

June 2007

Minutes June 19, 2007

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**MINUTES OF THE MEETING OF THE BOARD OF TRUSTEES
UNIVERSITY OF CONNECTICUT**

University of Connecticut
Rome Commons Ballroom
South Campus Complex
Storrs, Connecticut

June 19, 2007

OPEN SESSION

The meeting was called to order at 11:14 a.m. by Chairman John Rowe. Trustees present were: Philip Barry, Gerard Burrow, Andrea Dennis-LaVigne, Peter Drotch, Lenworth Jacobs, Jr., Rebecca Lobo, Michael Martinez, Joan McDonald, Denis Nayden, Michael Nichols, F. Philip Prelli, Wayne Shepperd, Thomas Ritter, and Janine Braun, who represents the Governor's Office.

Trustees Louise Bailey, Michael Bozzuto, Linda Gatling, Salmun Kazerounian, Mark McQuillan, and Richard Treibick were absent from the meeting.

University staff present were: President Austin, Provost and Executive Vice President for Academic Affairs Nicholls, Executive Vice President for Health Affairs Deckers, Vice President and Chief Financial Officer Aronson, Vice President and Chief Operating Officer Feldman, Vice President for Student Affairs Saddlemire, Vice Provost for Academic Administration Singha, Vice Provost for Enrollment Management Evanovich, Vice Provost for Research and Graduate Education Anderson, Associate Vice President for Public and Environmental Safety Hudd, Associate Vice President of Administration and Operations Services Callahan, Chief Audit and Compliance Officer Walker, Dr. Schurin, Special Assistant to the President and Director of University Communications Brohinsky, Interim Executive Director of Architectural and Engineering Services Bradley, Associate Vice President for Human Resources and Payroll Services Munroe, Chief Financial Officer DeTora, Construction Assurance Director Patel, Health Center Chief Financial Officer Upton, and Ms. Locke.

Assistant Attorney Generals Ralph Urban and Michael Sullivan were also present.

Also in attendance was Ms. Patricia Hassett, who assists Dr. Rowe.

EXECUTIVE SESSION

On a motion by Mr. Drotch, seconded by Mr. Shepperd, **THE BOARD VOTED** to go into Executive Session at 11:15 a.m. to discuss personnel and litigation matters. The Chairman noted that on the advice of counsel only staff members whose presence was necessary to provide their opinion would be permitted to attend Executive Session.

Trustees present were: Barry, Burrow, Dennis-LaVigne, Drotch, Jacobs, Lobo, Martinez, McDonald, Nayden, Nichols, Prelli, Ritter (present for part of the meeting), Rowe, Shepperd, and Janine Braun, who represents the Governor's Office.

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University staff present were: President Austin (present for part of the meeting), Vice President and Chief Financial Officer Aronson (present for part of the meeting), Vice President and Chief Operating Officer Feldman (present for part of the meeting), Vice Provost for Enrollment Management Evanovich (present for part of the meeting), Associate Vice President for Public and Environmental Safety Hudd (present for part of the meeting), Associate Vice President of Administration and Operations Services Callahan (present for part of the meeting), Chief Audit and Compliance Officer Walker (present for part of the meeting), Director of Compliance Rubin, Dr. Schurin (present for part of the meeting), Interim Executive Director of Architectural and Engineering Services Bradley (present for part of the meeting), Athletic Director Hathaway (present for part of the meeting), and Associate Vice President for Human Resources and Payroll Services Munroe.

Assistant Attorney General Ralph Urban was also present for part of the meeting.

Also in attendance was Ms. Patricia Hassett, who assists Dr. Rowe.

Executive Session ended at 12:45 p.m. The Board returned to Open Session at 1:15 p.m. Trustee Richard Treibick participated by telephone. Trustee Kazerounian, Vice Provost for Multicultural Affairs Taylor, Health Center Chief of Staff Carlson, and University Senate representatives Gary English and Dr. Nancy Bull joined the meeting at this time.

All actions taken were by unanimous vote of the Trustees present.

1. Public Participation

The following member of the public addressed the Board on the topic noted:

- Betsy Paterson, Mayor, Town of Mansfield Water Master Plan Process & Storrs Center Project

Mayor Paterson spoke briefly about the Water Master Plan process and the Storrs Center Project. The University, in collaboration with the Town of Mansfield, produced a draft Master Plan for Water and Wastewater Use. She said that the Plan has been fully vetted throughout the community. She felt that she would not be at the meeting today had the University and Town not come together to form a partnership. Last night the Mansfield Planning and Zoning Commission unanimously approved two key components vital to making the downtown area a reality. They approved the revisions to the zoning regulations and the zoning map, which creates the Storrs Center Special Design District. Mayor Paterson acknowledged the work of the development team of the Storrs Center Alliance, which did an outstanding job in preparing and presenting the information to the Commission.

She said that she would be remiss if she did not take the time to thank a number of individuals who have been involved in the process. She first thanked the Board of Trustees for its support along with President Austin who was instrumental in fostering an important partnership between the University and the Town. Mayor Paterson said that she and Trustee Barry go back to the original concept of this project. In addition to University officials, she expressed gratitude to Mr. Martin Berliner, former Mansfield Town Manager, for his support and vision; Mansfield Downtown Partnership Executive Director Cynthia van Zelm, who has exhibited leadership, organizational skills, and outreach to the community; Mr. Matthew Hart, new Mansfield Town Manager, who has been the point person on many issues for the Partnership; Mr. Gregory Padick, Mansfield Town Planner, who was instrumental in guiding the development of a proposal that would meet the planning and zoning regulations; Mr. Philip Lodewick for his excellent leadership; the Board of Directors – Attorney Stephen Bacon, for his leadership on planning and design, UConn Vice President Barry Feldman, UConn Associate Vice President Thomas Callahan, who has had a long relationship with the Town. Mayor Paterson expressed

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her deepest thanks to Associate Vice President Callahan for his friendship and guidance.

Mayor Paterson encouraged the Board to become members of the Downtown Partnership.

President Austin said Mayor Paterson was critical to forging a new relationship between the University and the Town. It was through Mayor Paterson's collaboration and leadership that the concept for a new town center has become a reality. President Austin said that for the last decade, University staff have been canvassing students who were admitted, but decided not to come to UConn. The single most significant reason that students who choose not to come here, with the exception of family emergencies or economic reasons, was that there is no town center.

2. **Chairman's Report**

Chairman Rowe welcomed to the Board Commissioner of Economic and Community Development Joan McDonald, who was appointed on May 29, 2007. She replaced former Commissioner James Abromaitis.

Chairman Rowe also introduced Ross Gionfriddo, who was elected by the undergraduate students. His term will begin on July 1.

(a) Matters outstanding

Chairman Rowe provided a brief update on the status of the presidential search. The full advisory search committee met recently to review detailed profiles of the types of candidates that were interested in the position. This review was found to be extremely in further refining the criteria that the Committee deemed important. The Committee and the members of the search firm have directly or indirectly been in contact with about 500 individuals either by e-mail, by telephone, or by letter. They have identified a few dozen individuals who are highly qualified and have expressed strong interest in the position.

Chairman Rowe said that the Steering Committee met last week and further refined the list to ten or twelve individuals, who will be invited for off-campus interviews within the next month. This will result in a further refinement and the identification of a smaller group of individuals who will be invited to campus for additional meetings with the Board and appropriate constituencies. Chairman Rowe was aware that they may encounter some scheduling issues over the summer months. Chairman Rowe thanked Associate Vice President Munroe for her staff support and her insight into the search process. She has been very helpful and valuable in keeping the process on track. Chairman Rowe said he was also pleased with the search committee's choice of the executive search firm Isaacson, Miller.

(b) Board recognition

Trustee Barry read the following resolution in honor of Salmun Kazerounian.

SALMUN KAZEROUNIAN 2005-2007

WHEREAS, Salmun Kazerounian will complete his term as student-elected Trustee on June 30, 2007; and

WHEREAS, Mr. Kazerounian has served with great dedication as a member of the Board of Trustees and the Committees on Academic Affairs, Student Life, and Institutional Advancement; and

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WHEREAS, his service on the Board has been characterized by strong advocacy for student interests, a willingness to ask tough questions, close attention to detail, and a deep commitment to openness and equity in all aspects of the University's operation; and

WHEREAS, Mr. Kazerounian has been tireless and articulate in presenting unique perspectives to the deliberations of the full Board of Trustees and its committees; and

WHEREAS, Mr. Kazerounian has graduated from the University and now goes on to the study of law at the University of Washington, as a recipient of the highly prestigious William H. Gates Public Service Law Scholarship, taking with him the congratulations and best wishes of his colleagues on the Board;

NOW THEREFORE BE IT HEREBY RESOLVED, that the Board of Trustees of the University of Connecticut records its gratitude to Salmun Kazerounian for his commitment and service and extends to him its best wishes for the future.

On a motion by Mr. Barry, seconded by Mr. Shepperd, **THE BOARD VOTED** to approve the resolution for Trustee Kazerounian.

Chairman Rowe congratulated Mr. Kazerounian on receiving the William H. Gates Public Service Law Scholarship at the University of Washington.

(c) Minutes of the meeting of April 10, 2007

On a motion by Mr. Drotch, seconded by Mr. Shepperd, **THE BOARD VOTED** to approve the minutes of the meeting of April 10, 2007.

(d) 2007-2008 Board meeting schedule (Attachment 1)

Chairman Rowe directed Trustee attention to the 2007-08 Board meeting schedule at their places. He asked Trustees to note those dates on their calendars and to bring concerns or conflicts to our attention.

(e) Consent Agenda Items:

Chairman Rowe removed from the Consent Agenda for further review Item 5 listed below.

(5) Renaming of the Undergraduate Degree Program in Coastal Studies to Coastal Science in the College of Liberal Arts and Sciences at the Avery Point Campus (Attachment 5)

Chairman Rowe asked Trustees to review an additional lease at their places for Opel International, Inc. This item was added to the list of contracts and agreements in Attachment 2.

(2) Contracts and Agreements for the Storrs-based programs and the Health Center (Attachment 2)

Mr. Barry motioned, seconded by Mr. Drotch to approve Consent Agenda Items 2-4. Chairman Rowe asked for discussion of any of the items.

Trustee Kazerounian asked if issues related to human rights violations or labor violations were considered when evaluating bids under the University's current bidding process.

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Associate Vice President Callahan responded that those types of issues were raised routinely and primarily considered on a case-by-case basis, especially in terms of reviewing specific kinds of products or services for which those issues may be part of the review process.

Trustee Kazerounian reiterated that the University has no policy in place for interacting with companies which have well documented labor violations.

Associate Vice President Callahan said the University has policies in place, but handles certain companies, such as Coca-Cola, on a case-by-case basis. There is not a broad overriding guiding policy at the University on that issue.

Trustee Kazerounian referred to Item 10, Nike USA, Inc., on the contracts and agreements list in Attachment 2. He asked what the University's threshold was for deciding that a company's human rights record was too appalling to contract with that company.

Associate Vice President Callahan reiterated that contracts are handled individually. He said that he was familiar with institutions that have a broad, overriding policy to guide everything.

Trustee Kazerounian said that the case against Nike is well known and a variety of sources have documented circumstances regarding their factories around the world. He asked if there was a provision in state law which does not allow the University to enter into a contract, even if it is the lowest bid, based on a company's human rights record.

Associate Vice President Callahan said that he was not aware of a state policy that would allow or require another state entity, including the University, to disqualify a bidder based on its human rights record. He further noted that this morning, during the Financial Affairs Committee meeting, the Nike contract was discussed briefly. This is the final year of the University's contract with Nike. It is an existing agreement and the action to be taken today a renewal for one year. The University will seek competitive proposals sometime over the course of the upcoming fiscal year.

Trustee Kazerounian asked if the kinds of questions he has posed would be brought to the next bidding process. Associate Vice President Callahan indicated that he expected that they would be. He said that the former University of Connecticut Committee on Sweatshop Labor, now referred to as the President's Committee on Corporate Social Responsibility, will probably weigh in when the bidding process begins.

Trustee Kazerounian said that some universities have implemented vendor codes of conduct, which are across the board codes of conduct that all vendors have to comply with. He asked if any thought has been given to developing something along those lines. Associate Vice President Callahan indicated that that type of review has not taken place, but it is something they are willing to look into in the future.

THE BOARD VOTED to approve Consent Agenda Items 2-4.

Trustee Kazerounian voted in opposition to the contracts and agreements in Attachment 2.

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- (3) Graduate Certificate Program in Health Psychology
in the College of Liberal Arts and Sciences (Attachment 3)
- (4) Approval to Expand the Master's Entry into Nursing (MbeIN)
Basic Nursing Certificate Program in the School of Nursing
to the Stamford and Waterbury Campuses (Attachment 4)
- (f) Personnel matters (Storrs-based programs) (Attachment 6)
 - (1) Promotion, Tenure and Reappointments
On a motion by Dr. Burrow, seconded by Dr. Dennis-LaVigne, **THE BOARD VOTED**
to approve the promotion, tenure, and reappointment list.
 - (2) Designation of Emeritus Status
On a motion by Dr. Dennis-LaVigne, seconded by Mr. Barry, **THE BOARD VOTED**
to approve the designation of emeritus status to the following faculty members effective
June 1, 2007:
 - 1. Islam, Muhammad, Professor, Department of Physics
 - 2. Shaw, Stan, Professor, Department of Educational Psychology
 - 3. Vinsonhaler, Charles, Professor, Department of Mathematics
 - (3) Sabbatics
On a motion by Mr. Shepperd, seconded by Mr. Barry, **THE BOARD VOTED** to
approve the sabbatic leave list.
 - (4) Informational matters

3. President's Report

(a) Legislative Update

President Austin said that this meeting would normally be the meeting where there would be an extensive report on the conclusion of the legislative session, but the administration is awaiting a vote on the budget. The initial Appropriations Committee decisions were favorable to the University's operating budget, but he said he could not add anything further until the next meeting.

(b) Other matters

President Austin reported that this year the administration has been conducting searches for five deans' positions. Three of which have concluded. The School of Engineering is nearing the final stages, and another search remains underway. He asked Provost Nicholls to provide a brief summary on the status of the remaining searches and to profile the three finalists.

Provost Nicholls stated that Professor Jeremy Paul has been appointed as the new dean of the School of Law. His began his new appointment in April. A national search was conducted for this position as well as for the other four positions. Professor Paul was an internal candidate, who is a highly respected academic in the School.

The administration has recently concluded the School of Business search and they have hired Dr. P. Christopher Earley. Dr. Earley is currently the dean of the School of Business at the National University of Singapore, which is one of the elite schools of business in the world. He

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acknowledged Vice-Chair Nayden for his assistance in the recruitment process as well as alumni and friends of the School of Business. Provost Nicholls said that this was an amazing hire and they are looking forward to Dr. Earley beginning on January 4, 2008.

Dr. Anne R. Bavier has been appointed as the new Dean of the School of Nursing effective August 17, 2007. She is currently dean of the Nursing School at St. Xavier University in Chicago. She is a nationally recognized figure in nursing education.

As the President indicated earlier, the search in the School of Social Work has been extended as they were not able to identify a successful candidate this year. Provost Nicholls appointed Associate Dean David Cournoyer as Interim Dean. The Engineering dean position has been underway for some time, but Provost Nichols is currently negotiating with a finalist.

Chairman Rowe asked Provost Nicholls if the search for a new president has become an issue in his conversations with finalists and did he think it was an impediment to closing some of the searches.

Provost Nicholls responded that it has been an issue that has come up with the candidates as they have been on campus for interviews. They are aware that we are seeking a new president, but the deans do not report directly to the president. They have every confidence that the Board is conducting an outstanding national and international search for a president, so that has not been an issue that has contributed in any way to any difficulties in the search process. He said that having five deans searches underway at any one time is quite a challenge, and if we are able to bring four of the positions to a successful conclusion, then he was very pleased.

Trustee Kazerounian asked if there are open forums held with students, faculty, staff for certain administrative posts, and more specifically, for the deans' searches. Provost Nicholls responded that it has been the case for all the deans searches to date. In addition, they have established committees with student representation and as finalists come to campus there has been a requirement that they meet with both undergraduate and graduate students.

Trustee Kazerounian also asked if those meetings were held as open forums. He said that Residential Life conducted a search recently and they invited the entire student body. Provost Nicholls indicated that as far as he was aware they have been open forums in all those cases.

Provost Nicholls thanked those serving in interim capacities – Professor E. Carol Polifroni in the School of Nursing; Professor Mohammed Hussein in the School of Business; Professor Kurt Strasser in the School of Law; and Professor Erling Smith in the School of Engineering. They have served as outstanding administrators during the interim.

Provost Nicholls announced that next year they are expecting two new searches – Dean of the College of Liberal Arts and Sciences and Dean of the Graduate School and Vice Provost for Research and Graduate Education.

President Austin concluded his report by saying that he, Dr. Deckers, and Dr. Burrow have spent considerable time recently on Health Center matters. He deferred to Dr. Burrow to make comments during the Health Center report.

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4. Academic Affairs Committee Report

(a) Committee Chairman's report on Committee activities

Vice-Chair Jacobs reported that the Academic Affairs Committee met this morning. The Committee discussed at length a resolution regarding the process for hearing faculty member appeals of personnel actions, which was presented in Attachment 7. The Committee agreed that the promotion and tenure of the faculty is one of the most important items for discussion for this Committee and the prevailing thought was that faculty appeals would be heard by the Academic Affairs Committee. The Committee agreed to obtain a quorum in person in order to engage in a full discussion of the appeal. Upon hearing the appeal, the Committee would make its recommendation to the full Board.

(b) Item requiring Board discussion and approval:

(1) Process for Hearing Faculty Member Appeals
of Personnel Actions

(Attachment 7)

On a motion by Mr. Shepperd, seconded by Mr. Barry, **THE BOARD VOTED** to approve that faculty members' appeals of personnel actions by the President or Provost and Executive Vice President for Academic Affairs be heard by the Board of Trustees Committee on Academic Affairs, which will make a formal recommendation for action to the full Board of Trustees.

Trustee Prelli asked if there would be another step after the appeal where a faculty member could come to the full Board, or would the Committee recommendation be the final step in the process.

Chairman Rowe said that the Board has discussed this matter along with discussions with the administration. He said that the goal was to make more efficient the appeal process by conducting the review at the Committee level with a recommendation to the full Board for action. There would not be another appeal at the full Board unless there was significant concern and a case could be made, as judged by the Chairman, that the matter was not fully and fairly heard at the Academic Affairs Committee. If that were the case, the Board could decide to hear the case again or to obtain additional information. In the absence of that kind of issue, the Board's expectation would be that the Academic Affairs Committee would provide a recommendation to the full Board, and then the Board would discuss the recommendation and vote without an additional presentation by the faculty member. The intent was to provide the hearing where it was most appropriate for careful deliberation.

Trustee Prelli stated that he was satisfied with Chairman Rowe's comments, but felt that the intent was not evident in the resolution.

Vice-Chair Jacobs reminded the Board that its deliberations are limited to ensuring that the process has been adhered to as stated in the By-Laws. The Board's role is not to judge the strengths or weaknesses of a faculty member.

Chairman Rowe indicated that the resolution would be modified to reflect the intention. Dr. Schurin said he would revise the statement and present it at the August meeting.

Vice-Chair Jacobs referenced the Basic Nursing Certificate Program in Attachment 4. Interim Dean Polifroni provided background information that indicated the State will be

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11,000 nurses short by 2010. The Committee asked Interim Dean Polifroni to report back with either a recommendation or a plan that illustrates how aggressive the University should be to help the State provide adequate nursing services for its citizens.

(c) Informational item:

(1) Five Year Review of Academic Centers and Institutes (Attachment 8)

5. Financial Affairs Committee Report

(a) Committee Chairman's report on Committee activities

Vice-Chair Drotch reported that the Financial Affairs Committee met this morning. The Committee discussed the student activity and service fee and academic material fee increases along with numerous project budgets. Vice-Chair Drotch indicated that a brief discussion took place on the Construction Projects Status Report, which reflects various projects on campus that are in the stages of planning, design, development, construction, or nearing or at completion. That report is presented at every Board meeting for information purposes.

He said that today would have been the day for the budget workshop, but because the State had not yet approved the budget and financial support for the University and the Health Center that meeting has been deferred to August. He said that hopefully they will address three of the major needs of the University and the Health Center, which are : 1) the plan supported by the Trustees to expand the faculty lines 35 per year over five years, 2) the Academic Gap at the Health Center, and 3) the Medicaid rates, which have adversely affected the financial performance of the Health Center as well as other hospitals throughout the State. Those matters continue to be critical on the Board's agenda. Vice-Chair Drotch expected that these issues will be addressed at the budget meeting in August in addition to the operating and capital budgets for next year. He also hoped that the administration will have made considerably progress on those three matters.

Trustee Kazerounian raised some issues regarding the Academic Materials Fees adjustments in Attachment 10. He said that the Neag School of Education has proposed to increase their fee from \$470 to \$800. He asked why the increase was so large at 75%.

Provost Nicholls responded that the School has a technology fee for all of their students in the teacher preparation programs. The technology fee covers the cost of leasing a laptop, the software needed for music education, and the insurance policy covering theft and damage. Students in the Integrated Bachelors/Masters in Music Program (IB/M) spend three years in the Neag School of Education. The fee was set at \$470 per semester for six semesters; however, the music education students are part of the Neag School for only two years or four semesters. As a result the School must find a way to cover the leasing costs for two semesters. Therefore, the School proposed a different fee amount for the music education students, which spreads the cost over four semesters rather than six semesters. Provost Nichols also said that the music education software is much more costly. The Neag School proposed a fee not to exceed \$800. Provost Nicholls anticipated that once the School finalized the estimates for this fall, the fee has the potential to be less than \$600.

Trustee Kazerounian asked if the students who are going to use the laptops for a shorter period of time will have to pay more per semester. He also asked if the students would be able to keep the laptops. Chairman Rowe responded to Trustee Kazerounian's second question and said that the laptops are leased.

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Trustee Nayden said that the cost is the same, but the amortization schedule is going to be shorter, so those students will have to pay more. Trustee Kazerounian said he understood.

Chairman Rowe asked what the fee was expected to be. Provost Nicholls said that the estimate he received was \$570, but the final estimates will not be available until the contracts have been negotiated.

(b) Items requiring Board discussion and approval:

- (1) Fiscal Years 2008-2009 Student Activity and Service Fee Adjustments (Storrs-based Programs) (Attachment 9)

On a motion by Mr. Drotch, seconded by Mr. Barry, **THE BOARD VOTED** to approve an adjustment to the previously adopted Storrs Undergraduate Student Government Fee for Fiscal Years 2008 and 2009.

- (2) Fiscal Year 2008 Academic Materials Fees Adjustments (Storrs-based Programs) (Attachment 10)

On a motion by Mr. Drotch, seconded by Mr. Barry, **THE BOARD VOTED** to approve an adjustment to the previously adopted College of Agriculture and Natural Resources Malpractice Insurance Fee and to the Neag School of Education Integrated Bachelor/Masters in Music Program Majors Fee for Fiscal Year 2008.

- (3) Project Budget (Planning) for Hawley Armory Façade and Interior Repairs (Attachment 11)

On a motion by Mr. Drotch, seconded by Mr. Barry, **THE BOARD VOTED** to approve a Planning Budget for the exterior and interior repairs of the Hawley Armory facility in the amount of \$2,620,000.

- (4) Project Budget (Planning) for Wilbur Cross Façade Repairs (Attachment 12)

On a motion by Mr. Drotch, seconded by Mr. Barry, **THE BOARD VOTED** to approve a Planning Budget for the exterior repairs to the Wilbur Cross facility in the amount of \$1,754,500.

- (5) Project Budget (Design) Agricultural Biotechnology & Advanced Technology Building Code Remediation Project (Attachment 13)

On a motion by Mr. Drotch, seconded by Mr. Barry, **THE BOARD VOTED** to approve a Design Budget of \$1,609,817 in order to remediate building and fire code discrepancies at the Agricultural Biotechnology and Advanced Technology Institute Buildings on the Storrs Campus. Due to the nature and timetable of this project, a Design Budget approval request in lieu of a Planning Budget, an exception to the three-phase budget process, is also requested.

- (6) Project Budget (Final) for Student Union Quadrangle Site Work and Landscape – Phase I (Attachment 14)

On a motion by Mr. Drotch, seconded by Mr. Barry, **THE BOARD VOTED** to approve a Final Budget for Phase I to renovate and improve the Student Union Quadrangle in the amount of \$1,400,000.

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- (7) Project Budget (Final) for Torrington ADA Improvements (Attachment 15)

On a motion by Mr. Drotch, seconded by Mr. Barry, **THE BOARD VOTED** to approve a Final Budget in the amount of \$650,000 for design services and construction to correct existing deficiencies in handicap accessibility at University of Connecticut Torrington Campus.

- (8) Project Budget (Revised Final) for Interior Remediation, Demolition and Removal of Pharmacy Buildings (Attachment 16)

On a motion by Mr. Drotch, seconded by Mr. Barry, **THE BOARD VOTED** to approve a Revised Final Budget in the amount of \$1,105,832 for the building interior environmental remediation, demolition and removal of the former Pharmacy facility.

- (9) Project Budget (Revised Final) for the Stamford Campus Improvements – Parking Garage Repairs (Attachment 17)

On a motion by Mr. Drotch, seconded by Mr. Barry, **THE BOARD VOTED** to approve a Revised Final Budget of \$435,000 for repairs to the parking garage at the Stamford Campus.

- (c) Informational item:

- (1) Construction Projects Status Report (Separate cover)

6. Joint Audit and Compliance Committee Report

- (a) Committee report on Committee activities

Vice-Chair Nayden reported that the Joint Audit and Compliance Committee met on June 7, 2007. Vice President Feldman updated the members on the inspection of new construction and the installation of fire detection systems currently underway as well as plans for future projects going forward. The Committee also heard a series of reports regarding on-going audit and compliance activity. Regarding compliance, recent legislation was passed and is awaiting Governor Rell's approval that will allow faculty to engage in consulting and research activities without violating the State Code of Ethics. The legislation includes an internal audit requirement that the Committee will follow up on regularly. The Committee also heard an update on the Compliance Agreement with the Environmental Protection Agency. The second annual report is due July 1, 2007.

In the area of compliance, 87% of Storrs employees and 75% of Health Center employees have completed the code of conduct training. The remaining balance of employee training is expected to be completed shortly.

The Committee discussed the 2008 Risk Assessment Methodology/Audit Plan. Vice-Chair Nayden said that it was important to note that in the 2006-2007 reporting period there were approximately 40 audits conducted during that year. For the 2007-2008 plan, there will be a 50% increase in audit coverage in terms of number of issues, which means there will be about 60 audits planned. There will also be mid-year reviews to monitor the progress of those audits and to ascertain the need for reallocation of resources.

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The Auditors of Public Accounts provided to the Committee two reports – Fiscal Year 2004/05 audit and the State-wide single audit report for Fiscal Year 2006. The State Auditors noted material improvement in the oversight of construction activities, and also that none of the audit findings from prior audits were repeated. Vice-Chair Nayden hoped to maintain continued follow-up and closure on future audit findings.

There was some expressed concern about time and effort accounting and reporting, which is a very complicated issue. The Committee and the State Auditors will continue to resolve that issue in order to simplify the actual accounting and reporting.

The University's independent auditor, UHY LLP, is in the process of finalizing the independent audit of UCONN 2000. That report is expected to be completed in July. The Committee will review the report and then forward it to the Board.

The ongoing accounting provision, SAS 112, has been discussed over the last several Board meetings. This issue revolves around financial complexity, which could lead to a material weakness finding. The State Auditors, independent auditors, and University staff have agreed to develop formal procedures that would add some additional oversight and review in order to avoid reaching a material weakness finding.

Regarding Code of Conduct training, Chairman Rowe asked if the training consisted of a web-based test or an instructional piece. Vice-Chair Nayden said that the training was web-based and was part of a broad agreement to incorporate into the overall university training process.

Chairman Rowe asked if the training was a requirement. Vice-Chair Nadyen said that it was.

Chairman Rowe asked if there was a student code of conduct and if it was a requirement for students to complete. Vice President Saddlemire responded that there was a student code of conduct that was fully web-based and also was also part of the orientation process for new students. He said that it was not so much a requirement to complete, but more a part of the training process. Vice President Saddlemire added that the Division annually sends out a reminder for students to review the Code, especially since they make periodic updates. Chairman Rowe clarified that the Code of Conduct training that Vice-Chair Nayden referred to was for faculty and staff.

Trustee Kazerounian asked if there was a Board Code of Conduct. Chairman Rowe said that he did not think that there was.

7. Buildings, Grounds and Environment Committee Report

(a) Committee Chairman's report on Committee activities

Vice-Chair Ritter directed attention to the Guidelines for Approval of Funding for Project Preliminary Planning Tasks when Private Funding is Available under Attachment 19. He wanted to make sure that the Board has reviewed the Guidelines, which would allow the review and authorization of requests by the administration to procure pre-design services, such as program planning and renderings prior to receiving 100% of the full private fundraising budget for a project. He asked if anyone had any questions.

(b) Item requiring Board discussion and approval:

- (1) Authorization for the University to Retain Professional Services to Complete a Project Planning and Development Study for a Student Recreational Facility**

(Attachment 18)

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Vice-Chair Ritter stated that the Committee endorsed the resolution to authorize the University to initiate a procurement process to retain design services to conduct a project planning and development study for a Student Recreational Facility. The anticipated cost for a study is approximately \$300,000, which should provide preliminary planning information.

Dr. Burrow offered a motion, seconded by Mr. Ritter, to authorize the University retain an experienced architectural and engineering firm to complete a project planning and development study for the proposed Student Recreational Facility.

Vice-Chair Drotch asked if there is an estimate of the cost of this study. Vice-Chair Ritter responded that the \$300,000 is not based on firm bids, but is the best estimate before sending RFP's to firms that do this type of recreation center planning work.

THE BOARD APPROVED the motion.

(c) Informational item:

- (1) Guidelines for Approval of Funding for Project Preliminary Planning Tasks when Private Funding is Available (Attachment 19)

Vice-Chair Ritter directed Trustee attention to a policy recommending the periodic need for delegation of Board of Trustees authority to the Buildings, Grounds and Environment Committee for approval of final construction project budgets.

At the last Board meeting, the Board held a discussion about the Avery Point Pool and Gym Facility. The bid was to come in after the Board meeting. He and Vice-Chair Drotch met to discuss the issue and decided on the policy that Buildings, Grounds, and Environment Committee would be the Committee to authorize these projects in between committee meetings. He does not imagine it would be that many projects.

On a motion by Dr. Rowe, seconded by Dr. Dennis-LaVigne, **THE BOARD VOTED** to approve a Policy Delegating Board of Trustees Authority to the Buildings, Grounds, and Environment Committee for Approval (as needed) of Final Construction Project Budgets.

Health Center Director of Campus Planning, Design and Construction Trutter provided the Committee with an update on the progress of 400 Farmington Avenue, which is proceeding as planned. Vice-Chair Ritter was pleased to report that this project has been a very collaborative project between staff at Storrs and the Health Center.

Interim Executive Director of Architectural and Engineering Services Bradley provided an update on the progress of the University's efforts to add the Old Central Warehouse to the list of UCONN 2000 named projects, which was approved by the General Assembly as an authorized project. Mr. Bradley also discussed the preliminary Deferred Maintenance Project Lists for the University and the Health Center along with an easement issue near the Health Center.

The Committee discussed with the administration ways to ensure Board review and authorization of routine property matters, such as easements. The Committee asked the administration to circulate the necessary materials to the Committee. After seven days, those requests would be approved unless a Committee member raised concerns. Vice-

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Chair Ritter emphasized that this action would only be taken for routine matters, such as easements and similar matters.

The Committee also reviewed the Storrs Water/Wastewater Systems Master Plan. Vice-Chair Ritter mentioned that Mayor Patterson stated that the Department of Public Health on Friday accepted the University's plan. He thanked Associate Vice President Callahan for his hard work and dedication to the project and for serving as liaison between the University and the Town of Mansfield.

(d) Water/Wastewater Systems Master Plan Update

Associate Vice President Callahan gave a powerpoint presentation on the Water/Wastewater Systems Master Plan Update. A copy of the handout is attached to the file copy of the Board minutes.

Associate Vice President Callahan provided the Board with a brief overview of the major issues. In August 2005, the University entered into a consent agreement with the Department of Public Health, which in turn necessitated the following actions: 1) that the University obtain external management to run its water supply system, and 2) that the University go through a master planning process. At the outset, Chairman Rowe, in response to a request from Representative Denise Merrill and Senator Donald Williams, organized two meetings to include Dr. J. Robert Galvin, Commissioner of the Connecticut Department of Public Health, Ms. Gina McCarthy, Commissioner of the Connecticut Department of Environmental Protection, Trustee Ritter, Ms. Betsy Paterson, Mayor of the Town of Mansfield, Mr. Martin Berliner, Town Manager, President Austin and Mr. Callahan.

As a result, the University has made significant infrastructure improvements, such as improving transmission mains, wells, and pumps in each of the well fields, electronic controls over the production and distribution of the water supply, and metering buildings on campus. Associate Vice President Callahan stated that the University has contracted with New England Water Utility Services to operate and manage its water supply system. The Fenton River Study is completed and a substantial number of its recommendations have been or are being implemented. A Memorandum of Agreement was also executed between the University and the Connecticut Water Planning Council to create a water supply strategy to supplement the University's DPH approved water supply plan. Associate Vice President Callahan said that what the University did not have in the summer of 2005, which is now in place, was a collaborative process with the Town of Mansfield to evaluate requests to connect to either the University's wastewater supply or water supply. A committee was formed comprised of representatives from both the University and the Town, as well as regional representatives.

Associate Vice President Callahan said that after the management contract was in place, the Department of Public Health required the University undertake the Master Plan pursuant to a consent order. Through this planning process, the University took another strategic look at its water supply system to address the issues of both long-term supply and demand, to consider the value of the financial assets associated with the water supply system, as well as to evaluate options for ownership and control. The University administration invited the Town of Mansfield to help commission the study and to participate as a partner in this process. They reached out to Town Manager Matthew Hart and Town Planner Gregory Padick and asked them to participate with the University to commission a study to develop the scope of the project and to help finance the study. The Town agreed to finance between 20-25% of the study. Both

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parties agreed that it made sense to also consider the wastewater system as well as the water supply system.

Chairman Rowe asked for a breakdown of percentages of water usage by research facilities, educational facilities, students residence halls, dining areas, administrative functions, etc.

Associate Vice President Callahan said that a separate water conservation study has not been completed and he was reluctant to provide preliminary numbers. Generally speaking, the largest users are the Central Utility Plant and the Cogeneration Plant. The second largest users are the residence and dining facilities, because of the high percentage of students who reside on campus. The third largest users would be the academic and buildings, agricultural needs, and some irrigation needs, particularly associated with the Division of Athletics. The University uses about 85% of the water it produces. Fifteen percent goes out to the Town and other uses.

Chairman Rowe asked about potential options in the future and referenced the powerpoint slide titled "System Ownership Options." Chairman Rowe asked what the process would be for selecting between various ownership options.

Associate Vice President Callahan said that additional information is needed before a decision can be made, including the potential market value of the assets, governance and legal issues with respect to the possible transfer of wells, surrounding lands, infrastructure, etc. The administration and the Board need to have a clear understanding of what is involved in the sale, transfer, or leasing of these assets. From a governance point of view, the University also needs an analysis of both the University's interest for being in the water/wastewater business over the long term and the Town of Mansfield's desire to take on a different role than they are right now. These are the types of issues that need to be resolved to help them evaluate the pros and cons of each option.

Chairman Rowe asked what the timeframe would be for these types of deliberations.

Associate Vice President Callahan replied that the report was provided to the Department of Public Health on June 1, as required by the Consent Order. They have approved the report. In their letter to the administration, they have asked for an implementation plan. As the administration prepares a response, they will be able to develop a timetable.

Chairman Rowe asked if the Board will have an opportunity to hear again or weigh in with respect to a decision. He also asked who would make the decision.

Associate Vice President Callahan responded that it would be the Board's decision. He anticipated that the Board would expect the administration to consider and review the options, present them to the Buildings, Grounds and Environment Committee with a recommendation to the full Board.

President Austin confirmed that this decision should be a Board decision and that it would be prudent to hold several discussions before a decision is made.

Chairman Rowe reiterated that Vice-Chair Ritter's Committee will be the source of a recommendation.

President Austin urged the Board to retain control of the water supply, because it will have a great impact on what the University does in the future. Chairman Rowe agreed. The question that remains is whether or not the University needs to have control of non-University users.

Vice-Chair Ritter said that the Committee will be prepared to proceed forward.

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Associate Vice President Callahan thanked Mr. Hart and Mr. Padick, who have not only advised in the process, but helped to commission the project with the University.

8. Construction Management Oversight Committee Report

(a) Committee Chairman's report on Committee activities

Vice-Chair Ritter reported that the Construction Management Oversight Committee met on June 8, 2007. Vice President Feldman gave a presentation regarding the accelerated inspection programs as he had presented to Higher Education and Public Safety Committee on June 5 at the Capitol.

Vice-Chair Ritter indicated that there were a number of attendees at the last meeting. He asked members if there were any concerns about agenda items or committee business. He stated that the ultimate goal is student safety, and that he wanted to make sure the CMOC supported the ongoing efforts of many in the University to make sure students, faculty, and staff lived, studied, and worked in the safest environment possible.

Mr. Bradley and Mr. Urso will develop a matrix of the building inspection program. To help develop information, Vice-Chair Ritter asked that Mr. Bradley develop a format with Mr. Urso, and to use a facilitator if needed. Chairman Rowe agreed.

Chairman Rowe asked Vice-Chair Ritter to comment on the inspections of residence halls, which has been a topic of some media attention and a lot of discussion.

Vice-Chair Ritter said the Committee is confident with the inspection process and all inspections should be complete by September 1, 2007. The Committee has benefited from the expertise of the Office of Public Safety, the State Building Inspector, and others in helping the Committee to understand the complexity of the inspection work.

Chairman Rowe thanked Vice-Chair Ritter for guiding this effort.

Director of Construction Assurance Patel reported on the status of his activities to date, which included a review of the policies and procedures within the Department of Architectural and Engineering Services (AES). He is developing a framework that will enable AES, Capital Projects and Contract Administration (CPCA) and the Department of Public and Environmental Safety (DPES) to affirm departmental policy requirements are being met.

The draft of AES Policies and Procedures Manual was presented by Mr. Alan Abramson. Mr. Joseph Griffith gave a status report of the Department of Public and Environmental Safety building and fire code office, staffing, procedures and interface with building projects. University Controller Paul McDowell discussed procedures and interface with AES and construction projects regarding budgets, costs, change order reporting and control. Mr. Jeff Reynolds provided an update on the status of the Capital Project Contract Administration reorganization, new and revised procedures, as well as interface with AES and design and construction projects.

They were given notice that the preliminary Deferred Maintenance Project Lists for the University and the Health Center will be presented to the Board in August with the FY08 Capital Budget.

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The Committee concluded that they did not need to meet again until September, but would meet if a concern is raised.

9. Health Center Report

(a) Report on Health Center activities

Health Center Board of Directors Chair Burrow reported that the Health Center Board of Directors' last quarterly meeting was on June 11. Vice-Chair Burrow reported that their request for support for a new hospital was not granted, but instead the Legislature referred the proposal for a study, to include reviewing the Hospital in the framework of an academic medical center within the clinical delivery system. The preliminary report is expected in March.

Dr. Burrow believed that the legislative proposal included funding for the hospital study, closure of the Academic Gap, and partial support for the fringe benefit differential between the John Dempsey Hospital and other hospitals in the State.

Executive Vice President for Health Affairs Deckers thanked President Austin, Vice President Aronson, Health Center Chief Financial Officer Upton, and Health Center Government Relations Director Lombardo for their hard work in making a compelling case for funding the Academic Gap, addressing the burdens that the John Dempsey Hospital faces regarding the fringe benefit rate, Medicaid issues that are problematic for all the hospitals, and the need for an adequate state-of-the-art research facility for the retention of existing faculty and the recruitment of high caliber faculty in the future.

10. Student Life Committee Report

(a) Committee Chairwoman's report on Committee activities

Trustee Barry gave the report of the Student Life Committee on behalf of Vice-Chair Bailey. Trustee Barry reported that the Student Life Committee last met on April 11, 2007. The Committee heard an update from Mr. Jon Sandberg, member of *The Daily Campus* Board of Directors, regarding several accomplishments they have made over the past two years. Trustee Nichols and Trustee Kazerounian reported on the Student Trustee Election and the Student Legal Services proposal, respectively. Vice President for Student Affairs Saddlemire discussed plans for Spring Weekend and also covered several searches that are currently ongoing in the Division of Student Affairs. An announcement was made that a TAFS meeting was scheduled for Tuesday, April 24 to discuss a student Recreation Facility on the Storrs campus.

The Student Life Committee congratulated Trustee Kazerounian as a recipient of the William H. Gates Public Service Law Scholarship at the University of Washington.

11. Institutional Advancement Committee Report

(a) Committee Chairman's report on Committee activities

Trustee Barry gave the report of the Institutional Advancement Committee on behalf of Vice-Chair Treibick. He directed Trustee attention to the Development Progress Executive Summary in Attachment 20.

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(b) Development Progress Executive Summary (Attachment 20)

Mr. John Martin, President of the UConn Foundation, Inc., updated the Board on the Foundation's spring meeting held at the Health Center and the effect of the State's ethics interpretation last fall.

Mr. Martin reported that the Foundation Board of Directors held their last meeting Thursday night, June 14 and Friday, June 15 at the Health Center. He reported that it was a very productive meeting that focused on the important collaborations between the Health Center and Foundation leadership, including updates regarding the expansion of the Health Center. The Board of Directors approved the salary schedule for Fiscal Year 2008, which is consistent with the increases provided to University of Connecticut employees. Mr. Martin highlighted the report of the Investment Committee, which indicated that the Foundation has the potential to finish the year with a return of 17%. Last year they had a return of 14.4 % for a total return of about 31.4% for the two-year period. Chairman Rowe asked if that was net of the fees or gross. Mr. Martin responded that it was the net. Most consider that to be a pretty good return over a two-year period.

The Foundation was pleased to report that for a five-year period there were in the top quartile of all university-managed endowments in the country. The University's endowment presently stands at a level of \$340 million and grows daily with new gifts received for scholarships, endowed chairs, and a variety of other purposes. Total assets are just shy of the \$400 million at \$398 million for the first time. Mr. Martin said that they will finish the fiscal year probably over \$400 million in total assets.

Mr. Martin said that his report at the meeting focused on the top 20 strategic goals of the Foundation for the past year. He provided the Foundation Board with a powerpoint presentation and demonstrated that each of those 20 goals have been accomplished.

On the fundraising side, Mr. Martin said they are doing well, but the year could have ended better. The Foundation expects to end the fiscal year at about \$46 or \$47 million in new gifts in support of the University and the Health Center, which is slightly short of their goal of \$50 million. He compared corporate gifts over a three-year period and what they found was that they will be about \$6 million short. They feel that they would have exceeded their goal had it not been for the State Ethics Commission's interpretation last fall, which hampered corporate giving. Mr. Martin said that there was a particular bank in the State that sent a letter to all of its employees advising them that they should not contribute to any public universities in Connecticut, especially the University of Connecticut because of the confusion over the ethics legislation. That represented gifts that they would have normally received from alumni, parents, general public support for athletics and other programs. The loss of revenue had an impact across the board in terms of athletic support, academic programs, support of scholarships, and faculty research.

Chairman Rowe asked what the status was of the ethics interpretation. Mr. Martin responded that legislation was passed by the General Assembly in January to revoke the earlier interpretation and that it was appropriate for public institutions to receive contributions from corporations that do business in the State. Mr. Martin said that this ruling was unprecedented.

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The Foundation reported that they surpassed the Annual Fund goal of \$4.1 million about a month ago, and have currently received \$4.2 million in total support from about 27,000 donors. This represents a 22% growth in the cash contributions that the Foundation receives in support of the Annual Fund the deans' funds. Mr. Martin said the Annual Fund level has doubled over the last four years from \$2 million to about \$4.2 million. They are hopeful for continued growth going forward. Total donor count at year end should be about 32,000. He also said that while a number of institutions are experiencing a drop-off in donor count, including Harvard University this past year, UConn has been on the increase at about 10%.

The Health Center has raised \$900,000 toward their largest Annual Fund goal ever of \$1 million. Mr. Martin expected that the Health Center will reach it's goal this month.

Mr. Martin also reported on the call center activity in the evening. The average gift has increased 22% from about \$126.00 to \$154.00 per call. Parent gifts are up 6%. Approximately 890 faculty and staff have contributed to the Fund totaling \$365,000. They anticipate that for the Foundation staff 100% will contribute for the third consecutive year.

This year the Foundation has refocused its fundraising tactics to encourage more personal outreach with alumni around the country. To date, his staff has conducted about 2,000 face-to-face meetings around the country. He believes that this is necessary to prepare for upcoming campaigns in an effort to reconnect alums with the University, and then strengthening that network to secure financial support in the future. He estimated that then number of personal contacts increased by about 40% over last year.

The Foundation, as part of their campaign planning mechanism, recently screened about 400,000 files to produce what they consider to be the top 15% of alumni for personal solicitation through the next campaign.

Chairman Rowe and Trustee Barry agreed that the ambiguity of the ethics ruling was unfortunate for our fundraising efforts.

12. Adjournment

Chairman Rowe noted that the next meeting of the Board remains tentative, but he asked that Trustees keep the August 1 date on their calendars. The specific date for the August meeting will be communicated to the Board as soon as possible.

There being no further business appearing, the Board meeting adjourned at 2:55 p.m.

Respectfully submitted,

Louise M. Bailey
Secretary