

**CENTRAL MICHIGAN UNIVERSITY**

**BOARD OF TRUSTEES**

**December 2, 2004**

**Central Michigan University Board of Trustees  
Mt. Pleasant, Michigan  
December 2, 2004**

Members present: Mr. James C. Fabiano Sr., chair; Mr. Jerry D. Campbell; Mr. Jeffrey R. Caponigro; Ms. Stephanie Comai; Ms. Melanie Reinhold Foster; Mr. Roger L. Kessler; Mr. John G. Kulhavi; Ms. Gail F. Torreano; Dr. Michael Rao, president.

Members absent: none.

Also attending: Ms. Mary Jane Flanagan, executive assistant to the president and secretary to the Board of Trustees; Mr. Michael A. Leto, vice president for development and alumni relations; Dr. George E. Ross, vice president for finance and administrative services and treasurer of the Board of Trustees; Dr. Thomas A. Storch, executive vice president/provost.

The meeting was called to order by Chair Fabiano at 1:41 p.m.

**Public comment related to agenda items:** none.

**Report of the University President:** recognized faculty, staff, programs, and students; Trustees Fabiano and Foster; and university events.

**EMERITUS RANK: CONSENT AGENDA**

**William P. Browne, professor, political science**

WHEREAS, William Browne has devoted 32 years of service as a faculty member in the Department of Political Science; and

WHEREAS, He has achieved a high standard of teaching excellence and is recognized by his colleagues for his academic rigor and professional standards in his approach to problem solving; and

WHEREAS, He developed and nurtured one of the earliest and largest internship programs for students to learn by engaging in the arenas of legislative staffing, lobbyist activity, executive branch support, and elective political involvement, at the local, state and national levels; and

WHEREAS, His publication record identifies him as a leader with a national research reputation in the fields of public policy analysis, interest group processes, as well as state and local politics; and

WHEREAS, He has provided national leadership in the policy studies arena by serving on editorial boards, holding major offices, and receiving recognition as a national expert in his chosen field of professional endeavor; and

WHEREAS, He has been identified by government bodies for the expertise he can provide elected and appointed individuals in public policy fields, particularly agricultural policy; Now be it therefore

**Emeritus Rank - continued**

RESOLVED, that the Board of Trustees expresses appreciation and gratitude to William P. Browne for his contributions to Central Michigan University and extends professor emeritus rank.

**Peter H. Fries, professor, English**

WHEREAS, Peter Fries has served the Department of English Language and Literature with distinction since 1971, maintaining the highest standards in his teaching and scholarship and bringing international recognition to the university; and

WHEREAS, He has been a pioneer in the field of functional linguistics, and a tireless world traveler and international speaker promoting the discipline; and

WHEREAS, He has generously given his time to aspiring linguists, modeling for them the professor/scholar/author; has been responsible for the development of the graduate program in linguistics; and has regularly taught classes at undergraduate and graduate levels; and

WHEREAS, He has proven himself a valuable colleague, volunteering time and energy far beyond the call of duty, and has graciously opening his home to international students and visiting scholars, and

WHEREAS, He has conducted himself throughout his career with grace, tact, good humor, and thorough professionalism; Now be it therefore

RESOLVED, That the Board of Trustees expresses appreciation and gratitude to Peter H. Fries for his contributions to Central Michigan University and extends professor emeritus rank effective January 1, 2005.

**Michael A. Kent, associate professor, psychology**

WHEREAS, Michael Kent has served the university for 34 years as a faculty member in psychology from 1970 to 1994 and again during 2004, and as associate dean and interim dean for the College of Education and Human Services from 1995 to 2003; and

WHEREAS, He has distinguished himself as an outstanding teacher and mentor to students; and

WHEREAS, He served as chairperson for the Department of Psychology for 17 years, transforming it into a well-respected department that offers nationally renowned doctoral degrees; and

WHEREAS, He has devoted time, expertise, and resources to assist in making the university a better place for students and colleagues; Now be it therefore

RESOLVED, That the Board of Trustees expresses appreciation and gratitude to Michael A. Kent for his contributions to Central Michigan University and extends professor emeritus rank effective January 1, 2005.

## **Emeritus Rank - continued**

### **Helen Leemaster, assistant professor, Counseling Center**

WHEREAS, Helen Leemaster, has served since 1968 as a counselor and as assistant director of the Counseling Center; and

WHEREAS, She has provided academic, career, and personal counseling services to students aiding their academic effectiveness and personal growth and development; and

WHEREAS, She has taught student personnel classes with enthusiasm and care; and

WHEREAS, She has demonstrated strong commitment to professional and personal growth throughout her career, and contributed to departmental scholarly and creative activities through presentations and publications; and

WHEREAS, She has distinguished herself through involvement and service to the university and the broader community as evidenced by her committee involvement and membership in professional and community service organizations; Now be it therefore

RESOLVED, That the Board of Trustees expresses appreciation and gratitude to Helen Leemaster for her contributions to Central Michigan University and extends professor emerita rank effective January 4, 2005.

### **Leonard Lieberman, professor, sociology/anthropology/social work**

WHEREAS, Leonard Lieberman has served the Department of Sociology, Anthropology, and Social Work for 39 years, progressing from associate professor to professor of anthropology; and

WHEREAS, He played a key role in the development of the anthropology major, developing and teaching courses in physical anthropology from the introductory laboratory to primate behavior and human variation; and

WHEREAS, He shared multidisciplinary and team-teaching responsibilities before they became fashionable, teaching in sociology and jointly teaching social science courses for the Honors Program; and

WHEREAS, He has provided advice and counsel to students as they move from undergraduate studies to graduate school and careers;

WHEREAS, He has been a generous contributor to the department's development activities and scholarship funds and has enriched his students, colleagues, and friends alike with a demeanor that is wry and witty;

WHEREAS, His international reputation brings credit and acclaim to the university, with contributions being highlighted in media venues ranging from *The New York Times* and *The Los Angeles Times* to *The Chronicle of Higher Education* and PBS's "Weekend Edition," as well as scholarly journals such as *Phylon*, *Current Anthropology*, *American Anthropologist*, and *Human Organization*; and

**Emeritus Rank - continued**

WHEREAS, He has developed meaningful scholarly collaborations with department members, thereby enhancing their work as well as his own; and

WHEREAS, His prodigious and ongoing scholarship on and critique of the race concept has helped redefine the study of physical anthropology throughout the world’s scientific community and was recognized at the university by his receipt in 2002 of the President’s Award for Outstanding Research and Creative Activity; Now be it therefore

RESOLVED, That the Board of Trustees expresses appreciation and gratitude to Leonard Lieberman for his contributions to Central Michigan University and extends professor emeritus rank effective January 1, 2005.

**Richard D. Seiter, professor, English**

WHEREAS, Richard Seiter has served the Department of English Language and Literature with distinction more than 34 years, maintaining high standards in his teaching and scholarship; and

WHEREAS, He has cast his influence far beyond the university by teaching future teachers, who in turn have taught thousands of students, many of whom have become teachers; and

WHEREAS, He has proven himself a valuable colleague, serving on many committees, and willingly accepting extra assignments to accommodate student needs; and

WHEREAS, He has conducted himself with grace, tact, good humor, and professionalism throughout his career; Now be it therefore

RESOLVED, That the Board of Trustees expresses appreciation and gratitude to Richard D. Seiter for his contributions to Central Michigan University and extends professor emeritus rank effective January 1, 2005.

**PROSPECTIVE GRADUATES: CONSENT AGENDA**

Board approval of the list of prospective graduates for December 2004 as certified by the registrar and accepted by the academic senate.

**HONORARY DEGREES: CONSENT AGENDA**

BE IT RESOLVED, That the Board of Trustees approves the awarding of honorary degrees at the December 18, 2004, commencement ceremonies to:

- |                      |                              |
|----------------------|------------------------------|
| Rebecca A. Humphries | Doctor of Public Service     |
| Michael F. O'Donnell | Doctor of Commercial Science |

**ORGANIZATION OF COLLEGES AND DEPARTMENT NAMES: CONSENT AGENDA**

BE IT RESOLVED, That the names of the following colleges and the departments within them are confirmed as follows:

**College of Business Administration**

- School of Accounting
- Department of Business Information Systems
- Department of Economics
- Department of Finance and Law
- Department of Management
- Department of Marketing and Hospitality Services Administration

**College of Communication and Fine Arts**

- Department of Art
- Department of Broadcast and Cinematic Arts
- Department of Journalism
- School of Music
- Department of Speech Communication and Dramatic Arts

**College of Education and Human Services**

- Department of Counseling and Special Education
- Department of Educational Administration and Community Leadership
- Department of Human Environmental Studies
- Department of Recreation, Parks, and Leisure Services Administration
- Department of Teacher Education and Professional Development

**The Herbert H. and Grace A. Dow College of Health Professions**

- Department of Communication Disorders
- School of Health Sciences
- Department of Physical Education and Sport
- School of Rehabilitation and Medical Sciences

**College of Humanities and Social and Behavioral Sciences**

- Department of English Language and Literature
- Department of Foreign Languages, Literatures, and Cultures
- Department of History
- Department of Military Science
- Department of Philosophy and Religion
- Department of Political Science
- Department of Psychology
- Department of Sociology, Anthropology, and Social Work

**College of Science and Technology**

- Department of Biology
- Department of Chemistry
- Department of Computer Science
- Department of Geography
- Department of Geology
- Department of Engineering and Technology
- Department of Mathematics
- Department of Physics

**FACULTY PERSONNEL: CONSENT AGENDA**

**Sabbatical Leaves**

Diane Krider, associate professor, speech communication and dramatic arts, requests that a previously approved sabbatical leave be changed to full time fall semester 2005 with full pay.

JoAnn Linrud, professor, marketing and hospitality services administration, requests that a previously approved sabbatical leave be changed to full time spring semester 2006 with full pay.

	<b>Leave</b>	<b>Pay</b>
Thomas Ahlswede computer science	fall 05	full
Mahmood Bahaee management	spring 06	full
Jayanta Bandyopadhyay Management	spring 06	full
Brigitte Bechtold sociology, anthropology, and social work	spring 06	full
Terry Beehr psychology	spring 06	full
Kathleen Benison geology	fall 05	full
Ari Berk English	fall 05	full
Nancy Csapo business information systems	fall 05	full
Gregory Falls economics	spring 06	full
Nedra Frodge art	fall 05	full
Michael Garver marketing and hospitality services administration	fall 05	full
George Grossman mathematics	spring 06	full
Angela Haddad sociology, anthropology, and social work	spring 06	full

**Faculty Personnel - continued**

	<b>Leave</b>	<b>Pay</b>
Leslie Hildebrandt human environmental studies	spring 06	full
James R. Hill economics	fall 05	full
David Karmon School of Accounting	fall 05	full
Carolyn Loeb art	2005-06	one-half
Maureen MacGillivray human environmental studies	spring 06	full
Jose Maurtua School of Music	fall 05	full
Donald McBane marketing and hospitality services administration	fall 05	full
Kristen McDermott English	fall 05	full
Richard Neil Mower geography	spring 06	full
Gil Musolf sociology, anthropology, and social work	fall 05	full
Larissa Niec psychology	spring 06	full
Robert Noggle philosophy and religion	fall 05	full
Wayne Osborn Physics	spring 06	full
John Palen Journalism	fall 05	full
Keith Palka foreign languages, literatures, and cultures	spring 06	full
Benjamin Ramirez-shkwegnaabi history	spring 06	full

**Faculty Personnel - continued**

	<b>Leave</b>	<b>Pay</b>
Syed Shahabuddin management	fall 05	full
Ajit Sharma chemistry	fall 05	full
Ken Smith mathematics	2005-06	one-half
Vidu Soni political science	fall 05	full
Sudha Srinivas physics	fall 05	full
David Stairs art	spring 06	full
Susan Steffel English	spring 06	full
Lawrence Sych political science	spring 06	full
Stephen Wagner psychology	fall 05	full

**RESEARCH AND SPONSORED PROGRAMS: CONSENT AGENDA**

Awards during the quarter ended September 30, 2004, totaled \$2,581,768.

**PUBLIC SCHOOL ACADEMY ACTIVITIES: CONSENT AGENDA**

**Changes in Members . . .**

**Academy of Inkster**

**RECITALS:**

1. At its March 4, 2004, meeting this board reauthorized the issuance of a contract to charter as a public school academy to Academy of Inkster. On August 20, 2004, the contract was executed.
2. This board appointed the initial board of directors of the academy, and has subsequently made changes in the membership of the board of directors of the academy. The current number of members of the board is five (5).

### **PSA Activities - continued**

3. Scott Lopez resigned April 1, 2004, therefore leaving a vacant position on the board of directors. The term of the vacant position expires May 12, 2008.
4. Robbie Davis resigned June 3, 2004, therefore leaving a vacant position on the board of directors. The term of the vacant position expires May 12, 2007.
5. The board of the academy has, by majority vote of its members, adopted a resolution nominating Daveda Colbert for appointment to a term which expires May 12, 2008; and nominating Al-Von Stoudemire for appointment to a term which expires May 12, 2007.
6. The university president or designee has recommended Daveda Colbert and Al-Von Stoudemire for appointment to the vacant positions.

BE IT RESOLVED, That Daveda Colbert and Al-Von Stoudemire are appointed to serve as members of the board of directors of Academy of Inkster commencing the date upon which the oaths of public office are filed with the Office of Charter Schools.

Daveda Colbert  
10160 Dartmouth Avenue  
Oak Park, Michigan 48237  
248-582-9198  
principal, Clawson Public Schools  
*(to fill a position ending May 12, 2008)*

Al-Von Stoudemire  
15410 Asbury Park  
Detroit, Michigan 48227  
313-835-8786  
senior financial analyst, Standard Federal Bank  
*(to fill a position ending May 12, 2007)*

### **Eagle Crest Charter Academy**

#### **RECITALS:**

1. At its March 14, 2002, meeting this board reauthorized the issuance of a contract to charter as a public school academy to Eagle Crest Charter Academy. On August 11, 2002, the contract was executed.
2. This board appointed the initial board of directors of the academy, and has subsequently made changes in the membership of the board of directors of the academy. The current number of members of the board is five (5).
3. The term of Terry Jones expired December 5, 2003.
4. The term of Sue Bakker expires December 5, 2004.

## **PSA Activities - continued**

5. The board of the academy has, by majority vote of its members, adopted a resolution nominating Michael Gallagher for appointment to a term which expires December 5, 2007; and nominating Sue Bakker for reappointment to a term which expires December 5, 2008.
6. The university president or designee has recommended Michael Gallagher for appointment to the expired term; and has recommended Sue Bakker for reappointment to the expiring term.

BE IT RESOLVED, That Michael Gallagher is appointed to serve as a member of the board of directors of Eagle Crest Charter Academy commencing the date upon which the oath of public office is filed with the Office of Charter Schools; and that Sue Bakker is reappointed to serve as a member of the board of directors of Eagle Crest Charter Academy commencing the date upon which the oath of public office is filed with the Office of Charter Schools but not prior to December 6, 2004.

Michael Gallagher  
388 Andover SE  
Kentwood, Michigan 49548  
616-530-2236  
district representative for Senate Majority Leader Ken Sikkema, Michigan State Senate  
*(to fill a position ending December 5, 2007)*

Sue Bakker  
229 Camelback Drive  
Holland, Michigan 49423  
616-396-9502  
program manager, Herman Miller, Inc.  
*(to fill a position ending December 5, 2008)*

## **Holly Academy**

### **RECITALS:**

1. At its March 13, 2003, meeting this board reauthorized the issuance of a contract to charter as a public school academy to Holly Academy. On August 10, 2004, the contract was executed.
2. This board appointed the initial board of directors of the academy, and has subsequently made changes in the membership of the board of directors of the academy. The current number of members of the board is nine (9).
3. Gail Rachor resigned June 2, 2004, therefore leaving a vacant position on the board of directors. The term of the vacant position expires May 12, 2005.
4. The board of the academy has, by majority vote of its members, adopted a resolution nominating Edward Griffen for appointment to a term which expires May 12, 2005, and for an additional term which expires May 12, 2009.

## **PSA Activities - continued**

5. The university president or designee has recommended Edward Griffen for appointment to the vacant position.

BE IT RESOLVED, That Edward Griffen is appointed to serve as a member of the board of directors of Holly Academy commencing the date upon which the oath of public office is filed with the Office of Charter Schools.

Edward Griffen  
3584 South Creek Drive  
Rochester Hills, Michigan 48306  
248-373-6075  
part-time faculty, Central Michigan University  
*(to fill a position ending May 12, 2009)*

## **International Academy of Flint**

### **RECITALS:**

1. At its March 13, 2003, meeting this board reauthorized the issuance of a contract to charter as a public school academy to International Academy of Flint. On August 17, 2004, the contract was executed.
2. This board appointed the initial board of directors of the academy, and has subsequently made changes in the membership of the board of directors of the academy. The current number of members of the board is seven (7).
3. The term of Ira-Hassan Rutherford expired May 12, 2004.
4. The board of the academy has, by majority vote of its members, adopted a resolution nominating Jeffrey Houck for appointment to a term which expires May 12, 2007.
5. The university president or designee has recommended Jeffrey Houck for appointment to the expired term.

BE IT RESOLVED, That Jeffrey Houck is appointed to serve as a member of the board of directors of International Academy of Flint commencing the date upon which the oath of public office is filed with the Office of Charter Schools.

Jeffrey Houck  
11309 Brookshire Drive  
Grand Blanc, Michigan 48439  
810-953-3225  
integrated system design specialist, Guardian Security Services  
*(to fill a position ending May 12, 2007)*

## **PSA Activities - continued**

### **Life Skills Center of Metropolitan Detroit**

#### RECITALS:

1. At its December 9, 2003, meeting this board authorized the issuance of a contract to charter as a public school academy to Life Skills Center of Metropolitan Detroit. On July 1, 2004, the contract was executed.
2. This board appointed the initial board of directors of the academy, and has subsequently made changes in the membership of the board of directors of the academy. The current number of members of the board is five (5).
3. The term of Nancy Brown expires December 4, 2004.
4. The board of the academy has, by majority vote of its members, adopted a resolution nominating Nancy Brown for reappointment to a term which expires December 4, 2008.
5. The university president or designee has recommended Nancy Brown for reappointment to the expiring term.

BE IT RESOLVED, That Nancy Brown is reappointed to serve as a member of the board of directors of Life Skills Center of Metropolitan Detroit commencing the date upon which the oath of public office is filed with the Office of Charter Schools but not prior to December 5, 2004.

Nancy Brown  
29240 Fieldstone  
Farmington Hills, Michigan 48334  
248-442-7018  
president, Educational Visions Alliance, Inc.  
*(to fill a term ending December 4, 2008)*

### **Livingston Technical Academy**

#### RECITALS:

1. At its May 10, 2000, meeting this board reauthorized the issuance of a contract to charter as a public school academy to Livingston Technical Academy. On August 29, 2000, the contract was executed.
2. This board appointed the initial board of directors of the academy, and has subsequently made changes in the membership of the board of directors of the academy. The current number of members of the board is five (5).
3. The term of Blythe Patterson expired August 27, 2004.
4. The board of the academy has, by majority vote of its members, adopted a resolution nominating Blythe Patterson for reappointment to a term which expires August 27, 2008.

## **PSA Activities - continued**

5. The university president or designee has recommended Blythe Patterson for reappointment to the expired term.

BE IT RESOLVED, That Blythe Patterson is reappointed to serve as a member of the board of directors of Livingston Technical Academy commencing the date upon which the oath of public office is filed with the Office of Charter Schools.

Blythe Patterson  
2424 East Coon Lake  
Howell, Michigan 48843  
517-546-8454  
president, Automation Specialities, Inc.  
*(to fill a term ending August 27, 2008)*

## **Sankofa Shule**

### RECITALS:

1. At its July 13, 2000, meeting this board reauthorized the issuance of a contract to charter as a public school academy to Sankofa Shule. On August 1, 2000, the contract was executed.
2. This board appointed the initial board of directors of the academy, and has subsequently made changes in the membership of the board of directors of the academy. The current number of members of the board is seven (7).
3. Murray Edwards resigned July 30, 2004, therefore leaving a vacant position on the board of directors. The term of the vacant position expires August 29, 2006.
4. The board of the academy has, by majority vote of its members, adopted a resolution nominating Gwendolyn Taylor for appointment to a term which expires August 29, 2006.
5. The university president or designee has recommended Gwendolyn Taylor for appointment to the vacant position.

BE IT RESOLVED, That Gwendolyn Taylor is appointed to serve as a member of the board of directors of Sankofa Shule commencing the date upon which the oath of public office is filed with the Office of Charter Schools.

Gwendolyn Taylor  
5149 Wardcliffe Drive  
East Lansing, Michigan 48823  
517-351-0227  
career planning and placement specialist, Ingham Intermediate School District  
*(to fill a position ending August 29, 2006)*

## **PSA Activities - continued**

### **Threshold Academy**

#### RECITALS:

1. At its March 14, 2002, meeting this board reauthorized the issuance of a contract to charter as a public school academy to Threshold Academy. On July 1, 2002, the contract was executed.
2. This board appointed the initial board of directors of the academy, and has subsequently made changes in the membership of the board of directors of the academy. The current number of members of the board is five (5).
3. The term of John Kroneck expires December 5, 2004.
4. The board of the academy has, by majority vote of its members, adopted a resolution nominating John Kroneck for reappointment to a term which expires December 5, 2008.
5. The university president or designee has recommended John Kroneck for reappointment to the expiring term.

BE IT RESOLVED, That John Kroneck is reappointed to serve as a member of the board of directors of Threshold Academy commencing the date upon which the oath of public office is filed with the Office of Charter Schools but not prior to December 6, 2004.

John Kroneck  
311 North Lincoln  
Stanton, Michigan 48888  
989-831-8730  
wellness and prevention coordinator, Life Guidance/Project Rehabilitation  
(to fill a term ending December 5, 2008)

### **Reauthorization of . . .**

#### **Canton Charter Academy**

#### RECITALS:

1. At its March 19, 1999, meeting this board authorized the issuance of a contract to charter as a public school academy to Canton Charter Academy. On August 30, 1999, the contract was executed.
2. The contract of this academy expires June 30, 2005.
3. The office of charter schools has completed its evaluation and assessment of the operation and performance of Canton Charter Academy.

## **PSA Activities - continued**

4. This board may consider the reissuance of a contract to charter following an evaluation and assessment by the office of charter schools that concludes that the operation and performance of the academy warrants the reissuance of a contract.
5. The university president or designee has recommended the reissuance of a contract to charter as a public school academy to Canton Charter Academy. The term of the contract is recommended for a term not to exceed seven (7) years.

BE IT RESOLVED, That this board approves and authorizes the execution of a contract to charter as a public school academy to Canton Charter Academy for a term not to exceed seven (7) years and authorizes the chair of the board to execute a contract to charter as a public school academy and related documents between Canton Charter Academy and the Central Michigan University Board of Trustees, provided that, before execution of the contract, the university president or designee affirms that all terms of the contract have been agreed upon and Canton Charter Academy is able to comply with all terms and conditions of the contract.

## **Plymouth Educational Center Charter School**

### **RECITALS:**

1. At its May 10, 2000, meeting this board reauthorized the issuance of a contract to charter as a public school academy to Plymouth Educational Center Charter School. On September 1, 2000, the contract was executed.
2. The contract of this academy expires June 30, 2005.
3. The office of charter schools has completed its evaluation and assessment of the operation and performance of Plymouth Educational Center Charter School.
4. This board may consider the reissuance of a contract to charter following an evaluation and assessment by the office of charter schools that concludes that the operation and performance of the academy warrants the reissuance of a contract.
5. The university president or designee has recommended the reissuance of a contract to charter as a public school academy to Plymouth Educational Center Charter School. The term of the contract is recommended for a term not to exceed five (5) years.

BE IT RESOLVED, That this board approves and authorizes the execution of a contract to charter as a public school academy to Plymouth Educational Center Charter School for a term not to exceed five (5) years and authorizes the chair of the board to execute a contract to charter as a public school academy and related documents between Plymouth Educational Center Charter School and the Central Michigan University Board of Trustees, provided that, before execution of the contract, the university president or designee affirms that all terms of the contract have been agreed upon and Plymouth Educational Center Charter School is able to comply with all terms and conditions of the contract.

## **PSA Activities - continued**

### **Threshold Academy**

#### **RECITALS:**

1. At its March 14, 2002, meeting this board reauthorized the issuance of a contract to charter as a public school academy to Threshold Academy. On July 1, 2002, the contract was executed.
2. The contract of this academy expires June 30, 2005.
3. The office of charter schools has completed its evaluation and assessment of the operation and performance of Threshold Academy.
4. This board may consider the reissuance of a contract to charter following an evaluation and assessment by the office of charter schools that concludes that the operation and performance of the academy warrants the reissuance of a contract.
5. The university president or designee has recommended the reissuance of a contract to charter as a public school academy to Threshold Academy. The term of the contract is recommended for a term not to exceed five (5) years.

BE IT RESOLVED, That this board approves and authorizes the execution of a contract to charter as a public school academy to Threshold Academy for a term not to exceed five (5) years and authorizes the chair of the board to execute a contract to charter as a public school academy and related documents between Threshold Academy and the Central Michigan University Board of Trustees, provided that, before execution of the contract, the university president or designee affirms that all terms of the contract have been agreed upon and Threshold Academy is able to comply with all terms and conditions of the contract.

### **Authorization of . . .**

#### **Detroit Valor Academy**

#### **RECITALS:**

1. The Michigan legislature has provided for the establishment of public school academies as part of the Michigan public school system by enacting Act No. 362 of the Public Acts of 1993.
2. Act No. 362 of the Public Acts of 1993 has been ruled constitutional by the Michigan Supreme Court.
3. According to this legislation, the Central Michigan University Board of Trustees, as the governing body of a state public university, is an authorizing body empowered to issue contracts to organize and operate public school academies.
4. The Michigan legislature has mandated that public school academy contract be issued on a competitive basis taking into consideration the resources available for the proposed public school academy, the population to be served by the proposed public school academy, and the educational goals to be achieved by the proposed public school academy.

## PSA Activities - continued

5. The Michigan legislature has mandated that public school academies organized under Act No. 362 of the Public Acts of 1993 achieve certain specific educational purposes.
6. The Central Michigan University Board of Trustees has requested applications for organizing public school academies and has reviewed the applications according to the provisions set forth by the Michigan legislature.
7. The university president or designee has recommended the issuance of a contract to charter as a public school academy to Detroit Valor Academy. The term of the contract is recommended for a term not to exceed five (5) years.
8. Michigan law requires that this board establish by resolution the method of selection, length of term and number of members of the board of directors of Detroit Valor Academy.

BE IT RESOLVED, That the Central Michigan University Board of Trustees declares that:

- a. Detroit Valor Academy's application has been submitted under Act 362 of the Public Acts of 1993, being part 6A of the Revised School Code, being sections 380.501 to 380.507 of the Michigan Compiled Laws.
- b. The university board approves and authorizes the execution of a contract to charter a public school academy to Detroit Valor Academy and authorizes the chair of the board of trustees to execute a contract to charter as a public school academy and related documents between Detroit Valor Academy and the Central Michigan University Board of Trustees, provided that, before execution of the contract, the university president or designees affirms that all terms of the contract have been agreed upon and Detroit Valor Academy is able to comply with all terms and conditions of the contract.

BE IT FURTHER RESOLVED, That the university board establishes the method of selection, length of term and number of members of the board of directors of Detroit Valor Academy as follows:

*Method of Selection and Appointment.* The Central Michigan University Board of Trustees ("Board") shall prescribe the methods of appointment for members of an academy's board of directors. The directors of the charter schools office is authorized to develop and administer an academy board selection and appointment process that includes an *Application for Public School Academy Board Appointment* and is in accord with these policies:

- a. The Board shall appoint the initial and subsequent academy board of directors by resolution. The director of the charter schools office shall recommend nominees to the Board based upon a review of the *Application for Public School Academy Board Appointment*.
- b. The academy board of directors, by resolution and majority vote, shall nominate its subsequent members, except as provided otherwise. The academy board of directors shall recommend to the Board at least one nominee for each vacancy. Nominees shall submit the *Application for Public School Academy Board Appointment* for review by the charter schools office. The Board shall appoint the subsequent members of the academy board of directors, by resolution, except as prescribed by subparagraph d. of this provision.
- c. An individual appointed to fill a vacancy created other than by the expiration of a term shall be appointed for the unexpired term of that vacant position.

## PSA Activities - continued

- d. Under exigent conditions, and with the approval of the Board's chair, the director of the charter schools office may appoint a qualified individual to an Academy's board of directors. All appointments made under this provision must be present for approval to the Board for final determination at its next regularly scheduled meeting. The Board reserves the right to review, rescind, modify, ratify or approve any appointments made under this provision.

*Length of Term.* The term of each position of the academy board of directors shall be for a period of four (4) years, except the terms of the initial positions of the academy board of directors which shall be staggered in accordance with the *Academy Board of Directors Table of Staggered Terms and Appointments* established and administered by the director of the charter schools office. All appointments shall be for a period of four (4) years, except appointments made to fill the positions of the initial academy board of directors and an appointment made to complete the unexpired term of a vacant position.

*Number of Directors.* The number of members of the academy board of directors shall not be less than five (5) nor more than nine (9). If the academy board of directors fails to maintain its full membership by making appropriate and timely nominations, the Board or its designee may deem that failure an exigent condition.

*Prerequisite Qualifications of Members.* Before individuals become members of an academy's board of directors, the nominee must: (a) be recommended by a resolution and majority vote of the academy board, except as prescribed in subparagraph d. of method of selection and appointment; (b) submit an *Application for Public School Academy Board Appointment* which must include authorization to process a criminal background check; (c) be recommended for appointment by the charter schools office; (d) be appointed by the Board or its designee; (e) take the oath of office; (f) sign and file the Oath of Public Office with the charter schools office.

The members of an academy board of directors shall not include: (a) employees of the academy; (b) any director, officer, or employee of a service provider or management company that contract with the academy; (c) a Central Michigan University official or employee, as a representative of Central Michigan University.

*Oath of Public Office.* All members of the academy board of directors must take the constitutional oath of office and sign the *Oath of Public Office*. No appointment shall be effective prior to filing the Oath of Public Office with the charter schools office.

*Initial Members of the Board of Directors.* The initial board of directors for Detroit Valor Academy shall consist of five members.

Angela Arrington  
4434 John C. Lodge  
Detroit, Michigan 48201  
313-833-2047  
credit specialist III, Comerica Bank  
(to fill a position ending December 2, 2005)

## **PSA Activities - continued**

David Badger, Sr.  
29450 Meadowlane  
Southfield, Michigan 48076  
248-827-7588  
teacher/consultant, Detroit Public Schools  
*(to fill a position ending December 2, 2006)*

Anthony Smith  
19455 Lumpkin  
Detroit, Michigan 48234  
313-393-5990  
development supervisor, City of Detroit  
*(to fill a position ending December 2, 2007)*

## **Dr. Charles Drew Academy**

### **RECITALS:**

1. The Michigan legislature has provided for the establishment of public school academies as part of the Michigan public school system by enacting Act No. 362 of the Public Acts of 1993.
2. Act No. 362 of the Public Acts of 1993 has been ruled constitutional by the Michigan Supreme Court.
3. According to this legislation, the Central Michigan University Board of Trustees, as the governing body of a state public university, is an authorizing body empowered to issue contracts to organize and operate public school academies.
4. The Michigan legislature has mandated that public school academy contract be issued on a competitive basis taking into consideration the resources available for the proposed public school academy, the population to be served by the proposed public school academy, and the educational goals to be achieved by the proposed public school academy.
5. The Michigan legislature has mandated that public school academies organized under Act No. 362 of the Public Acts of 1993 achieve certain specific educational purposes.
6. The Central Michigan University Board of Trustees has requested applications for organizing public school academies and has reviewed the applications according to the provisions set forth by the Michigan legislature.
7. The university president or designee has recommended the issuance of a contract to charter as a public school academy to Dr. Charles Drew Academy. The term of the contract is recommended for a term not to exceed five (5) years.
8. Michigan law requires that this board establish by resolution the method of selection, length of term and number of members of the board of directors of Dr. Charles Drew Academy.

## PSA Activities - continued

BE IT RESOLVED, That the Central Michigan University Board of Trustees declares that:

- a. Dr. Charles Drew Academy's application has been submitted under Act 362 of the Public Acts of 1993, being part 6A of the Revised School Code, being sections 380.501 to 380.507 of the Michigan Compiled Laws.
- b. The university board approves and authorizes the execution of a contract to charter a public school academy to Dr. Charles Drew Academy and authorizes the chair of the board of trustees to execute a contract to charter as a public school academy and related documents between Dr. Charles Drew Academy and the Central Michigan University Board of Trustees, provided that, before execution of the contract, the university president or designees affirms that all terms of the contract have been agreed upon and Dr. Charles Drew Academy is able to comply with all terms and conditions of the contract.

BE IT FURTHER RESOLVED, That the university board establishes the method of selection, length of term and number of members of the board of directors of Dr. Charles Drew Academy as follows:

*Method of Selection and Appointment.* The Central Michigan University Board of Trustees ("Board") shall prescribe the methods of appointment for members of an academy's board of directors. The directors of the charter schools office is authorized to develop and administer an academy board selection and appointment process that includes an *Application for Public School Academy Board Appointment* and is in accord with these policies:

- a. The Board shall appoint the initial and subsequent academy board of directors by resolution. The director of the charter schools office shall recommend nominees to the Board based upon a review of the *Application for Public School Academy Board Appointment*.
- b. The academy board of directors, by resolution and majority vote, shall nominate its subsequent members, except as provided otherwise. The academy board of directors shall recommend to the Board at least one nominee for each vacancy. Nominees shall submit the *Application for Public School Academy Board Appointment* for review by the charter schools office. The Board shall appoint the subsequent members of the academy board of directors, by resolution, except as prescribed by subparagraph d. of this provision.
- c. An individual appointed to fill a vacancy created other than by the expiration of a term shall be appointed for the unexpired term of that vacant position.
- d. Under exigent conditions, and with the approval of the Board's chair, the director of the charter schools office may appoint a qualified individual to an Academy's board of directors. All appointments made under this provision must be present for approval to the Board for final determination at its next regularly scheduled meeting. The Board reserves the right to review, rescind, modify, ratify or approve any appointments made under this provision.

*Length of Term.* The term of each position of the academy board of directors shall be for a period of four (4) years, except the terms of the initial positions of the academy board of directors which shall be staggered in accordance with the *Academy Board of Directors Table of Staggered Terms and Appointments* established and administered by the director of the charter schools office. All appointments shall be for a period of four (4) years, except appointments made to fill the positions of the initial academy board of directors and an appointment made to complete the unexpired term of a vacant position.

## PSA Activities - continued

*Number of Directors.* The number of members of the academy board of directors shall not be less than five (5) nor more than nine (9). If the academy board of directors fails to maintain its full membership by making appropriate and timely nominations, the Board or its designee may deem that failure an exigent condition.

*Prerequisite Qualifications of Members.* Before individuals become members of an academy's board of directors, the nominee must: (a) be recommended by a resolution and majority vote of the academy board, except as prescribed in subparagraph d. of method of selection and appointment; (b) submit an *Application for Public School Academy Board Appointment* which must include authorization to process a criminal background check; (c) be recommended for appointment by the charter schools office; (d) be appointed by the Board or its designee; (e) take the oath of office; (f) sign and file the Oath of Public Office with the charter schools office.

The members of an academy board of directors shall not include: (a) employees of the academy; (b) any director, officer, or employee of a service provider or management company that contract with the academy; (c) a Central Michigan University official or employee, as a representative of Central Michigan University.

*Oath of Public Office.* All members of the academy board of directors must take the constitutional oath of office and sign the *Oath of Public Office*. No appointment shall be effective prior to filing the Oath of Public Office with the charter schools office.

*Initial Members of the Board of Directors.* The initial board of directors for Dr. Charles Drew Academy shall consist of five (5) members.

Earleen McDaniel  
3982 19<sup>th</sup> Street  
Ecorse, Michigan 48229  
313-928-4607  
homemaker  
(to fill a position ending December 2, 2005)

John Pendelton  
15011 Harrison  
Allen Park, Michigan 48101  
313-381-2424  
owner, Creative Tile Company  
(to fill a position ending December 2, 2006)

Robert Post  
2695 Shadow Lake Drive  
Lake Orion, Michigan 48360  
248-393-3453  
staff engineer, Thyssen Kemp  
(to fill a position ending December 2, 2007)

**PSA Activities - continued**

Kathleen Shooshanian  
3226 Merrick  
Dearborn, Michigan 48124  
313-274-7669  
homemaker  
(to fill a position ending December 2, 2008)

Michelle Warmoltz  
8955 Pine Trail Court  
Plymouth, Michigan 48239  
734-451-5444  
office manager, Bruce Campbell Dodge  
(to fill a position ending December 2, 2008)

**REVISION OF RESTRICTIVE COVENANTS FOR UNIVERSITY PARK/CENTER FOR APPLIED RESEARCH AND TECHNOLOGY: (Finance and Personnel Committee)**

It was moved by Mr. Kessler, seconded by Ms. Torreano, and carried, that the following resolution be adopted.

**RECITALS:**

1. The Board of Trustees determined in 1982 that, to further the public purposes of the university, it is in the public interest to establish a research development campus area called University Park. Consistent with that determination, the Board recorded with the Register of Deeds the Declarations of Covenants and Restrictions for Phases I and II of University Park.
2. In 2001 the Board of Trustees changed the name of University Park to The Center for Applied Research and Technology.
3. The Board wishes to reaffirm its intention to develop The Center for Applied Research and Technology for the purposes stated in the Declarations adopted by this resolution.
4. The Board of Trustees continues to recognize that a result of the Center for Applied Research and Technology will be to provide opportunities for the creation of higher paying jobs through the attraction of applied research and technology based companies, to generate new tax base for the city of Mt. Pleasant, and to generate and establish economic diversity within the central Michigan region.

BE IT RESOLVED, That the Declarations of Covenants and Restrictions for The Center for Applied Research and Technology at Central Michigan University – Phases I and II – are adopted to replace entirely the Declarations currently registered with the Isabella County, Michigan, Register of Deeds. Within the Covenants and Restrictions for Phase I the president is authorized to make further changes in the permitted uses in order to assure tenants of the CART that their current uses will not be curtailed. The president is authorized to agree to further changes in the Covenants for Phase II in order to obtain the concurrence of other property owners within Phase II. The president or designee is directed to record these documents with the Isabella County Register of Deeds.

... Restrictive Covenants ...

**DECLARATION OF COVENANTS AND RESTRICTIONS  
THE CENTER FOR APPLIED RESEARCH AND TECHNOLOGY AT  
CENTRAL MICHIGAN UNIVERSITY - PHASE I**

WHEREAS, The Board of Trustees of Central Michigan University, hereinafter referred to as the "Grantor" or "University," recorded Declaration of Covenants and Restrictions ("Declaration") for an area known as University Park at Liber 562 Page 217 on June 3, 1985, with the Isabella County, Michigan, Register of Deeds; and

WHEREAS, The University desires to make changes in the Declaration, including the name of the area and the boundaries of the area governed by the Declaration, this Declaration of Covenants and Restrictions for The Center for Applied Research and Technology at Central Michigan University - Phase I is intended to replace entirely the original Declaration; and

WHEREAS, The University is the fee owner of property set forth on Schedule I which will hereinafter be known as The Center for Applied Research and Technology at Central Michigan University - Phase I (herein referred to as "The CART"); and

WHEREAS, It is the intention of the Grantor to

1. Develop The CART as an applied and high technology park containing firms engaged in activities that possess a link to facilities, faculty, staff, students and resources of the University through the creation and attraction of businesses benefitting the primary educational mission of the University, and more specifically:
  - To provide internship opportunities and "hands-on" experiences for students;
  - To provide opportunities for faculty and staff to interface with professionals and business people working in their fields;
  - To provide opportunities for consulting and entrepreneurship for faculty and staff;
  - To provide additional facilities for carrying on research by faculty, students and staff;
2. Ensure harmonious structural and architectural design and suitable landscaping, and
3. Adopt a general plan of improvement for the benefit of The CART and the future owners, conforming to and consistent with the Design Guidelines as prepared by Johnson, Johnson and Roy, Inc. (August, 1982) as the same may from time to time be modified or amended by the Grantor.

NOW THEREFORE, It is hereby declared that this Declaration of Covenants and Restrictions for The Center for Applied Research and Technology at Central Michigan University - Phase I replaces entirely the Declaration of Covenants and Restrictions for University Park.

NOW THEREFORE, It is hereby declared (subject to the provisions of Article E hereof) that the land described on Schedule I (The CART) is held, conveyed, encumbered, leased, rented, used, occupied, and improved subject to the following conditions, restrictions and covenants in furtherance of a plan for the division, improvement and sale of The CART, which are established for the purpose of enhancing the value, desirability and attractiveness of The CART. The conditions, restrictions and covenants herein contained are hereby expressly made an essential part of this instrument and shall be and remain in full force and effect with

... **Restrictive Covenants** ...

respect to The CART and the parties herein designated, their successors, heirs and assigns until the expiration thereof as hereinafter stated.

All of the conditions, covenants and restrictions shall run with the land and shall be binding on all parties having or acquiring any right, title or interest in The CART, or any part hereof. They shall be for the benefit of each Owner of any portion of The CART or any interest therein and shall inure to the benefit of and be binding upon each successor in interest of the Owners thereof.

**A. DEFINITIONS**

1. **Building Site or Site** shall mean a tract of real property within The CART, as determined by the legal description in a conveyance or lease from Grantor to an Owner or Occupant who is not the Grantor. A Building Site may also be established by Grantor by an instrument in writing executed, acknowledged and recorded with the Isabella County Register of Deeds by Grantor, which instrument designates a tract of real property as a Building Site for purposes of these protective covenants. If fee simple title to two (2) or more Building Sites, as defined hereinabove, are acquired by the same Owner, such commonly owned Building Sites may, at the option of said Owner, be combined and treated as a single Building Site for purposes of the Covenants and Restrictions.
2. **Improvements** shall mean and include, but not be limited to, buildings, out buildings, roads, driveways, parking areas, fences, screening walls, loading areas, signs, utilities, lawns, landscaping and walkways, located on a Building Site, together with any construction, work or treatment done or applied to a Building Site in connection therewith.
3. **Building** shall mean and include, but not be limited to, both the main portion of a structure built for permanent use and all projections or extensions thereof including but not limited to garages, outside platforms and docks, carports, canopies, enclosed malls and porches.
4. **Owner** shall mean an entity, whether it be an individual, corporation, limited liability company, joint venture, partnership or association, which is a record Owner of an interest in a Building Site.
5. **Occupant** shall mean an entity, whether it be an individual, corporation, limited liability company, joint venture, partnership, or association, which has purchased, leased, rented, or has otherwise legally acquired the right to occupy and use any Building or Building Site.
6. **Covenants and Restrictions** shall mean these Covenants and Restrictions, together with all of the conditions and provisions contained herein as they now appear and as they may hereafter be amended.
7. **Common Areas** shall mean and include those tracts of real property designated by Grantor as Common Areas and intended to be devoted to the common use and enjoyment of the Owners and Occupants of The CART and the public.

... **Restrictive Covenants** ...

**B. RESTRICTIONS**

1. **Prior Approval of Plans**

No Building, exterior signs, structures or parking areas shall be erected, placed or altered on any Building Site until the Building plans and specifications, a site plan showing the location of such Buildings, signs, structures and parking areas and a landscaping plan of the Site have been approved in writing by the Grantor so as to insure compliance with the requirements of these Covenants and Restrictions.

2. **Permitted Uses**

A wide variety of uses is permitted within The CART so long as each use addresses the educational mission of the University and is environmentally compatible with the University setting. Specific uses that are permitted include the following:

- a. Laboratories and related facilities intended for basic and applied research, development of technology-based products and services, or testing of technology-based products and services.
- b. Corporate, regional and divisional headquarters of technology-based or research-driven companies and organizations.
- c. Technology-dependent or computer-based facilities dedicated to the processing of data or analysis of information, provided that these information services are supported by on-site research or product development.
- d. Offices and related facilities of not-for-profit research or educational institutes, as well as professional, training, research, scientific or engineering associations.
- e. Facilities for health care and related products and services.
- f. Commercial, hotel, conference center, office and service uses which are intended to support and complement principal uses.
- g. Incidental operations required to maintain or support other uses permitted.
- h. Subject to written permission of the University, facilities intended for manufacture, production or assembly of products of a technological nature, provided that this production is supported by on-site research or product-development activities.
- I. Transmission and distribution lines, pipelines and structures of utility companies.
- j. Any other facilities reasonably related to the intended mission of The CART, provided these uses are approved by the Grantor.
- k. Recreational Uses of Common Areas by owners, occupants, and, where designated, members of the public.

**... Restrictive Covenants ...**

1. With University approval of crops to be grown, agricultural uses, only as interim uses prior to development of land for the uses permitted herein.

All permitted uses except I, k, and l shall be carried on within fully-enclosed buildings and no outside activities shall be permitted, except parking, loading and unloading of motor vehicles, without the prior written approval of the Grantor.

3. **Building Materials**

To maintain a quality standard of construction and appearance and to provide interesting and tasteful exteriors, the same finish building material shall be applied to all sides of a Building which are visible to the general public, as well as from neighboring Building Sites and Common Areas, except where indicated by plans that a single rear or side wall is identified as an "expansion" wall. Colors shall be harmonious and compatible with colors of the natural surroundings and other adjacent Buildings. The Grantor shall have the sole right to approve or disapprove materials and colors. All roofs shall be of a flat type or other design approved by the Grantor. All vertical roof projections over four (4) feet in height, such as towers, vents, stacks, or roof-mounted equipment are to be collectively enclosed in "penthouse" structures of a material similar to or compatible with the facade of the Building or screened with material approved by the Grantor.

4. **Landscaping**

All parts of each Site not developed with Buildings, drives, parking and loading areas, and other similar Improvements shall either be maintained in a natural state, as approved by the Grantor, or shall be landscaped with grass or other ground cover, shrubbery, trees, bushes, vines or other plantings. All plantings shall be alive and shall be properly and regularly maintained. Dead or dying material shall be replaced. The front and side lawn areas shall be irrigated.

5. **Parking Areas and Walks**

All parking lots, driveways and walks shall be surfaced with asphalt, concrete, brick or a like material. The size of parking spaces may not be less than nine (9) feet wide and eighteen (18) feet long unless otherwise approved by the Grantor. Parking spaces and lots shall comply with applicable law regarding parking for persons with disabilities. No parking shall be permitted on any street or drive or any place other than the paved parking spaces unless approved in writing by Grantor. Unloading spaces, visible from public roads, shall be screened as well as practicable from view by the use of earth berms or landscaping materials. Loading areas shall not encroach into setback areas or be visible from any street and shall be setback and screened to minimize the effect of their appearance from neighboring Building Sites. In addition, parking lots shall be landscaped so as to reduce glare and heat, and if possible divided into smaller units.

6. **Utility Connections**

All electrical and telephone connections and installations of wires and fiber to Buildings shall be made underground. No transformer or other apparatus shall be located on any utility pole or hung on the outside of any Building, except where the same shall be placed on or below the surface of the land, and

**... Restrictive Covenants ...**

where placed on the surface shall be adequately screened. Any electric, gas or other meter of any type shall be properly screened.

7. **Waste Material**

No waste material or refuse containers shall be permitted outside of any Building unless approved in writing by the Grantor. Waste containers must be shielded as well as practicable from public view.

8. **Signs**

No freestanding billboards, signs or other devices of any advertising character shall be erected, posted, painted, displayed or permitted, except as follows:

- a. Street markers, traffic signs or other regulator and directional signs;
- b. Signs identifying Buildings, the occupants thereof, parking lots, walkways and entrances.

All such signs must be standardized to conform to the Design Guidelines.

9. **Maintenance**

Each Owner and Occupant located in The CART shall be responsible for keeping its Building Site (whether or not improved), Buildings and other Improvements in a safe, clean, neat and orderly condition and shall prevent rubbish from accumulating on its Building Site or surrounding Common Areas.

10. **Subdividing**

No Building Site shall be subdivided until a plan for such proposed subdivision shall have been submitted to and approved of in writing by the Grantor.

**C. PERFORMANCE GUIDELINES**

No noxious or offensive trades, services or activities shall be conducted on any Site , nor shall anything be done thereon which may be or become a nuisance, or otherwise injure the Owners or Occupants of other Building Sites within The CART by reason of unsightliness or excessive emissions of fumes, odor, glare, vibrations, gases, radiation, radio frequency energy, dust, liquids, liquid wastes, solid matter of any sort, smoke or noise. The Owners or Occupants shall also comply with all federal, state or other applicable governmental regulations governing its activities within The CART, including any and all laws regulating the environment.

**... Restrictive Covenants ...**

**D. SPACE ALLOCATION GUIDELINES**

No Building or any portion thereof shall be built without complying with the following restrictions:

- a. Ground Area Coverage: No Building may cover more than 35% of the Site.
- b. Yard Setbacks: Buildings must be set back at least 75 feet from front property line, 50 feet from side property lines, and 75 feet from rear property line.
- c. Height Limitations: No Building may be more than four (4) stories in height.
- d. Off-Street Parking: Site must provide at least one (1) space for every 1.2 employees who may be at work at any given time, except that the required parking spaces for a motel, restaurant, or other Occupants with regular visiting clients, will be set by the Grantor.

**E. APPROVAL, VARIANCES AND WAIVERS**

1. Prior to the construction of any Improvement on a Building Site within The CART, the Grantor shall be provided with such data as it may require in order for it to review the proposed Improvements in order to determine that all Improvements will be in compliance with these Covenants and Restrictions. All plans and specifications submitted under this provision shall be retained by the Grantor.
2. After review of the proposed plans, the Grantor shall have the exclusive right to grant approval required by these Covenants and Restrictions and to waive or vary the same in particular respects whenever, in its opinion and sole discretion, such waiver or variance will not be detrimental to the use of The CART by other Owners or Occupants of The CART.
3. In the event that the Grantor fails to approve or disapprove plans and specifications submitted to it as required by these Covenants and Restrictions within thirty (30) days after submission, such plans and specifications shall be deemed approved, except that no expressed restrictions set forth in these Covenants and Restrictions shall be deemed to have been waived by such approval.
4. All persons may rely upon any writing signed by the Grantor purporting to grant an approval or to waive or vary restrictions in particular respects.

**F. ENFORCEMENT**

The Grantor or Owner of any of the land within The CART shall have the right to sue for and obtain an injunction, prohibitive or mandatory, to prevent the breach of or to enforce the observance of the Covenants and Restrictions set forth above, and the failure of the Grantor or the Owner of any Building Site hereby restricted to enforce the Covenants and Restrictions herein set forth at the time of its violation shall in no event be a waiver of the right to do so as to any subsequent violation. The Grantor or Owner of any land may also sue for any damages suffered by the breach of the Covenants and Restrictions set forth above.

**... Restrictive Covenants ...**

Notwithstanding any other provision in the Covenants and Restrictions or any rights specifically created or created by implication, or otherwise, the Owner or Occupant of a portion of the lands described on attached Schedule I shall have no right to enforce any of the provisions of the Covenants and Restrictions recorded in Liber 619, Page 35 of the records of the Isabella County Register of Deeds, including any amendments or replacements.

**G. AMENDMENT**

These Covenants and Restrictions may be amended at any time if such amendment is approved by 100% of the Owners of all Building Sites within The CART, and if the Grantor approves such amendments. In addition, these Covenants and Restrictions may be amended at any time after 25 years from the date of these Covenants and Restrictions, if said amendment has been approved by Owners representing 50% of the lands within The CART and if the Grantor has approved said amendments.

The Grantor may amend and modify the Design Guidelines at any time and from time to time.

**H. INVALIDATION**

Invalidation of any one of these Covenants and Restrictions or any part thereof by judgment or court order shall not affect any other provision of the Covenants and Restrictions set forth herein.

**DECLARATION OF COVENANTS AND RESTRICTIONS  
THE CENTER FOR APPLIED RESEARCH AND TECHNOLOGY AT  
CENTRAL MICHIGAN UNIVERSITY- PHASE II**

WHEREAS, The Board of Trustees of Central Michigan University, hereinafter referred to as the "Grantor" or "University," recorded Declaration of Covenants and Restrictions ("Declaration") for an area known as University Park at Liber 619 Pages 35 through 44 on September 8, 1987, with the Isabella County, Michigan, Register of Deeds; and

WHEREAS, An Amendment to Declaration of Covenants and Restrictions was later recorded with the Isabella County Register of Deeds on September 14, 1990 at Liber 700, Page 245; and

WHEREAS, A Second Amendment to Declaration of Covenants and Restrictions was later recorded with the Isabella County Register of Deeds on February 23, 1996 at Liber 849, Page 61; and

WHEREAS, The University desires to make changes in the Declaration, as amended, including the name of the area and the boundaries of the area governed by the Declaration, this Declaration of Covenants and Restrictions for The Center for Applied Research and Technology at Central Michigan University - Phase II is intended to replace entirely the original Declaration and its amendments; and

**... Restrictive Covenants ...**

WHEREAS, The University is the fee owner of property set forth on Schedule I which will hereinafter be known as The Center for Applied Research and Technology at Central Michigan University - Phase II (herein referred to as "The CART"); and

WHEREAS, it is the intention of the Grantor to

1. Develop The CART as an applied and high technology park containing firms engaged in activities that possess a link to facilities, faculty, staff, students and resources of the University through the creation and attraction of businesses benefitting the primary educational mission of the University, and more specifically:
  - To provide internship opportunities and "hands-on" experiences for students;
  - To provide opportunities for faculty and staff to interface with professionals and business people working in their fields;
  - To provide opportunities for consulting and entrepreneurship for faculty and staff;
  - To provide additional facilities for carrying on research by faculty, students and staff;
2. Ensure harmonious structural and architectural design and suitable landscaping, and
3. Adopt a general plan of improvement for the benefit of The CART and the future owners, conforming to and consistent with the Design Guidelines as prepared by Johnson, Johnson and Roy, Inc. (August, 1982) as the same may from time to time be modified or amended by the Grantor.

NOW THEREFORE, It is hereby declared that this Declaration of Covenants and Restrictions for The Center for Applied Research and Technology at Central Michigan University - Phase II replaces entirely the Declaration of Covenants and Restrictions for University Park - Phase II and its amendments.

NOW THEREFORE, It is hereby declared (subject to the provisions of Article E hereof) that the land described on Schedule I (The CART) is held, conveyed, encumbered, leased, rented, used, occupied, and improved subject to the following conditions, restrictions and covenants in furtherance of a plan for the division, improvement and sale of The CART, which are established for the purpose of enhancing the value, desirability and attractiveness of The CART. The conditions, restrictions and covenants herein contained are hereby expressly made an essential part of this instrument and shall be and remain in full force and effect with respect to The CART and the parties herein designated, their successors, heirs and assigns until the expiration thereof as hereinafter stated.

All of the conditions, covenants and restrictions shall run with the land and shall be binding on all parties having or acquiring any right, title or interest in The CART, or any part hereof. They shall be for the benefit of each Owner of any portion of The CART or any interest therein and shall inure to the benefit of and be binding upon each successor in interest of the Owners thereof.

**A. DEFINITIONS**

1. **Building Site or Site** shall mean a tract of real property within The CART, as determined by the legal description in a conveyance or lease from Grantor to an Owner or Occupant who is not the Grantor. A Building Site may also be established by Grantor by an instrument in writing executed,

... **Restrictive Covenants** ...

acknowledged and recorded with the Isabella County Register of Deeds by Grantor, which instrument designates a tract of real property as a Building Site for purposes of these protective covenants. If fee simple title to two (2) or more Building Sites, as defined hereinabove, are acquired by the same Owner, such commonly owned Building Sites may, at the option of said Owner, be combined and treated as a single Building Site for purposes of the Covenants and Restrictions.

2. **Improvements** shall mean and include, but not be limited to, buildings, out buildings, roads, driveways, parking areas, fences, screening walls, loading areas, signs, utilities, lawns, landscaping and walkways, located on a Building Site, together with any construction, work or treatment done or applied to a Building Site in connection therewith.
3. **Building** shall mean and include, but not be limited to, both the main portion of a structure built for permanent use and all projections or extensions thereof including but not limited to garages, outside platforms and docks, carports, canopies, enclosed malls and porches.
4. **Owner** shall mean an entity, whether it be an individual, corporation, limited liability company, joint venture, partnership or association, which is a record Owner of an interest in a Building Site.
5. **Occupant** shall mean an entity, whether it be an individual, corporation, limited liability company, joint venture, partnership, or association, which has purchased, leased, rented, or has otherwise legally acquired the right to occupy and use any Building or Building Site.
6. **Covenants and Restrictions** shall mean these Covenants and Restrictions, together with all of the conditions and provisions contained herein as they now appear and as they may hereafter be amended.
7. **Common Areas** shall mean and include those tracts of real property designated by Grantor as Common Areas and intended to be devoted to the common use and enjoyment of the Owners and Occupants of The CART and the public.

**B. RESTRICTIONS**

1. **Prior Approval of Plans**

No Building, exterior signs, structures or parking areas shall be erected, placed or altered on any Building Site until the Building plans and specifications, a site plan showing the location of such Buildings, signs, structures and parking areas and a landscaping plan of the Site have been approved in writing by the Grantor so as to insure compliance with the requirements of these Covenants and Restrictions.

2. **Permitted Uses**

A wide variety of uses is permitted within The CART so long as each use addresses the educational mission of the University and is environmentally compatible with the University setting. Specific uses that are permitted include the following:

**... Restrictive Covenants ...**

- a. Laboratories and related facilities intended for basic and applied research, development of technology-based products and services, or testing of technology-based products and services.
- b. Corporate, regional and divisional headquarters of technology-based or research-driven companies and organizations.
- c. Technology-dependent or computer-based facilities dedicated to the processing of data or analysis of information, provided that these information services are supported by on-site research or product development.
- d. Offices and related facilities of not-for-profit research or educational institutes, as well as professional, training, research, scientific or engineering associations.
- e. Facilities for health-care and related products and services.
- f. Commercial, hotel, conference center, office and service uses which are intended to support and complement principal uses.
- g. Incidental operations required to maintain or support other uses permitted.
- h. Subject to written permission of the University, facilities intended for manufacture, production or assembly of products of a technological nature, provided that this production is supported by on-site research or product- development activities.
- I. Transmission and distribution lines, pipelines and structures of utility companies.
- j. Any other facilities reasonably related to the intended mission of The CART, provided these uses are approved by the Grantor.
- k. Recreational Uses of Common Areas by owners, occupants, and, where designated, members of the public.
- l. With University approval of crops to be grown, agricultural uses, only as interim uses prior to development of land for the uses permitted herein.

All permitted uses except I, k and l shall be carried on within fully-enclosed buildings and no outside activities shall be permitted, except parking, loading and unloading of motor vehicles, without the prior written approval of the Grantor.

**3. Building Materials**

To maintain a quality standard of construction and appearance and to provide interesting and tasteful exteriors, the same finish building material shall be applied to all sides of a Building which are visible to the general public, as well as from neighboring Building Sites and Common Areas, except where indicated by plans that a single rear or side wall is identified as an "expansion" wall. Colors shall be harmonious and compatible with colors of the natural surroundings and other adjacent Buildings. The Grantor shall have the sole right to approve or disapprove materials and colors. All roofs shall be of

... **Restrictive Covenants** ...

a flat type or other design approved by the Grantor. All vertical roof projections over four (4) feet in height, such as towers, vents, stacks, or roof-mounted equipment are to be collectively enclosed in "penthouse" structures of a material similar to or compatible with the facade of the Building or screened with material approved by the Grantor.

4. **Landscaping**

All parts of each Site not developed with Buildings, drives, parking and loading areas, and other similar Improvements shall either be maintained in a natural state, as approved by the Grantor, or shall be landscaped with grass or other ground cover, shrubbery, trees, bushes, vines or other plantings. All plantings shall be alive and shall be properly and regularly maintained. Dead or dying material shall be replaced. The front and side lawn areas shall be irrigated.

5. **Parking Areas and Walks**

All parking lots, driveways and walks shall be surfaced with asphalt, concrete, brick or a like material. The size of parking spaces may not be less than nine (9) feet wide and eighteen (18) feet long unless otherwise approved by the Grantor. Parking spaces and lots shall comply with applicable law regarding parking for persons with disabilities. No parking shall be permitted on any street or drive or any place other than the paved parking spaces unless approved in writing by Grantor. Unloading spaces, visible from public roads, shall be screened as well as practicable from view by the use of earth berms or landscaping materials. Loading areas shall not encroach into setback areas or be visible from any street and shall be setback and screened to minimize the effect of their appearance from neighboring Building Sites. In addition, parking lots shall be landscaped so as to reduce glare and heat, and if possible divided into smaller units.

6. **Utility Connections**

All electrical and telephone connections and installations of wires and fiber to Buildings shall be made underground. No transformer or other apparatus shall be located on any utility pole or hung on the outside of any Building, except where the same shall be placed on or below the surface of the land, and where placed on the surface shall be adequately screened. Any electric, gas or other meter of any type shall be properly screened.

7. **Waste Material**

No waste material or refuse containers shall be permitted outside of any Building unless approved in writing by the Grantor. Waste containers must be shielded as well as practicable from public view.

8. **Signs**

No freestanding billboards, signs or other devices of any advertising character shall be erected, posted, painted, displayed or permitted, except as follows:

- a. Street markers, traffic signs or other regulator and directional signs;
- b. Signs identifying Buildings, the occupants thereof, parking lots, walkways and entrances.

**... Restrictive Covenants ...**

All such signs must be standardized to conform to the Design Guidelines.

**9. Maintenance**

Each Owner and Occupant located in The CART shall be responsible for keeping its Building Site (whether or not improved), Buildings and other Improvements in a safe, clean, neat and orderly condition and shall prevent rubbish from accumulating on its Building Site or surrounding Common Areas.

**10. Subdividing**

No Building Site shall be subdivided until a plan for such proposed subdivision shall have been submitted to and approved of in writing by the Grantor.

**C. PERFORMANCE GUIDELINES**

No noxious or offensive trades, services or activities shall be conducted on any Site , nor shall anything be done thereon which may be or become a nuisance, or otherwise injure the Owners or Occupants of other Building Sites within The CART by reason of unsightliness or excessive emissions of fumes, odor, glare, vibrations, gases, radiation, radio frequency energy, dust, liquids, liquid wastes, solid matter of any sort, smoke or noise. The Owners or Occupants shall also comply with all federal, state or other applicable governmental regulations governing its activities within The CART, including any and all laws regulating the environment.

**D. SPACE ALLOCATION GUIDELINES**

No Building or any portion thereof shall be built without complying with the following restrictions:

- a. Ground Area Coverage: No Building may cover more than 35% of the Site.
- b. Yard Setbacks: Buildings must be set back at least 75 feet from front property line, 50 feet from side property lines, and 75 feet from rear property line.
- c. Height Limitations: No Building may be more than four (4) stories in height.
- d. Off-Street Parking: Site must provide at least one (1) space for every 1.2 employees who may be at work at any given time, except that the required parking spaces for a motel, restaurant, or other Occupants with regular visiting clients, will be set by the Grantor.

... **Restrictive Covenants** ...

**E. APPROVAL, VARIANCES AND WAIVERS**

1. Prior to the construction of any Improvement on a Building Site within The CART, the Grantor shall be provided with such data as it may require in order for it to review the proposed Improvements in order to determine that all Improvements will be in compliance with these Covenants and Restrictions. All plans and specifications submitted under this provision shall be retained by the Grantor.
2. After review of the proposed plans, the Grantor shall have the exclusive right to grant approval required by these Covenants and Restrictions and to waive or vary the same in particular respects whenever, in its opinion and sole discretion, such waiver or variance will not be detrimental to the use of The CART by other Owners or Occupants of The CART.
3. In the event that the Grantor fails to approve or disapprove plans and specifications submitted to it as required by these Covenants and Restrictions within thirty (30) days after submission, such plans and specifications shall be deemed approved, except that no expressed restrictions set forth in these Covenants and Restrictions shall be deemed to have been waived by such approval.
4. All persons may rely upon any writing signed by the Grantor purporting to grant an approval or to waive or vary restrictions in particular respects.

**F. ENFORCEMENT**

The Grantor or Owner of any of the land within The CART shall have the right to sue for and obtain an injunction, prohibitive or mandatory, to prevent the breach of or to enforce the observance of the Covenants and Restrictions set forth above, and the failure of the Grantor or the Owner of any Building Site hereby restricted to enforce the Covenants and Restrictions herein set forth at the time of its violation shall in no event be a waiver of the right to do so as to any subsequent violation. The Grantor or Owner of any land may also sue for any damages suffered by the breach of the Covenants and Restrictions set forth above.

Notwithstanding any other provision in the Covenants and Restrictions or any rights specifically created or created by implication, or otherwise, the Owner or Occupant of a portion of the lands described on attached Schedule I shall have no right to enforce any of the provisions of the Covenants and Restrictions recorded in Liber 562, Page 217 of the records of the Isabella County Register of Deeds, including any amendments or replacements.

**G. AMENDMENT**

These Covenants and Restrictions may be amended at any time if such amendment is approved by 100% of the Owners of all Building Sites within The CART, and if the Grantor approves such amendments. In addition, these Covenants and Restrictions may be amended at any time after 25 years from the date of these Covenants and Restrictions, if said amendment has been approved by Owners representing 50% of the lands within The CART and if the Grantor has approved said amendments.

The Grantor may amend and modify the Design Guidelines at any time and from time to time.

... Restrictive Covenants ...

## H. INVALIDATION

Invalidation of any one of these Covenants and Restrictions or any part thereof by judgment or court order shall not affect any other provision of the Covenants and Restrictions set forth herein.

### **BUDGET REQUESTS TO THE STATE FOR 2005-2006: CONSENT AGENDA**

BE IT RESOLVED, That the 2005-2006 operating budget and capital outlay requests submitted by the president to the Department of Management and Budget are approved as submitted. A copy of the final document will be on file in the Office of the Secretary.

### **CORPORATION FOR PUBLIC BROADCASTING FUNDING: CONSENT AGENDA**

BE IT RESOLVED, That the acceptance of funding from the Corporation for Public Broadcasting via a Television Community Service Grant in the amount of \$665,057 is ratified and that the president or designee is authorized to expend funds.

### **PUBLIC TELECOMMUNICATIONS FACILITIES PROGRAM GRANT: CONSENT AGENDA**

BE IT RESOLVED, That the acceptance of funding from the National Telecommunications and Information Administration in the amount of \$135,328 is ratified and that the president or designee is authorized to expend funds for the purpose of improving the transmission and production facilities of WCMU radio and its repeaters.

### **ENDOWMENTS/SCHOLARSHIPS: CONSENT AGENDA**

BE IT RESOLVED, That the following endowments are established, changed as requested by the donors, and statements are approved for printing:

#### **Alfred and Naomi Asch Library Endowment**

Established in 2004 by Col. Alfred '50 and Naomi Asch. Income from this endowment will be used to purchase print and digital information resources for the Charles V. Park Library.

#### **Sue Schrier Bancroft Endowed Music Fund**

Established in 2004 by Sue '72 and Chris Bancroft. Income from this endowment will support the School of Music by way of faculty development, scholarships, supplies and equipment, program support and guest artists and/or guest speakers. When used for scholarships, the recipients will be students who demonstrate outstanding promise in their field as determined by a School of Music scholarship committee.

## **Endowments/Scholarships - continued**

### **Bohannon Family Endowed Scholarship Fund**

Established in 2004 by Lon M. '75 and Vicki J. Bohannon. Income from this endowment will be used to fund a renewable scholarship for full time undergraduate students enrolled in the College of Business Administration and majoring in accounting. Eligible candidates must be in their junior year or higher, demonstrate financial need, maintain a minimum 3.2 GPA in accounting courses and an overall 3.0 GPA.

### **Koopman Memorial Scholarship Fund**

Established in 2004 by Dr. Margaret O. Koopman Joy '26, who taught social science at Central Michigan University. The income from this endowment will fund a renewable scholarship for students who have been accepted in the Teacher Education Program, have a minimum 3.0 GPA and are majoring in one of the social sciences: sociology, political science, economics, history, or geography.

### **Rogers MBA Faculty Excellence Award**

Established in 2004 by Joseph '65 and Joan '69 Rogers. Income from this endowment will be used to reward MBA regular faculty members who, through demonstrated teaching and/or other activities, foster an exceptionally high quality educational experience for students enrolled in the MBA program and improve the program's reputation to potential applicants and business professionals.

### **Joanna M. Russ Memorial Undergraduate Research and Presentation Grant**

Established in 2004 by family and friends of Joanna M. Russ, the income from this endowment will be used to support a renewable research and presentation grant. Income may be used for expenses related to research and/or travel to present the results of the student's research. Priority will be given to research related to CHARGE syndrome, but other research topics that qualify are autism, autism spectrum disorder, and low incidence disabilities such as deafblindness. Recipient must possess a minimum 3.0 GPA and faculty sponsorship.

### **EHS Technology Endowment**

Income from this endowment will be used for the upgrade and acquisition of technology for the College of Education and Human Services.

### **Leslie and Leonard Lieberman Scholarship**

Established in honor of Leslie Lieberman, a specialist in family studies and faculty member at CMU from 1965 until her death in 1992, and Leonard Lieberman, specialist in physical anthropology and faculty member at CMU from 1965 until his retirement in 2004. Applicants must be majors in sociology, anthropology, social work, or family studies; have a GPA of 3.4 or better; and be a junior or senior in the semester following application. Recipients are chosen on the basis of excellence in academic performance and writing skills as demonstrated in an essay describing career goals to be submitted with the application. Several awards are made each year and vary from \$500 to \$1,000.

**NAMING OPPORTUNITY: CONSENT AGENDA**

BE IT RESOLVED, That the following room is named in honor of the listed donors in grateful recognition of their gifts to Central Michigan University:

<b>Name/Location</b>	<b>Donors</b>
4th Floor South Study Area Charles V. Park Library	Col. Alfred Asch USAF, retired, and Naomi Asch

**ACCEPTANCE OF REAL ESTATE: CONSENT AGENDA**

BE IT RESOLVED, That the following generous gift of real estate of 3.25 acres of vacant land in Union Township, Mount Pleasant, Michigan, has been accepted from River Project, Michigan Partnership:

That part of the following described parcel of land that lies South and East of the thread line of the Chippewa River.

The S ½ of the SE ¼ of the NW ¼ of Section 21, T14N, R4W except the South 208.76 feet thereof, SUBJECT TO AND TOGETHER WITH a 33 foot wide easement for ingress and egress as recorded in Liber 326, Page 586, Isabella County Records; And to a 33 foot wide easement for ingress and egress described as beginning at a point on the North line of said recorded easement which intersects the West N-S 1/8 line of said Section 21, thence along said 1/8 line, N 01°00'01" W (recorded as N 00°55'57" W), 200.02 feet to a point on the North line of the South Half (S ½) of the Southeast Quarter (SE ¼) of the Northwest Quarter (NW ¼) of said Section 21 (said point also being N 0°00'01" W, 666.12 feet) (recorded as N 00°55'57" W, 665.40 feet) from the West 1/8 corner on the monumented E-W ¼ line of said Section 21; thence along the North line of the South Half (S ½) of the Southeast Quarter (SE ¼) of the Northwest Quarter (NW ¼) of Section 21, S 89°56'28" E, (recorded as S 89°53'32" E), 532.69 feet; thence S 04°35'38" E, 125.34 feet; thence S 10°13'14" E, 217.93 feet; thence S 29°04'30" W, 136.64 feet; thence N 89°45'55" W, along the N'ly boundary line of the subject parcel, 37.67 feet; thence N 29°04'30" E, 143.03 feet; thence N 10°13'14" W, 207.77 feet; thence N 04°35'38" W, 96.54 feet; thence N 89°56'28" W, parallel with said North line of the South Half (S ½) of the Southeast Quarter (SE ¼) of the Northwest Quarter (NW ¼), 468.65 feet; thence S 01°00'01" E, 199.92 feet to a point on the South line of said recorded easement; thence S 89°53'12" W, along said S'ly easement line, 33.01 feet to a point on said West N-S 1/8 line; thence N 01°00'01" W, along said 1/8 line, 33.00 feet to the point of beginning.

An environmental assessment on the above parcel of land has been completed and there appear to be no problems.

**CONTRIBUTIONS: Consent Agenda**

Monies received during the quarter ended September 30, 2004, totaled \$4,432,888.

**AMENDMENT TO BYLAWS: (Policy and Bylaws Committee)**

It was moved by Ms. Comai, seconded by Ms. Foster, and carried, that the following resolution be adopted.

BE IT RESOLVED, That Article IV, Section 1.F of the Central Michigan University Board of Trustees Bylaws is amended to read as follows:

The Finance and Audit Committee shall work primarily in areas dealing with finances and personnel. It shall deal with subjects including, but not limited to, long-range plans for physical plant and campus development, property acquisitions and disposals, all other property matters which might arise, investments, building projects, finance, and on-going budgetary activity, budget preparation, insurance, pensions, contracts, collective bargaining agreements, compensation and personnel policies for non-bargaining employees. It will also approve the audit plan of the Office of Internal Audit and, on behalf of the Board, review the annual audit of the university's financial reports.

**CONTRACTING AUTHORITY POLICY: (Policy and Bylaws Committee)**

It was moved by Ms. Comai, seconded by Mr. Kessler, and carried, that the following resolution be adopted.

BE IT RESOLVED, That the Contracting Authority Policy dated December 2, 2004, is adopted and replaces the policy adopted March 17, 2000.

**Contracting Authority Policy**

The Board of Trustees, as the body having ultimate responsibility for the university, reserves to itself the authority for final action on all contracts where the authority is not delegated to the president.

A contract, for purposes of this policy, is any agreement between the university and another party which is enforceable at law, whether or not it is entitled "contract." A contract includes any agreement made on behalf of the university in which legally enforceable commitments are made by or to the university.

A person with contracting authority may sign or execute contracts, thereby binding the university to their terms and conditions. Before signing a contract, the person should comply with the university's procurement policy and complete a contract review process.

1. The Board's contracting authority is delegated as follows:
  - a. The president may bind the university in an amount not to exceed \$200,000 for any one contract, and the chair of the Board may in the event of an emergency authorize the president to bind the university in an amount not to exceed \$300,000 for any one contract.
  - b. The vice presidents are authorized to sign contracts binding the university in an amount for any one contract not to exceed \$100,000.
  - c. The president or a vice president may delegate authorization to other persons to sign contracts binding the university for specified sums per contract not to exceed \$50,000. Delegated contracting power shall be in writing, naming the position given the contracting power, the specific contracts the person in the position may sign, and the limitation in dollars for any one contract. This delegation of contracting authority, with the president's or vice president's signature, will be submitted to the vice president for finance and administrative services who will then place the document on file in the Office of Finance and Administrative Services.

## **Contracting Authority Policy - continued**

2. In addition, the following contracting authority is delegated for amounts in excess of those listed above:
  - a. The president or a vice president may sign contracts up to \$400,000 for the sale of goods and services including but not limited to printed materials, conferences, and ProfEd course offerings.
  - b. Goods purchased for resale are exempt from this contracting authority. Projected expenditures for the major categories of goods purchased for resale are included in the appendix section of the annual operating budget.
3. The following rules apply to contracts approved by the Board of Trustees:
  - a. Contracts approved by the Board of Trustees may be signed by the president, vice president, or the director of purchasing, unless the Board requires a specific signature.
  - b. The president, a vice president, or the director of purchasing may bind the university on all contracts regarding items explicitly set forth in university budgets that have been approved by the Board.
  - c. Acceptance by the Board of Trustees of funds pursuant to a grant or contract processed through the Office of Research and Sponsored Programs is also authorization to sign contracts and subcontracts for the expenditure of those funds consistent with the terms of the grant or contract. Subgrants or subcontracts for over \$50,000 are subject to 3(a) above.
  - d. For contracts (noncapital projects) in excess of \$200,000, previously approved by the Board of Trustees, expenditure overruns of more than 10% of the original contract or \$50,000, whichever is greater, must have additional specific Board approval.
4. Purchases or sales of real estate, easements, and leases of real property are covered by a separate policy.
5. Contracts for capital projects; i.e., renovations/remodeling and new construction, are covered by these rules:
  - a. Capital projects in excess of \$200,000 must have specific approval of the Board of Trustees. This approval may be given by adopting the annual capital projects budget or the deferred maintenance budget.
  - b. For capital projects in excess of \$200,000, project cancellations or cost overruns of more than 10% of the original project or \$50,000, whichever is greater, must have specific Board approval.
  - c. Approval by the Board of Trustees of the expenditure of funds for a capital project is authorization for the president, a vice president, or the director of purchasing to sign contracts to carry out that project.

### **ENDOWMENT FUND INVESTMENT POLICY: (Policy and Bylaws Committee)**

It was moved by Ms. Comai, seconded by Mr. Caponigro, and carried, that the following resolution be adopted.

## **Endowment Fund Investment Policy - continued**

BE IT RESOLVED, That the Endowment Fund Investment Policy as amended and dated December 2, 2004, is adopted.

### **Endowment Fund Investment Policy**

#### **INVESTMENT OBJECTIVES**

The investment objectives of the university's endowment are to manage the portfolio in a manner that will maximize the benefits intended by donors, support the programs of the university and achieve a total return over time sufficient to preserve and increase the purchasing power of the assets.

#### **SCOPE**

This investment policy statement applies only to those assets for which the investment managers and the investment committee have discretionary authority.

#### **INVESTMENT COMMITTEE**

The investment committee is responsible for recommending to the Board of Trustees investment policies and strategies, security trustees, investment managers and/or advisers, and other fiduciaries, and monitoring the performance of the security trustees, managers, advisers and other fiduciaries.

#### **IMPLEMENTATION OF INVESTMENT POLICIES**

The investment policies of the endowment will be carried out by means of investment strategies that reflect continuous evaluation of changing investment environments, judgment regarding the allocation of the endowment's assets among different kinds of investment opportunities, identification of appropriate investment vehicles, and the making of specific investment decisions.

#### **SPENDING POLICY**

The endowment income to be spent annually will be 4.5% of the 20-quarter rolling average of the market value of the endowment pool. The annual spendable income allocation cannot reduce original gift principal. The spending policy will be reviewed periodically to assure that the overall investment objectives of maximizing the benefits intended by the donors are being met over time.

#### **ASSET ALLOCATION**

Deliberate management of the asset mix among classes of investments is both a necessary and desirable responsibility. In the allocation of assets, diversification of investments among asset classes that are not similarly affected by economic, political, or social developments is a highly desirable objective. The investment committee's general policy shall be to diversify investments within both equity and fixed income securities so as to provide a balance that will enhance total return, while avoiding undue risk concentrations in any single asset class or investment category. The diversification does not necessarily depend upon the number of industries or companies in a portfolio or their particular location, but rather upon the broad nature of such investments and of the factors that may influence them.

In making asset allocation judgments, the investment committee is not expected to seek to "time" subtle changes in financial markets, or to make frequent or minor adjustments. Instead, the committee is expected

## Endowment Fund Investment Policy - continued

to develop and adopt expressed guidelines for broad allocations on a long-term basis, in light of current and projected investment environments.

To ensure broad diversification in the long-term investment portfolios among the major categories of investments, asset allocation, as a percent of the total market value of the total long-term portfolio, will be set with the following target percentages and within the following ranges:

<u>Type of Securities</u>	<u>Overall Fund</u>	
	<u>Target</u>	<u>Range</u>
Domestic Equity	65%	50-80%
Large Cap (Passive)	35	30-40
Mid Cap Growth	9	6-12
Mid Cap Value	9	6-12
Small Cap Growth	6	3-9
Small Cap Value	6	3-9
International Equity	15	10-20
Fixed Income	20	10-30
Cash	-	0-5

### REBALANCING ASSET ALLOCATION

The investment committee will monitor the asset allocation structure of the investment pool and will attempt to stay within the ranges allowed for each asset class. If the portfolio becomes overweighted or exceeds the range of percentages for that asset class, the Investment Committee will develop a plan of action, either for immediate rebalancing of the portfolio or a rebalancing that will occur over the subsequent few months.

### TIME HORIZON

Due to the inevitability of short-term market fluctuations, the investment committee intends that the following specific performance objectives will be achieved by the investment manager(s) over a 5-year moving period, net of investment management fees. Nonetheless, the investment committee reserves the right to evaluate and make any necessary changes regarding the investment manager over a shorter term using the criteria established in the evaluation of investment managers section of this statement.

### SPECIFIC PERFORMANCE OBJECTIVES

#### 1. Total Fund

- a.. The total return shall exceed the Consumer Price Index plus 5.0%.
- b. The total return shall exceed a target Balanced Index composed of: 35% of the S&P 500 Index, 18% of the Russell MidCap Index, 12% of the Russell 2000 Index, 15% of the MSCI EAFE (Morgan Stanley Capital International Europe, Asia, and Far East) Index, and 20% of the Lehman Brothers Aggregate Bond Index.

## **Endowment Fund Investment Policy - continued**

### **2. Equity Managers (Domestic and Global/International)**

- a. The total return for each active equity manager shall exceed the relevant equity benchmark: Domestic Large Cap - S&P 500 Index, Domestic Mid Cap - Russell MidCap Index, Domestic Small Cap - Russell 2000 Index, Core International - EAFE Index. Each passive equity manager shall approximate the total return of the relevant equity benchmark.
- b. Each active equity manager will be expected to rank above the median versus the appropriate Equity Manager Universe.
- c. Each active equity manager will be expected to maintain a volatility (beta) no greater than 1.20 versus the relevant equity benchmark. Each passive equity manager will be expected to maintain a volatility (beta) of approximately 1.00 versus the relevant equity benchmark.
- d. The risk-adjusted performance (alpha) for each active equity manager is expected to be positive. The risk-adjusted performance (alpha) for each passive equity manager is expected to approximate 0%.

### **3. Fixed Income Managers**

- a. The total return for each fixed income manager shall exceed the Lehman Brothers Aggregate Bond Index.
- b. Each fixed income manager will be expected to rank above the median versus the appropriate Fixed Income Universe.
- c. The manager will be expected to maintain a duration no greater than  $\pm 25\%$  that of the Lehman Brothers Aggregate Bond Index.

## **EVALUATION OF INVESTMENT MANAGERS**

The investment managers will be reviewed on an ongoing basis and evaluated upon the following criteria:

1. Ability to meet or exceed the performance objectives and comply with the investment manager requirements stated in this investment policy statement.
2. Adherence to the philosophy and style that were articulated to the investment committee at, or subsequent to, the time the investment manager was retained.
3. Continuity of personnel and practices at the firm.

Each investment manager shall immediately notify the investment committee in writing of any material changes in its investment outlook, strategy, portfolio structure, ownership, or senior personnel.

## **INVESTMENT MANAGER REQUIREMENTS**

1. In today's rapidly changing and complex financial world, no list or types of categories of investments can provide continuously adequate guidance for achieving the investment objectives. Any such list is likely to be too inflexible to be suitable for the market environment in which investment decisions must be made. Therefore, it is the process by which investment strategies and decisions are developed, analyzed, adopted, implemented and monitored, and the overall manner in which investment risk is managed, which determines whether an appropriate standard of reasonableness, care and prudence has been met for the Endowment's investments.

## **Endowment Fund Investment Policy - continued**

2. Although there are no strict guidelines that will be utilized in selecting investment managers, the investment committee will consider the length of time the firm has been in existence, its track record, assets under management, and the amount of assets the university already has invested with the firm.
3. The requirements stated below apply to investments in non-mutual and non-pooled funds, where the investment manager is able to construct a separate, discretionary account on behalf of the endowment. Although the investment committee cannot dictate policy to pooled/mutual fund investment managers, the investment committee's intent is to select and retain only pooled/mutual funds with policies that are similar to this policy statement. All managers (pooled/mutual and separate), however, are expected to achieve the performance objectives.
4. Unless prior written approval is obtained from the investment committee to the contrary:
  - a. Each investment manager must satisfy the performance objectives and asset allocation guidelines.
  - b. Each investment manager shall have the full investment discretion with regard to market timing and security selection, consistent with this investment policy statement.
  - c. The investment managers shall be evaluated on a quarterly basis and should be prepared to meet with the investment committee at least annually.
  - d. Each investment manager shall handle the voting of proxies and tendering of shares in a manner that is in the best interest of the endowment and consistent with the investment objectives contained herein.
  - e. The investment managers shall not utilize derivative securities to increase the actual or potential risk posture of the portfolio. Moreover, the investment managers are precluded from using derivatives to effect a leveraged portfolio structure.
  - f. The equity and fixed income investment managers shall not invest in non-marketable securities.
  - g. Each equity and fixed income investment manager must assure that no position of any one issuer shall exceed 8% of the manager's portfolio at market value, with the exception of securities issued by the U.S. government and its agencies.
  - h. Each fixed income portfolio must have an overall weighted average credit rating of A or better by Moody's and Standard & Poor's rating services. In addition, there shall be no bond investments rated below investment grade.
  - I. The equity and fixed income investment managers shall not effect a purchase, which would cause a position in the portfolio to exceed 5% of the issue outstanding at market value.

### **CONSULTANT'S RESPONSIBILITIES**

The investment consultant is responsible for assisting the investment committee in all aspects of managing and overseeing the endowment's investment portfolio. The consultant is the primary source of investment education and investment manager information. On an ongoing basis the consultant will:

1. Provide the investment committee with quarterly performance reports within 45 days following the end of the quarter.
2. Be available to meet with the investment committee at least quarterly, or more frequently as needed.

## **Endowment Fund Investment Policy - continued**

3. Provide the investment committee with an annual review of this investment policy statement, including an assessment of the endowment's current asset allocation, spending policy and investment objectives.
4. Supply the investment committee with other reports or information as reasonably requested.
5. Notify the university's chief financial officer when any financial instrument falls outside the guidelines contained within this statement.

### **ELECTION OF OFFICERS:**

It was moved by Ms. Foster, seconded by Mr. Kessler, and carried, that John G. Kulhavi be elected chair for the calendar year 2005.

The nominating committee nominated Jeffrey R. Caponigro to be vice chair. It was moved by Ms. Comai and seconded by Ms. Foster that Gail F. Torreano be nominated for vice chair. The chair called for a vote; the vote was tied 4-4. Discussion. A second vote resulted in a tie.

It was moved by Mr. Kessler, seconded by Mr. Campbell, and carried, that the election of a vice chair be tabled and that the bylaws be amended at the January meeting to allow up to two vice chairs to serve for a one-year term.

It was moved by Ms. Foster, seconded by Mr. Kessler, and carried, that Mary Jane Flanagan be elected secretary for the calendar year 2005.

It was moved by Ms. Foster, seconded by Mr. Kessler, and carried, that George E. Ross be elected treasurer for the calendar year 2005.

### **Trustees-Faculty Liaison Committee report.**

### **Trustees-Student Liaison Committee report.**

### **CONSENT AGENDA:**

It was moved by Ms. Torreano, seconded by Ms. Comai, and carried, that the following items listed on the consent agenda be adopted, approved, accepted or ratified: minutes of the September 9 formal session; emeritus rank; prospective graduates December 2004; honorary degrees; confirmation of organization of colleges and department names; faculty personnel; research and sponsored programs; public school academy activities; budget requests for 2005-2006; Corporation for Public Broadcasting funding; Public Telecommunications Facilities Program grant; endowments/scholarships; naming opportunity; real estate; contributions.

### **Reports to the Board:**

- Facilities Subcommittee (M. Foster)
- Higher Learning Commission (HLC) accreditation (W. Osborn)
- UTEAMED Tech Transfer grant (J. Hageman)
- University Outreach Liaison: Accomplishments 2004 (Monica Rao)

**OTHER/NEW BUSINESS:**

**Electrical Engineering Software**

It was moved by Mr. Kessler, seconded by Ms. Torreano, and carried, that the following resolution be adopted.

BE IT RESOLVED, That the president or designee is authorized to execute a North American Higher Education license agreement for electrical engineering software and technical support from Mentor Graphics Corporation valued at \$55,410,000.

**Gifts and Naming Opportunities**

It was moved by Ms. Comai, seconded by Mr. Caponigro, and carried, that the following resolution be adopted.

BE IT RESOLVED, That the president or designee is authorized to accept all gifts to the university, including real estate, and to approve naming opportunities in recognition of private donations in accordance with established guidelines on behalf of the Board of Trustees between now and January 6, 2005. The president or designee is further authorized to sell real estate, stock, and other property received as a gift during this period consistent with the financial interests of the university.

**Public comment on any item/matter not listed on the agenda:** Richard Ziele/Woodward Academy Board and foundation; Nathan Backus/vision planning, integrity.

The meeting adjourned at 3:45 p.m.

---

Mary Jane Flanagan  
Secretary to the Board of Trustees

---

James C. Fabiano Sr.  
Chair