In fact, the President and the Board of Governors took appropriate action to secure this gift, always on the advice of the General Counsel. The new Business School will be a significant addition to the University and to the City of Detroit.

Fourth, it was alleged the Board was not kept informed about the bond ratings, adjustments to Wayne State's bond ratings. Again, not true. The President and chief financial officer provided Board members with detailed briefings before the adjustments occurred and have continued to update the Board on the University's financial condition; and for the record, our bond ratings remain strong.

Fifth, it was alleged that the President maintains a private chef. That's incorrect. Whenever the President entertains on behalf of the University, he uses the services of the same food service contractor that provides food service at all other campus locations including the student dining halls.

Sixth, one reporter criticized the President for missing the New Student Convocation because he went to Asia. That's true. The President traveled to Asia to meet with university leaders to attract more students to Wayne State University and to provide more opportunities for Wayne State students to study abroad. At the same time, the President's initiative is in line with the Strategic Plan, and it's important for Wayne's progress. At the same time, Wayne State's Provost attended the Convocation and very ably welcomed our new students to campus.

I was really surprised by the recent media criticism of Wayne State's program to help homeless students struggling to finish their degrees. For the record, the program is funded by voluntary donations. Wayne State's First Lady Jacqueline Wilson spearheads the program and receives no salary. She is a volunteer who should be commended for her initiative on behalf of homeless students.

Finally, there have been these assertions that Chief Holt acts as a personal chauffeur to Mrs. Wilson. That's a blatant distortion of the truth. What it does it besmirches Mrs. Wilson's and Chief Holt's reputation. Chief Holt runs a police force in Midtown that helps protect us all, and that whole police force does an excellent job for Wayne State and its students. There are occasions when Chief Holt has driven Mrs. Wilson on University business which she conducts as a volunteer in Detroit neighborhoods and where the police fear, and where he may fear, there is a security risk. And one of his jobs is to protect the employees of Wayne State University, and you should realize that, and the employees' families if they live here. And President Wilson and his family live here. So to describe this as providing a personal chauffeur service is an unfair, personal attack on Mrs. Wilson, and somebody should apologize for that, rather than attacking her and attacking Chief Holt who is simply doing his job of leading a major security force at a public university. I intend to vote for the proposal, Mr. Chairman.

Governor Trent

I want to apologize first to the journalist who spoke, because I actually contributed to some inaccurate reporting that he offered to us. One of the things that I actually contributed to his understanding of our conversation about President Wilson being a phone call, because most of our colleagues were actually in a room together; they offered the phone option to those who were not able to be there in person; so I want to make sure that I clear that up first. And I was on the first vacation I've taken in several years on the west coast. I got up at 6 o'clock in the morning and called in to this conversation that we had about the President's compensation, and now I'm being painted as an unethical person because I take my duty as a member of this Board seriously and participated on a call. I think now we are rethinking opening up that option to people who have other things to do and may not be able to attend in person. I think, I'm very supportive of that idea, but the idea that this is somehow a way to get around transparency or some secret meeting, as a former journalist I know for a fact we're not subject to the Open Meetings Act, but even if we were, personnel issues can be discussed in executive committee, as most reporters are aware.

I also want to say that the person I spoke to described me as being a mouthpiece for Dr. Wilson, so I actually considered not speaking today, but I decided that if I didn't speak I would be a coward, and I'm not a coward. So I want to talk to you about why I support

the leadership of Dr. Wilson, and I am happy to give you just a few of the reasons why I strongly support his receiving a \$25,000 bonus. First of all, our Medical School was on the brink of being on probation when President Wilson took the reins of this university, and because of his leadership, one of the reasons that we were on the brink of losing our medical school or on the brink of having probation is because we had horrible recruitment efforts for minority students. This year we went from having four African American students who were accepted through traditional means to 40, without in any way sacrificing the quality of the university. That is what a leader does.

Secondly, when I came on this campus, one of the very first things that I said that I wanted to work on was graduation rates, six-year graduation rates for African American students. I've been consistent and so has pretty much everyone around this table, including Dr. Wilson. When I first came to this campus, our six-year graduation rate for African American males was 3%; today as we stand, it is in the teens, still way too low; we're still embarrassed by that number, but we have made significant progress, and I think that he should be commended for that.

In addition, we had a 31% increase in African American students in our graduate school just in this last year alone. We are undertaking a thoughtful and collaborative process to revamp and modernize our general education requirements, one of the major complaints that we have on our campus about how the math requirement has prevented particularly minority students from getting their degree. We are undertaking a very comprehensive approach to try to deal with that and are under incredible scrutiny from those who think that somehow we are lowering our standards when we in fact are not.

And fourthly, we have embarked on innovative and bold partnerships, like the ones we approved today for our new housing plans. We have heard a lot today about Midtown and how it has grown, and Wayne State has been an important and vital partner in that, and we are bringing more students to our campus because of the very innovative programs that President Wilson and others have put on the table.

In no way do I regret having voted for Dr. Wilson's bonus. He has done a fine job. I have attended meetings of the Association of Governing Boards that have outlined how important it is for university presidents to receive, or at least be eligible for incentive payments, because that is one of the few levers that governing boards like us have to express our satisfaction or dissatisfaction with the president's performance on key goals and objectives. By any fair measure, he has earned his bonus, which is one of the smallest bonuses that was given to a university president in our state this year.

For some reason there are people in this room who have decided that Dr. Wilson and this Board are the enemy. That perception is unfortunate because it is not based in reality. I am an activist, and I strongly believe in the right of people to use their First Amendment rights to petition their government officials. I would love to suggest that the activists in this room, who have used their voices so forcefully and articulately today to express their concerns to this Board and to President Wilson, will also harness their energy and their voices to petition the leaders in Lansing that have consistently put this Board in the unenviable position of having to vote for tuition hikes in order to keep the lights on in this university. The state of Michigan's appropriation for Wayne State University is about the same, dollar for dollar, as it was when I graduated from Wayne State in 1991. I am sure

that everybody understands that our costs – even in your own household, you would understand that prices in 1991 were considerably less than they were in 2016. When I was a student, 2/3 of all tuition costs were provided by the state of Michigan, and 1/3 was provided by tuition from students. That number has now completely flipped, where students are more responsible for tuition than the state of Michigan. I hope that we, as leaders and activists in this community, will reach out to the leaders in Lansing to let them know that if they really want to let this state move forward, they need to support higher education, because none of us want to increase tuition for students at this university, and all of us want to expand access. And for those reasons I will be voting, and was proud to have voted, for a \$25,000 bonus for Roy Wilson.

Governor Thompson

One of the important roles of the Board is to provide support for the President and to provide resources to enable the president to be successful in his or her role. Another important aspect of being on the Board is to provide constructive criticism and to be a check for the president and the administration. And when the Board sees that there are issues that are not being appropriately addressed and that need to be dealt with, it is the role of the Board to raise those issues and to make sure those issues are dealt with appropriately, because ultimately the Board has the legal responsibility for the university. We are fiduciaries for the university, and I have been concerned with several aspects of decisions that have been made at the university. One most recent decision was with the suspension of the math requirement, and the Board did not have knowledge of that suspension before it happened, learned about the suspension in the media, and that's a serious concern when a board is responsible for making policy decisions and does not have access to information that seriously affects the institution and the institution's reputation before the decision is made. I acknowledge that President Wilson has accomplished some important things for the university in terms of the medical school and improving the enrollment of students of color in the medical school and in terms of other projects. But what concerns me about certain actions that President Wilson has taken or the administration has taken is a lack of transparency, one with the math suspension and another is with the Ilitch deal, and information that the Board had access to before the deal was made, and the timing of that information. And I expressed my concerns during our meeting, particularly about the math suspension, and I voted not to approve the bonus because of the issue of the math suspension not coming before the Board before it was made. So I am voting against the bonus for that reason. I do understand the importance of the work that is done. And I said I was OK with the 3% raise which was in addition to the bonus. But in order for the Board to do its job, the Board needs to have information, and information in a timely manner, and the role of the Board should be respected. It has to be respected in order for us to do our job, because we are elected officials and we are responsible not just to the university, but to the citizens of the state of Michigan. We are responsible to the millions of people who are here who are relying on us to keep the university affordable, to make sure the university provides the programs that it needs. So that is why I intend to vote against the bonus.

Governor O'Brien

Thank you, Governor Pollard. Without rehashing everything that a couple of my colleagues have already said, I want to make clear to everyone that it goes without saying that when we hired Dr. Wilson, we had an enormous hole from which to dig out. And sometimes I think he, although he probably would never say this, he's wondering if

he won the booby prize when we hired him, because there were things that were going on here that none of us knew about; we did not know the depth of some of the issues that were going on. Those were all discovered; they are being rectified. And without his leadership, we would not be in the upward trajectory that we are in right now. We can't fix every ill that is in this institution overnight. I wish we could, but it's just not practical. But we are headed in the right direction, and for that reason I will continue to show my support for this president, and I will be voting Yes.

Governor Dunaskiss

Yes, when we hired President Wilson, as Governor O'Brien alluded to, there were multiple complex serious issues that needed to be dealt with. That is why we brought President Wilson; we felt he had the expertise, the background, the skills to address these concerns. He has not only met our expectations; he has exceeded them. Wayne State University is a better place today because of this president's work here, and I heartily support the bonus for him.

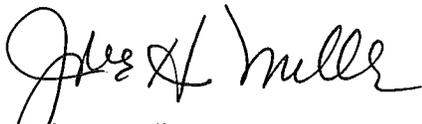
Governor Pollard called for a vote on the motion.

ACTION — Upon motion by Governor Pollard and seconded by Governor Massaron, the Board of Governors ratified the action approved by the Executive Committee on July 22 for the payment of a \$25,000 bonus to President Wilson for 2015-2016. The motion was adopted with a vote of 7-1.

ADJOURNMENT

There being no further business, the meeting was adjourned at 5:40 p.m.

Respectfully submitted,



Julie H. Miller
Secretary to the Board of Governors