MINUTES OF THE FORMAL SESSION OF THE BOARD OF CONTROL OF MICHIGAN TECHNOLOGICAL UNIVERSITY held pursuant to due call in Ballroom B of the Memorial Union Building on the campus of Michigan Technological University in the City of Houghton, Michigan at eight thirty o’clock on the morning of June 22, 2006.

The Board of Control of Michigan Technological University met in formal session at the University's campus at Michigan Technological University in the City of Houghton, State of Michigan, at 8:30 a.m., on the 22nd day of June, 2006, in Ballroom B of the Memorial Union Building. The place, hour, and date duly established and duly published for the holding of such a meeting.

The meeting was called to order by the Chair, M. Henricksen, and a quorum was declared present.

The following members of the Board of Control were present:

    M. C. Henricksen, Chair  
    D. J. Brule  
    K. I. Clark  
    R. A. Reck  
    M. K. Richardson  
    G. D. Mroz, ex officio

The following members were absent:

    R. A. Gronevelt  
    R. A. Kershner  
    N. A. Rautiola

Also present during part or all of the session were: Dale R. Tahtinen, Secretary of the Board and Vice President for Governmental Relations; Daniel D. Greenlee, Treasurer and Chief Financial Officer; George Butvilas, Chairman of the Michigan Tech Fund; David D. Reed, Provost and Vice President for Academic Affairs and Vice President for Research; Shea McGrew, Vice President of Advancement and Marketing; Ellen S. Horsch, Vice President for Administration; Les P. Cook, Vice President for Student Affairs; and various members of the faculty, administrative staff, student body, press and public.

Where item numbers are used, they refer to corresponding item numbers in the agenda, in the hands of the Board members.
I. **APPROVAL OF AGENDA**

   It was moved by K. Clark, supported by M. Richardson, and passed by voice vote without dissent, that the agenda of the formal session of June 22, 2006, as distributed to the Board, be approved.

II. **APPROVAL OF MINUTES**

   It was moved by M. Richardson, supported by K. Clark, and passed by voice vote without dissent, that the minutes of the formal session of April 28, 2006, be approved.

III. **OPENING REMARKS**

   **A. Chair’s Comments**

   Good morning and welcome to today’s Board of Control meeting. As we have a full agenda today and we will lose our quorum shortly after noon, I will be brief.

   On Monday afternoon, President Mroz held a campus forum in which he presented the proposed 2006-07 general fund budget, and I have asked that his opening remarks will focus upon the assumptions and parameters that were utilized as the budget was developed. I am delighted that the proposed budget includes pay increases and investments in key growth areas, while still being a balanced budget. Also, I am pleased that the general fund budget for the current year, as well as the current fund budget will both have a positive bottom line as we close out the 2005-2006 fiscal year.

   At this juncture, I would also like to take a moment to recognize Professor Brad King from Mechanical Engineering-Engineering Mechanics for his selection to receive the Society of Automotive Engineers Ralph R. Teetor Educational Award. Brad was one of only four faculty members nationwide to receive this prestigious award which recognizes outstanding engineering educators, and offers an opportunity to meet and exchange views with practicing engineers in the recipient’s field of interest.

   Later today will be the election of a new chair and vice chair for the next fiscal year, and I want to take a minute to thank my fellow Board members for the opportunity to serve as Chair for the past year. I would like to commend President Mroz and his administration for their great leadership which continues to move Michigan Tech to ever higher levels of achievement. With our outstanding faculty and staff and this great leadership at the top, Michigan Tech’s future is indeed bright.
B. President’s Comments

President Mroz provided the Board with the following presentation.

**Investing in Michigan Tech**

Board of Control Meeting
June 22, 2006

**Planning & Budget**

**Vision**

Michigan Tech will grow as a premier research university of international stature, delivering education, new knowledge, and innovation for the needs of our technological world.
Strategic Plan

Goal 1. People
World-class diverse faculty, staff and student population.

Goal 2. Distinctive Education
Discovery based educational experience

Goal 3. Research / Scholarship / Creativity
Advance science and technology to shape, change and save lives.

Goal 1. People
- Compensation
- Recruitment/Marketing
- Childcare Center
- Campus Improvement Plan
- Implementation of Diversity Plans/AQIP
- Technology Upgrades
- Chief Information Officer
- Space Management System/AQIP
- Classroom Improvement Plan/AQIP

Goal 2. Distinctive Education
- Pavlis Technological Leadership Institute
- Interdisciplinary Studies Institute
- Implement Student Success Plan
- Implement MBA Program
- Implement Exercise Science Program
- Sustainability Project/AQIP
Goal 3. Research/Scholarship/Creativity

- Sustainability Project/AQIP
- New Interdisciplinary Research Centers
- Increased Support for Graduate Students

GENERAL FUND FY07 BUDGET

<table>
<thead>
<tr>
<th>Revenue:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Tuition and Fees</td>
<td>$64,210</td>
</tr>
<tr>
<td>State Appropriations</td>
<td>49,041</td>
</tr>
<tr>
<td>Indirect Cost Recoveries</td>
<td>9,399</td>
</tr>
<tr>
<td>Miscellaneous Revenue</td>
<td>269</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td><strong>$120,638</strong></td>
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</table>

<table>
<thead>
<tr>
<th>Expense:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries, Wages and Fringes</td>
<td>$77,552</td>
</tr>
<tr>
<td>Suppliers and Equipment</td>
<td>16,677</td>
</tr>
<tr>
<td>Fellowships/Scholarships</td>
<td>14,955</td>
</tr>
<tr>
<td>Utilities</td>
<td>4,748</td>
</tr>
<tr>
<td><strong>Total Expense</strong></td>
<td><strong>$113,342</strong></td>
</tr>
</tbody>
</table>

**Net Transfers - Out**  $ (7,554)

Net Income (Loss) $ -

Revenue Increases

- Tuition & Fees $7.6M
- State Appropriation 1.1
- Indirect Cost Return 0.6
  $9.3
Expense Increases

Salaries & Wages $1.9M
Fringe Benefits 2.5
Financial Aid 1.7
Strategic Initiatives 2.0
Technology/Startup 1.0
Utilities 0.2
$9.3

TUITION & FEES

- Enrollments
  Undergraduate 20 more
  Graduate 30 more

- Tuition & Mandatory Fees
  Resident Undergraduate 8.75% increase
  Non-Resident Undergraduate 7.0% increase
  Graduate 7.0% increase

- Engineering & Computer Science Fee

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Undergraduate Program Cost Distribution by Discipline
15 Michigan Public Universities

- Physical Science
- Computer & Information Science Support Services
- Engineering
  - $335.96
- Psychology
  - $199.52
- Life Sciences & Education
  - $155.35
- Social Sciences
  - $161.81

Upper Division Undergraduate Cost per Student Credit Hour
2006-2007 Year-End, Comparison Bandwidth
## BASIC STATE FUNDING FORMULA

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Graduate &amp; Research</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Graduate Enrollment</td>
<td>$1,372,971</td>
<td>2.6%</td>
</tr>
<tr>
<td>Degrees-MS/PhD</td>
<td>1,216,348</td>
<td>21.3%</td>
</tr>
<tr>
<td>Research</td>
<td>10,448,287</td>
<td>21.3%</td>
</tr>
<tr>
<td>Total</td>
<td>$13,037,606</td>
<td>26.6%</td>
</tr>
<tr>
<td>Undergraduate</td>
<td>$11,414,006</td>
<td>23.3%</td>
</tr>
<tr>
<td>Degree-Assoc</td>
<td>187,805</td>
<td>0.4%</td>
</tr>
<tr>
<td>Degrees-BS</td>
<td>24,402,082</td>
<td>49.1%</td>
</tr>
<tr>
<td>Total</td>
<td>$36,003,894</td>
<td>73.4%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$49,041,500</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

## Research

Indirect Cost Recovery - 10% increase

## Faculty and Staff

Salaries, Wages & Benefits

- **Salaries & Wages**
  
  $1.9M - Merit/Marketplace/Equity

- **Benefits**
  
  Current Package and Childcare
  Increase Fringe Rate
Graduate Students Stipends and Benefits

- Stipends
  - Increase Minimum by 3%

- University Health Care Contribution
  - Increase to 85% of Premium

Strategic Initiatives

- New Faculty Lines
- Marketing Communication
- Recruiting

Technology Improvement

- Content Management System
- Document Imaging
- Classroom Technology
- Hardware & Software Upgrades
IV. ACTION/DISCUSSION ITEMS

IV-A-1. Academic Affairs Committee Report

Dr. Kathryn Clark reported that due to scheduling conflicts, the Academic Affairs Committee did not meet yesterday, and the next meeting is scheduled for August 2.


Dr. Dave Reed provided the Board with the following report.

Academic Affairs Report

June 22, 2006

David Reed
Outline

- New Program Approval – MBA

- Faculty Update
  - Demographics
  - Diversity
  - Recent Hiring

New Program Approval

- On June 1, the Academic Officers of the State Universities approved the proposed MBA program. It is before the Board for final approval.

Faculty Demographics
Faculty Diversity

• Faculty diversity varies widely from unit to unit. Overall, we have 21% female and 18% minority faculty.

• Over time, we have averaged about 10% faculty turnover per year.

Faculty Diversity

• The following units have met one of their minority or female diversity goals for representation (as of October, 2005):
  - School of Business and Economics
  - Dept. Humanities
  - Dept. Fine Arts
  - Dept. Mathematical Sciences
  - Dept. Physics
  - School of Technology
  - Dept. Education
  - Dept. Chemical Engineering
  - Dept. Chemistry
  - Dept. Mechanical Engineering-Engineering Mechanics
  - Dept. Material Science

Faculty Diversity

• Two units have met both their female and minority diversity representation and hiring goals (as of October, 2005):
  - Dept. Electrical and Computer Engineering
  - Dept. Computer Science
IV-A-3. Final Approval for a Master of Business Administration Degree

It was moved by K Clark, supported by M. Richardson, and passed by voice vote without dissent, that the Board of Control approves Master of Business Administration degree.

IV-A-4. Emeritus Rank

It was moved by D. Brule, supported by M. Richardson, and passed by voice vote without dissent, that the Board of Control approves the following emeritus appointments:

1.) Dr. Nam Kim, Professor Emeritus, Department of Chemical Engineering  
2.) Dr. Charles T. Young, Professor Emeritus, Department of Geological & Mining Engineering & Sciences

IV-A-5. Appointment Involving Tenure

Mr. Brule noted that he has known Milt Olsson for many years as their kids were involved in skiing. He pointed out that Milt has done an outstanding job in developing the fine arts at Michigan Tech and that the Board commends him for his hard work and dedication.

It was moved by K. Clark, supported by D. Brule, and passed by voice vote without dissent, that the Board of Control approves the appointment of Dr. Roger Held as Associate Professor with tenure in the Department of Fine Arts, effective August 1, 2006.

IV-B-1. Finance and Audit Committee Report

Mr. Brule reported that the Finance and Audit Committee met yesterday at 2:00 pm.
The Committee reviewed the projected financial results for this fiscal year, discussed the proposed budget and room and board rates, reviewed the Internal Audit Report (which Dr. Tahtinen will report on later in the meeting, reviewed the Audit Plan for the upcoming year.

The major financial items noted during the meeting were:

- Tuition and fees are expected to be $402K ahead of budget, due to positive variances in Fall and Spring Semester.
- State Appropriations will be $268K ahead of budget, largely due to full restoration of the Governor’s Executive Order from last fiscal year. (We received $385K, back from the State earlier this year.)
- Salary & Wage expenses were up by approximately 5% over last year, which was expected due to the raise given for this fiscal year, and was budgeted for.
- There were also some Supplies and Equipment purchasing, but those also were within established budgets.
- We expect to end the year on a positive note in the General Fund and the Current Fund. Dan Greenlee’s financial projections are currently an approximate +$457K in the General Fund and +$1.4M in the Current Fund.

President Mroz gave a presentation of the FY07 balanced budget and it’s priorities, similar to his opening remarks, this morning. The Committee reviewed the details of the budget and questioned several areas, which were answered to our satisfaction. The number one budget priority for next year is a compensation increase for MTU’s outstanding faculty and staff, with which we fully agree. The Finance & Audit Committee are also in strong support of the passage of the FY07 budget as presented by the President.

The Committee also reviewed the Internal Audit Department’s schedule of Audits and Projects for the coming fiscal year. We reviewed and discussed the information presented on each audit and why those audits were selected for next year. The Committee was impressed with the Internal Audit Department’s efficient and effective handling of their responsibilities and would like to congratulate Amy Hughes and her staff for all their hard work.

The Committee reviewed and discussed the Room & Board rates for the coming year and the fact that they are being increased by 7.3%, which should put us in the “middle of the pack” as far as the Michigan schools are concerned.

**IV-B-2. Internal Audit Report**

Dr. Tahtinen noted that the Internal Audit Department, under the leadership of Amy Hughes, is doing a great job. Internal Audit is an integral part of the process and is a member of the Board’s Finance and Audit Committee.

It was also noted that the Finance and Audit Committee reviewed the upcoming Audit Plan and believe that the focus of the plan going forward is appropriate.

Dr. Tahtinen provided the Board with the following report.
INTRODUCTION

The issues covered in this report have already been reported to the Board of Control in the original audit reports. This status report provides the results of subsequent follow-up reviews.

Follow-up reviews consist of discussing prior audit recommendations with the managers of the audited areas to determine if they have taken action to correct problems which were addressed in the audit report. Follow-up reviews do not involve any testing, and reports are based on the representation of the manager of the audited areas. Future audits could disclose that further improvements are necessary.

INITIAL FOLLOW-UP REVIEWS

No audits required initial follow-up reviews since December 9, 2005.

AUDITS COMPLETED SINCE DECEMBER 9, 2005 (since the last follow-up report)

Moving Expenses
Executive Expenditures

CURRENT AUDIT PROJECTS

Purchasing Card
Tax Compliance
Tuition Reduction Incentive Program
Employee Education Program
Tech Fund Transfers
Women’s Volleyball
Men’s Football
Sponsored Programs

IV-B-3. FY 2006-07 Operating Budget

It was moved by R. Reck, supported by M. Richardson, and passed by voice vote without dissent, that the Board of Control approves the FY 2006-07 General Fund Operating Budget and amends Board of Control policy 9.4. Tuition Rates accordingly, and that the Board of Control authorizes the President to allocate salary adjustments, as he deems appropriate, to his direct reports consistent with the established guidelines for salary distribution at the university for the fiscal year 2006-07.
### Michigan Technological University
### Tuition Rates

<table>
<thead>
<tr>
<th></th>
<th>2005-06 Tuition Per Credit</th>
<th>Proposed 2006-07 Tuition Per Credit</th>
<th>Increase</th>
<th>Annual Increase*</th>
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<tbody>
<tr>
<td>Undergraduate Resident per credit rate</td>
<td>$252.00</td>
<td>$275.70</td>
<td>$23.70</td>
<td>$711.00</td>
</tr>
<tr>
<td>Undergraduate Non-Resident per credit rate</td>
<td>$625.00</td>
<td>$668.00</td>
<td>$43.00</td>
<td>$1,290.00</td>
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<tr>
<td>Graduate Resident and Non-Resident per credit rate</td>
<td>$468.00</td>
<td>$500.00</td>
<td>$32.00</td>
<td>$768.00</td>
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<tr>
<td>Graduate Resident and Non-Resident per credit rate for Applied Science Education and on campus Peace Corps students</td>
<td>$323.00</td>
<td>$345.00</td>
<td>$22.00</td>
<td>$308.00</td>
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<tr>
<td>Engineering/Computer Science Tuition fee per semester for Undergraduates taking fewer than 6 credits and Graduate students taking fewer than 5 credits</td>
<td>$200.00</td>
<td>$250.00</td>
<td>$50.00</td>
<td>$100.00</td>
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<tr>
<td>Engineering/Computer Science Tuition fee per semester for Undergraduates taking 6 credits or more and Graduate students taking 5 credits or more</td>
<td>$400.00</td>
<td>$500.00</td>
<td>$100.00</td>
<td>$200.00</td>
</tr>
</tbody>
</table>

*Note: Increase in undergraduate tuition based on 30 credits, increase in graduate tuition based on 24 credits, Applied Science Education and Peace Corps students tuition based on 14 credits.
## FY07 Current Fund Projection - by Object

### in Thousands

<table>
<thead>
<tr>
<th>Category</th>
<th>General Fund</th>
<th>Designated Fund</th>
<th>Auxiliary Fund</th>
<th>R&amp;I Fund</th>
<th>Total Current Unrestricted</th>
<th>Total Expendable Restricted</th>
<th>Total Current Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating Revenues</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tuition and Fees</td>
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<td>$25</td>
<td>$1,276</td>
<td>$-</td>
<td>$66,211</td>
<td>$-</td>
<td>$66,211</td>
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<td>Federal Grants and Contracts</td>
<td>150</td>
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<td>-</td>
<td>-</td>
<td>150</td>
<td>20,894</td>
<td>21,044</td>
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<td>State &amp; Local Government Grants &amp; Contracts</td>
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<td>-</td>
<td>-</td>
<td>-</td>
<td>2,227</td>
<td>2,227</td>
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<td>Nongovernmental Grants &amp; Contracts</td>
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<td>-</td>
<td>9,256</td>
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<tr>
<td>Indirect Cost Recoveries</td>
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<td>-</td>
<td>-</td>
<td>-</td>
<td>6,386</td>
<td>(6,095)</td>
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<td>Educational Activities</td>
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<td>Sales and Services of Dept Activities</td>
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<td>9,379</td>
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<td>16,410</td>
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<td>$102,248</td>
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<td><strong>Operating Expenses</strong></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Staff S&amp;W</td>
<td>$(21,515)</td>
<td>$(2,473)</td>
<td>$(6,877)</td>
<td>$(911)</td>
<td>$(31,776)</td>
<td>$(5,052)</td>
<td>$(36,828)</td>
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<tr>
<td>Faculty S&amp;W</td>
<td>$(29,879)</td>
<td>(525)</td>
<td>(68)</td>
<td>-</td>
<td>$(30,472)</td>
<td>(3,575)</td>
<td>$(34,047)</td>
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<tr>
<td>Grad Student S&amp;W</td>
<td>$(2,684)</td>
<td>(352)</td>
<td>(101)</td>
<td>-</td>
<td>$(3,137)</td>
<td>(3,239)</td>
<td>$(6,376)</td>
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<td>Undergrad Student S&amp;W</td>
<td>$(795)</td>
<td>(457)</td>
<td>(1,171)</td>
<td>-</td>
<td>$(2,423)</td>
<td>(1,056)</td>
<td>$(3,479)</td>
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<tr>
<td>Fringe Benefits</td>
<td>$(22,678)</td>
<td>(1,070)</td>
<td>(2,710)</td>
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<td>$(28,967)</td>
<td>(2,784)</td>
<td>$(31,751)</td>
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<td>Supplies &amp; Services</td>
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<td>(5,388)</td>
<td>(9,128)</td>
<td>(508)</td>
<td>$(31,701)</td>
<td>(9,740)</td>
<td>$(41,441)</td>
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<td>Scholarships</td>
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<td>(155)</td>
<td>-</td>
<td>$(15,056)</td>
<td>(7,345)</td>
<td>$(22,401)</td>
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<td>Utilities</td>
<td>$(4,748)</td>
<td>(101)</td>
<td>(3,510)</td>
<td>-</td>
<td>$(8,359)</td>
<td>(27)</td>
<td>$(8,386)</td>
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<tr>
<td><strong>Total</strong></td>
<td>$(113,471)</td>
<td>$(10,772)</td>
<td>$(23,721)</td>
<td>$(3,928)</td>
<td>$(151,891)</td>
<td>$(32,819)</td>
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<td><strong>Transfers</strong></td>
<td></td>
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<tr>
<td>Mandatory</td>
<td>$(100)</td>
<td>(373)</td>
<td>(2,717)</td>
<td>-</td>
<td>$(3,191)</td>
<td>$1,447</td>
<td>$(1,744)</td>
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<tr>
<td>Non-Mandatory</td>
<td>(7,265)</td>
<td>5,217</td>
<td>(3,088)</td>
<td>2,646</td>
<td>(2,490)</td>
<td>1,968</td>
<td>(522)</td>
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<td><strong>Total</strong></td>
<td>(7,365)</td>
<td>4,843</td>
<td>(5,806)</td>
<td>2,646</td>
<td>(5,681)</td>
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<td>(2,266)</td>
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<td><strong>Nonoperating Revenues (Expenses)</strong></td>
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<tr>
<td>State Appropriations</td>
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<td>-</td>
<td>-</td>
<td>-</td>
<td>$49,041</td>
<td>160</td>
<td>$49,201</td>
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<td>Gift Income</td>
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<td>3,750</td>
<td>436</td>
<td>-</td>
<td>4,186</td>
<td>3,400</td>
<td>7,586</td>
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<td>Investment Income</td>
<td>-</td>
<td>246</td>
<td>246</td>
<td>200</td>
<td>693</td>
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<td>693</td>
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<td>Investment Fees</td>
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<td>Realized Gains on Investments</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
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<tr>
<td>Unrealized Gains on Investments</td>
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<td>-</td>
<td>649</td>
<td>649</td>
<td>-</td>
<td>-</td>
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<td>Interest Expense</td>
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<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
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<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$49,041</td>
<td>3,996</td>
<td>682</td>
<td>849</td>
<td>54,569</td>
<td>3,560</td>
<td>58,129</td>
</tr>
<tr>
<td><strong>Net increase (decrease) in fund balance</strong></td>
<td>$(0)</td>
<td>741</td>
<td>(1,064)</td>
<td>(432)</td>
<td>$(755)</td>
<td>830</td>
<td>74</td>
</tr>
</tbody>
</table>
## Michigan Technological University

**Current Fund Budget Model**

**General Fund**

### General Fund FY06 Budget to FY07 Budget Comparison by Object

In Thousands

<table>
<thead>
<tr>
<th></th>
<th>FY06</th>
<th>FY07</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating Revenues</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tuition and Fees</td>
<td>$57,315</td>
<td>$64,910</td>
<td>$7,596</td>
</tr>
<tr>
<td>Federal Grants &amp; Contracts</td>
<td>150</td>
<td>150</td>
<td>0</td>
</tr>
<tr>
<td>State &amp; Local Government Grants &amp; Contracts</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Nongovernmental Grants &amp; Contracts</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Indirect Cost Recoveries</td>
<td>5,805</td>
<td>6,386</td>
<td>581</td>
</tr>
<tr>
<td>Educational Activities</td>
<td>349</td>
<td>349</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>$63,618</td>
<td>$71,794</td>
<td>8,176</td>
</tr>
<tr>
<td><strong>Operating Expenses</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Staff S&amp;W</td>
<td>$(20,189)</td>
<td>$(21,515)</td>
<td>$(1,326)</td>
</tr>
<tr>
<td>Faculty S&amp;W</td>
<td>(28,056)</td>
<td>(29,879)</td>
<td>(1,822)</td>
</tr>
<tr>
<td>Grad Student S&amp;W</td>
<td>(2,606)</td>
<td>(2,684)</td>
<td>(78)</td>
</tr>
<tr>
<td>Undergrad Student S&amp;W</td>
<td>(795)</td>
<td>(795)</td>
<td>0</td>
</tr>
<tr>
<td>Fringe Benefits</td>
<td>(20,162)</td>
<td>(22,678)</td>
<td>(2,516)</td>
</tr>
<tr>
<td>Supplies &amp; Services</td>
<td>(15,772)</td>
<td>(16,677)</td>
<td>(905)</td>
</tr>
<tr>
<td>Scholarships</td>
<td>(12,728)</td>
<td>(14,495)</td>
<td>(1,767)</td>
</tr>
<tr>
<td>Utilities</td>
<td>(4,570)</td>
<td>(4,748)</td>
<td>(178)</td>
</tr>
<tr>
<td></td>
<td>$(104,879)</td>
<td>$(113,471)</td>
<td>$(8,592)</td>
</tr>
<tr>
<td><strong>Transfers</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mandatory</td>
<td>$(100)</td>
<td>$(100)</td>
<td>0</td>
</tr>
<tr>
<td>Non-Mandatory</td>
<td>(6,516)</td>
<td>(7,265)</td>
<td>(749)</td>
</tr>
<tr>
<td></td>
<td>$(6,616)</td>
<td>$(7,365)</td>
<td>$(749)</td>
</tr>
<tr>
<td><strong>Nonoperating Revenues (Expenses)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>State Appropriations</td>
<td>$47,976</td>
<td>$49,041</td>
<td>$1,065</td>
</tr>
<tr>
<td>Gift Income</td>
<td>-</td>
<td>-</td>
<td>0</td>
</tr>
<tr>
<td>Investment Income</td>
<td>(100)</td>
<td>-</td>
<td>100</td>
</tr>
<tr>
<td>Interest Expense</td>
<td>-</td>
<td>-</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>$47,876</td>
<td>$49,041</td>
<td>$1,165</td>
</tr>
<tr>
<td><strong>Net Income (Loss)</strong></td>
<td>$-</td>
<td>$ (0)</td>
<td>0</td>
</tr>
</tbody>
</table>
IV-B-4. FY 2006-07 Room and Board and Apartment Rental Rates

It was moved by D. Brule, supported by R. Reck, and passed by voice vote without dissent, that the Board of Control approves the recommended room and board and apartment rental rates for FY 2006-07, and amends Board of Control policies 9.10. Residence Hall Room and Board Rates and 9.11. Apartment Rental Rates accordingly.

REGULAR 2006-2007 ACADEMIC YEAR

<table>
<thead>
<tr>
<th>Residence Hall Room &amp; Board Rates</th>
<th>Present Rates</th>
<th>Proposed Increase</th>
<th>Recommended Rates</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>McNair Hall, Douglass Houghton Hall</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Standard Occupancy</td>
<td>6355</td>
<td>465</td>
<td>6820</td>
<td>7.3</td>
</tr>
<tr>
<td>Single Occupancy</td>
<td>7533</td>
<td>465</td>
<td>7998</td>
<td>6.2</td>
</tr>
<tr>
<td>Converted Occupancy</td>
<td>5921</td>
<td>434</td>
<td>6355</td>
<td>7.3</td>
</tr>
<tr>
<td>(Standard plus one)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wadsworth Hall</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Standard Occupancy</td>
<td>6572</td>
<td>465</td>
<td>7037</td>
<td>7.0</td>
</tr>
<tr>
<td>Single Occupancy</td>
<td>7750</td>
<td>465</td>
<td>8215</td>
<td>6.0</td>
</tr>
<tr>
<td>Wadsworth Hall - double w/private bath</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Standard Occupancy</td>
<td>7099</td>
<td>496</td>
<td>7595</td>
<td>7.0</td>
</tr>
<tr>
<td>Single Occupancy</td>
<td>8339</td>
<td>496</td>
<td>8835</td>
<td>6.0</td>
</tr>
</tbody>
</table>

DINING NOTES:

1. Nineteen meals per week, Saturday and Sunday breakfast excluded. Rates as recommended above.
2. Fourteen meals per week option. Rates as recommended above, less $93.00
3. Ten meals per week option. Rates as recommended above, less $186.00
4. Five meals per week option. Rate as recommended above, less $1147.00
# Apartment Rental Rates for the Regular 2006 - 2007 Academic Year

<table>
<thead>
<tr>
<th>Apartment Monthly Rental Rates</th>
<th>Present Rates</th>
<th>Proposed Increase</th>
<th>Recommended Rates</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Family Rates</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>One Bedroom</td>
<td>412</td>
<td>26</td>
<td>438</td>
<td>6.3</td>
</tr>
<tr>
<td>Two Bedroom</td>
<td>459</td>
<td>29</td>
<td>488</td>
<td>6.3</td>
</tr>
<tr>
<td>Three Bedroom</td>
<td>595</td>
<td>37</td>
<td>632</td>
<td>6.2</td>
</tr>
<tr>
<td><strong>Staff and Faculty Rates</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>One Bedroom</td>
<td>488</td>
<td>31</td>
<td>519</td>
<td>6.3</td>
</tr>
<tr>
<td>Two Bedroom</td>
<td>538</td>
<td>34</td>
<td>572</td>
<td>6.3</td>
</tr>
<tr>
<td>Three Bedroom</td>
<td>670</td>
<td>42</td>
<td>712</td>
<td>6.2</td>
</tr>
<tr>
<td><strong>Single Student Rates</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(rates are per student)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>One Bedroom 3 students</td>
<td>153</td>
<td>10</td>
<td>163</td>
<td>6.5</td>
</tr>
<tr>
<td>2 students</td>
<td>219</td>
<td>14</td>
<td>233</td>
<td>6.4</td>
</tr>
<tr>
<td>Two Bedroom 4 students</td>
<td>153</td>
<td>10</td>
<td>163</td>
<td>6.5</td>
</tr>
<tr>
<td>3 students</td>
<td>219</td>
<td>14</td>
<td>233</td>
<td>6.4</td>
</tr>
<tr>
<td>2 students</td>
<td>305</td>
<td>20</td>
<td>325</td>
<td>6.5</td>
</tr>
</tbody>
</table>
IV-B-5. Approval for A.E. Seaman Mineralogical Museum Structural Stabilization Project

The Board of Control, at its September 29, 2005 meeting, authorized the acquisition of certain properties on what is commonly known as the Quincy Hill Cooperating Site for the Keweenaw National Historic Park. The site includes two historic structures in need of stabilization. The University has secured Federal funds totaling $1,813,927 to fund planning, design and stabilization of these facilities. This is the first phase of the multi-phase project moving the A. E. Seaman Mineralogical Museum from its temporary home in the EERC Building to the Quincy Hill site.

<table>
<thead>
<tr>
<th>Grant</th>
<th>Grant Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>SAT 26-04-ML-0037</td>
<td>$222,227</td>
</tr>
<tr>
<td>HUD/EDI Special Project B-04-SP-MI-0364</td>
<td>$994,100</td>
</tr>
<tr>
<td>HUD/EDI Special Project B-05-SP-MI-0123</td>
<td>$297,600</td>
</tr>
<tr>
<td>HUD/EDI Special Project B-06-SP-MI-0494</td>
<td>$300,000</td>
</tr>
<tr>
<td>Total</td>
<td>$1,813,927</td>
</tr>
</tbody>
</table>

A master plan for the facilities has been developed; stabilization construction plans are complete and are presently out for bids, due on June 15, 2006.

It is anticipated that the bids will be within our construction budget of $1,423,000 with sufficient funding remaining to professionally manage the construction.

It was moved by K. Clark, supported by R. Reck, and passed by voice vote without dissent, that the Board of Control approves the A.E. Mineralogical Museum Structural Stabilization Project at a cost not to exceed $1,813,927, and authorizes the Administration to execute the contract documents for the project.

IV-B-6. Gifts

It was moved by D. Brule, supported by M. Richardson, and passed by voice vote without dissent, that the Board of Control acknowledges the gifts to Michigan Technological University.
MICHIGAN TECH FUND
Gift Activity Cash Report
July 1, 2005 through April 30, 2006
Compared to Prior Year

<table>
<thead>
<tr>
<th>Gift Type</th>
<th>FY06 YTD Total</th>
<th>FY05 YTD Total</th>
<th>$ Change from Previous Fiscal Year</th>
<th>% Change from Previous Fiscal Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash (current year)</td>
<td>5,649,136</td>
<td>5,048,487</td>
<td>600,649</td>
<td>11.9%</td>
</tr>
<tr>
<td>Bequests (current year)</td>
<td>901,806</td>
<td>924,071</td>
<td>-22,265</td>
<td>-2.4%</td>
</tr>
<tr>
<td><strong>Current Year Subtotal</strong></td>
<td><strong>6,550,943</strong></td>
<td><strong>5,972,558</strong></td>
<td><strong>578,385</strong></td>
<td><strong>9.7%</strong></td>
</tr>
<tr>
<td>Cash (receipts from prior year pledges)</td>
<td>737,426</td>
<td>4,141,608</td>
<td>-3,404,182</td>
<td>-82.2%</td>
</tr>
<tr>
<td>Bequests (from previously recorded gifts)</td>
<td>16,450</td>
<td>0</td>
<td>16,450</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Receipts from Previous Year Subtotal</strong></td>
<td><strong>753,877</strong></td>
<td><strong>4,141,608</strong></td>
<td><strong>-3,387,731</strong></td>
<td><strong>-81.8%</strong></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>7,304,820</strong></td>
<td><strong>10,114,166</strong></td>
<td><strong>-2,809,347</strong></td>
<td><strong>-27.8%</strong></td>
</tr>
</tbody>
</table>

IV-C-1. Presidential Evaluation Committee Report

Ms. Martha Richardson provided the Board with the following report.

2007 Presidential Annual Review
Report to the Board, June 22, 2006

The April 2006 Presidential evaluation was the first attempt by the board to formalize an evaluation process that we hope will be the blueprint for future boards to follow in evaluating presidential performance.

As you all know, the April 2006 review, as completed on April 28 by the Board of Control, found the performance of President Mroz to be exceptional. As Chairman Henricksen stated immediately after that evaluation, “Glenn has done an admirable job. He came into a challenging situation two years ago, and quickly gained the confidence of the board and the campus community. My colleagues and I are particularly pleased with the progress toward greater financial stability, the development of an exciting strategic plan, and how well he has been received by Tech’s external audiences, particularly our elected officials. We look forward to working with Glenn and his executive team to make Tech an even greater institution.”

No sooner had we completed the April 2006 Presidential evaluation, than the Review Committee began the process of planning for the April 2007 evaluation.

The Presidential Review Committee, as appointed by the Board of Control Chairman, will guide this process and is made up of Dave Brule, Russ Gronevelt, Ruth Reck and myself.
Our review period has a 12-month framework, with formal review planned for the April 2007 Board of Control meeting. Goals are set for the 12-month period from April 2006 to April 2007, at which time we will evaluate progress toward those goals.

The annual review evaluates pre-determined criteria, established at the start of a 12-month period, and is designed to:

- Strengthen the president’s performance
- Engage the president in the process
- Enable the Board and the President to preset mutually agreed upon goals
- Be based on clearly stated criteria for performance
- Use reliable objective data as well as subjective information
- Inform any annual compensation adjustment

The Board, with the involvement of the President, drives this process. This is done with, and not too, the President.

Our timetable for the April 2007 review is as follows:

June 2006
- Review Committee and President have completed the review criteria for April 2007
- Board has reviewed these criteria, and today, we anticipate will approve the evaluative criteria. The 2007 criteria include articulation of a vision for the university, improving fiscal management, increasing enrollment, enhancing revenue from multiple sources, communicating effectively, demonstrating leadership, increasing Tech’s impact on economic development, and of course importantly, progress toward goals of the new Tech Strategic Plan.

January 2007
- Committee reviews, revises and completes an updated 2007 evaluation survey form

March 2007
- President completes span of control evaluation, self assessment and report on progress toward goals
- Committee, with staff assistance, compiles presidential assessment, all surveys, faculty Senate review and other available information into briefing book
- Survey form and briefing book distributed to Board
- Board completes Presidential assessment survey and returns to committee
- Committee analyzes input, consolidates and distributes to the Board

April Board Meeting 2007
- Board meets with President to conduct formal review with President, documents results and sets next 12-month criteria
And so, my fellow board members, your Presidential Evaluation Committee recommends to the full Board of Control that you approve the 2007 Presidential Review schedule and Evaluative Criteria as distributed to you in advance of this meeting.

It was moved by M. Richardson, supported by D. Brule, and passed by voice vote without dissent, that the Board of Control approves the FY 2007 Evaluation Schedule and Criteria as presented.

2007 Presidential Annual Review Schedule
May 10, 2006

The annual review evaluates pre-determined criteria, established at the start of a 12-month period, designed to:

- Strengthen the president’s performance
- Engage the president in the process
- Enable the Board and the President to preset mutually agreed upon goals
- Be based on clearly stated criteria for performance
- Use reliable objective data as well as subjective information
- Inform any annual compensation adjustment

The Board, with the involvement of the President, drives this process. This is not the same as a comprehensive assessment (done at 3-5 year intervals) with professionally obtained, formal input from a variety of constituents (community, faculty, student, administration, etc.). It does, however, utilize any existing information that adds value.

Timetable:

The Presidential Review Committee, as appointed by the Board of Control Chairman, guides the process and is made up of Dave Brule, Russ Gronevelt, Ruth Reck and Marty Richardson. Our review period has a 12-month framework, with formal review planned for the April 2007 Board of Control meeting. Goals are set (unless otherwise indicated) for the 12 month period from April 2006 to April 2007, at which time we will evaluate progress toward those goals.

June 2006
  o Review Committee and President complete review criteria for April 2007
  o Board approves review criteria

January 2007
  o Committee reviews, revises and completes 2007 evaluation survey form

March 2007
  o President completes span of control evaluation, self assessment and report on progress toward goals
Committee, with staff assistance, compiles presidential assessment, evaluate surveys, faculty Senate review and other available information into briefing book
- Survey form and briefing book distributed to Board
- Board completes Presidential assessment survey and returns to committee
- Committee analyzes input, consolidates and distributes to the Board

April Board Meeting 2007
- Board meets with President to conduct formal review with President, documents results and sets the next 12-month criteria

PRESIDENTIAL EVALUATION CRITERIA FOR THE PERIOD APRIL 2006 TO APRIL 2007

BOARD CRITERIA

1. **Vision:** How well has President Mroz articulated to the Board his vision for Michigan Tech?

2. **Fiscal Management:** Balanced budget (budget and actual, reduction of deficit); Increased financial stability (ability to “weather the storm”); Favorable comparisons with peer group universities.

3. **Enrollment:** Meet or exceed enrollment targets of 7,000 on-campus students for 2007; Appropriate expansion and closure of programs; Increasing student satisfaction and customer service survey (student and alumni surveys); Increased retention rates (why they change); Placement of graduates; Increased national rankings.

4. **Revenue:** 20% increase in financial contributions to the university (philanthropic, state, federal, and corporate); 10% increase in research funding.

5. **Institutional Communication:** Have a comprehensive university plan in place; Appropriate progress on plan implementation; Alumni and student surveys include an evaluative component.

6. **Leadership and Span of Control:** Are the right people in the right places? Are appropriate evaluative measures and processes in place and being executed? Delegating (entrusts responsibility and authority to staff); Controls (develops and uses checkpoints to maintain adherence to established plan; Fosters problem solving and teamwork.

7. **University’s Impact Upon Economic Development:** Creation of at least 5% more jobs related to technology developed at Michigan Tech.
PROGRESS ON STRATEGIC PLAN

GOAL 1 – Attract and support a world-class and diverse faculty, staff and student population

8. 1.1. Provide an outstanding work environment and support opportunities for all members of the Michigan Tech Community: Provide competitive compensation; expand professional development opportunities; promote and tenure faculty with national and international reputations; attract and retain bright, motivated and adventurous students; provide vibrant cultural enrichment programs.

9. 1.2. Increase the diversity of our faculty, staff and students: Achieve diversity consistent with national norms; implement unit diversity plans, rewarding those achieving diversity goals.

10. 1.3. Provide exceptional facilities and an aesthetically pleasing environment: Construct and renovate technologically and ecologically superior facilities; optimize the use of resources, laboratories and equipment.

GOAL 2 – Deliver a distinctive and rigorous discovery-based learning experience grounded in science, engineering, technology, sustainability, and the business of innovation.

11. 2.1. Provide dynamic experiential learning that integrates instruction, research and innovation in undergraduate and graduate programs: Expanded funded research opportunities for students; incorporate and expand discovery-based programs in all curricula; provide international opportunities in all curricula; expand the use of technology in campus and distance education.

12. 2.2. Develop undergraduate and graduate programs in new and emerging areas: Expand combined bachelor-master degree and dual-degree graduate programs; create new interdisciplinary programs in strategically-targeted areas.

13. 2.3. Provide exemplary student life activities: Fosters innovate student-centered activities, programs and services; promote and encourage student engagement and civil responsibility; produce graduates with strong leadership capabilities.

GOAL 3 – Establish world-class research, scholarship and innovation in science, engineering, and technology that promotes sustainable economic development in Michigan and the nation.

14. 3.1. Increase interdisciplinary initiatives to expand knowledge and address societal needs: Integrate sustainability into all our endeavors; expand interdisciplinary centers and institutes in strategically-targeted areas; develop and support superior graduate programs.
15. **3.2. Promote economic development and innovation in Michigan and the nation:**
Expand entrepreneurship in graduate and undergraduate programs; increase partnerships with government, industry and universities; support technological education and entrepreneurship at the K-12 and community college levels; aggressively encourage and support start-up businesses emerging from faculty and student expertise and scholarly activity.

16. **3.3. Address societal needs through global partnerships:** Expand international engagement through collaboration with universities, industry and government; develop cross-cultural exchanges to increase understand and discovery of new knowledge and processes.

**IV-C-2. Election of Chair and Vice Chair**

It was moved by D. Brule, supported by M. Richardson, and passed by voice vote without dissent, that the Board of Control elects Kathryn Clark as Chair and Russell Gronevelt as Vice Chair for the 2006-07 fiscal year.

**IV-C-3. Michigan Tech Fund Report**

Mr. George Butvilas, Chairman of the Michigan Tech Fund, and Mr. Shea McGrew, Vice President of Advancement and Marketing, provided the Board with the following report.

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**BOARD OF CONTROL**

**MICHIGAN TECH FUND REPORT**

George Butvilas  
Chair, Board of Directors  
June 22, 2006
May 24-25 Tech Fund Meeting

- Welcomed K. Clark and R. Gronewelt as directors
- Large contingent of BOC members in attendance
- Pivotal meeting
  - university strategic plan discussion
  - first meeting with new board structure

Meeting Highlights – Board of Directors

- Reviewed asset management policies
- Took initial steps to eliminate disincentives to giving
- Eliminated payment of interest on demand accounts
- Future unrestricted bequests of more than $10,000 will be endowed
- Review of the 3.5% endowment payout

Meeting Highlights, cont’d

- Approved FY’07 fundraising goal of $30M
- Approved FY’07 MTF expense budget of $3.93M
- Reviewed campaign preparations for July 1, 2007 launch
- Presentation by President Mroz on the new MTU strategic plan
- Presentation by alumnus David House on strategic necessity of graduate education, research, and attracting top faculty
MTF Priorities Going Forward

- Continue excellent investment results
  - 20.4% in the past 12 months as of 4/30/06
- Enhance administration of gift funds and make giving easier
- Support the upcoming campaign with fundraising assistance
- Partner with BOC to finance the campaign

BOARD OF CONTROL
ADVANCEMENT REPORT

Shea McGrew
June 22, 2006

Goals Summary Chart

<table>
<thead>
<tr>
<th>Restricted Individual Gifts</th>
<th>Goals 06</th>
<th>FYTD 06</th>
<th>Goals 07</th>
</tr>
</thead>
<tbody>
<tr>
<td>Major</td>
<td>$8.50M</td>
<td>$4.35M</td>
<td>$17.00M</td>
</tr>
<tr>
<td>Non-Major</td>
<td>$.98M</td>
<td>$.136M</td>
<td>1.00M</td>
</tr>
<tr>
<td>Planned Giving</td>
<td>$3.00M</td>
<td>$8.97M</td>
<td>$4.59M</td>
</tr>
<tr>
<td>Annual Fund</td>
<td>$1.47M</td>
<td>$1.51M</td>
<td>$1.53M</td>
</tr>
<tr>
<td>Corporate &amp; Foundation</td>
<td>$3.50M</td>
<td>$3.72M</td>
<td>$4.75M</td>
</tr>
<tr>
<td>Gifts-in-Kind</td>
<td>$5.50M</td>
<td>$5.78M</td>
<td>$7.25M</td>
</tr>
</tbody>
</table>

Total FY 2006 Goal $18.00M
Total FY 2007 Goal $30.00M

as of 6/16/2006
Comments on FY’07 Goals

- Conduct early campaign solicitations
- Maximize staff productivity
- Expand corporate and foundation activity

Campaign Planning Calendar (remainder of 2006)

- Finalize campaign projects/price tags: June 26
- Complete draft case statement: June 28
- Send letters to feasibility study list: July 10
- Conduct feasibility study interviews: August-Sept. 8
- Receive study report draft: October 6
- Share report findings with BOT/BOC: October 12-14
- Finalize campaign goal: December
- Complete recruitment of campaign committee: December

Alumni Relations - iModules

- Build Community
  - E-mail directory, affinity groups, reunions
- Communicate
  - Magazine, newsletters, updates
- Offer Services
  - Class notes, event sign-up
Marketing & Communications Plan

- Goal:
  - The right people
  - The right messages
  - Engagement

We want people to come to us!!

Key FY’07 Actions

- Consistent message
- Better web site
- Quality publications
- Tailored communications to influentials
- Media “campaign”
- Downstate exposure
- Integrated admissions strategies

What is Advancement Success in FY’07?

- $30 million and campaign readiness
- Greater alumni involvement
- High-impact marketing
- Faculty, staff, and students – our best marketers
IV-C-4. Michigan Council for the Arts

It was moved by R. Reck, supported by M. Richardson, and passed by voice vote without dissent, that the Board of Control authorizes the Department of Fine Arts proposal for submission to the Michigan Council for the Arts and Cultural Affairs.

IV-C-5. Resignations, Retirements, and Off Payroll

It was moved by D. Brule, supported by K. Clark, and passed by voice vote without dissent, that the Board of Control accepts the resignations and confirms the off payroll determinations.

BOARD OF CONTROL OFF-PAYROLL REPORT
(April 9, 2006 – May 20, 2006)

<table>
<thead>
<tr>
<th>Faculty</th>
<th>Department</th>
<th>Title</th>
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<tr>
<td>RESIGNATION</td>
<td>Bocanegra, Luis</td>
<td>School of Technology</td>
<td>Associate Professor</td>
<td>12/26/05</td>
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<td>Desrochers, Mary F</td>
<td>School of Technology</td>
<td>Associate Professor</td>
<td>08/23/98</td>
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<td>Liu, Jian</td>
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<tr>
<td>Sprague, Dianne</td>
<td>School of Technology</td>
<td>Assistant Professor</td>
<td>02/01/82</td>
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<tr>
<td>NON-EXEMPT</td>
<td>Jensik, Jeffrey</td>
<td>University Printing Services</td>
<td>Printer</td>
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<td>Kiley, Cheryl</td>
<td>VP for Research</td>
<td>Office Assistant 5</td>
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<td>Maki, Darlene</td>
<td>Advancement</td>
<td>Office Assistant 4</td>
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<td>Williams, Rita</td>
<td>ME-EM</td>
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<tr>
<td>McKimpson, Marvin</td>
<td>Institute of Matl’s Proc</td>
<td>Project Mgr/Rsch Leader</td>
<td>12/22/85</td>
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<td>McKinstry, Roland</td>
<td>Electrical &amp; Comp Eng</td>
<td>Research Associate</td>
<td>03/06/89</td>
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<td>Scott, W S</td>
<td>Admissions</td>
<td>Admissions Rep</td>
<td>02/24/05</td>
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<td>Smock, Elizabeth</td>
<td>Residence Life</td>
<td>Asst Director of Student Life</td>
<td>10/05/97</td>
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<td>Soldan, Theodore</td>
<td>Fine Arts</td>
<td>Theater Shop Supervisor</td>
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<td>Toczydlowski, David</td>
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<td>Joyal, Rubie</td>
<td>Residence Hall – Dining</td>
<td>Food Service Helper</td>
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<td>Koski, Jeffrey</td>
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<tr>
<td>Bradof, Kristine</td>
<td>Civil &amp; Env Eng</td>
<td>Coord Reg GEM Center</td>
<td>12/26/05</td>
<td>04/08/06</td>
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V. REPORTS

A. Student Affairs – Dr. Les Cook

A copy of Dr. Cook’s presentation was included in the agenda book.
B. Research and Sponsored Programs – Dr. Dave Reed

A copy of Dr. Reed’s presentation was included in the agenda book.

C. Financial Report – Mr. Dan Greenlee

A copy of Mr. Greenlee’s presentation was included in the agenda book.

VI. INFORMATIONAL ITEMS

A. Analysis of Investments
B. Auxiliary Enterprises Operations
C. Board of Control Follow-up Items

VII. CLOSED SESSION

It was moved by K. Clark, supported by M. Richardson, and passed by voice vote without dissent, that the Board of Control proceeds into closed session to discuss real property transactions and presidential performance evaluation. (A closed session for such purposes are provided for in Section 8 (a) and (d) of P.A. 267 of 1976). (A roll call vote is required).

Roll Call Vote:
Richardson – Yes  Clark - Yes
Reck – Yes  Henricksen - Yes
Brule – Yes

The motion passed.

The Board of Control reconvened in open session with a quorum present.

Mineral Museum Quincy Hill Easement Agreement

It was moved by K. Clark, supported by M. Richardson, and passed by voice vote without dissent, that the Board of Control authorizes the President, Provost and Vice President of Academic Affairs, Secretary or Treasurer to execute a preservation easement to the National Park Service or a non profit preservation organization acceptable to the National Park Service. The easement will encompass the real estate acquired from the Quincy Mine Hoist Association in the Northwest quarter of Section 25, Township 55 North, Range 34 West, Franklin Township, Houghton County.

Portage Township Burial Vault

It was moved by D. Brule, supported by K. Clark, and passed by voice vote without dissent, that the Board of Control approves the purchase of the property (Portage Township Burial Vault) described as part of the SE ¼ of the SW ¼ of SE ¼ Section 31
T55N R33W, beginning at the S ¼ post of the Section 31 T55N R33W, thence E 672.25 feet to the Point of Beginning, thence N 0 degrees 17’ W 398.7’, thence S 39 degrees 13’ E 512’, thence W 321.75 feet to the Point of Beginning located on MacInnes Drive, Houghton, MI, Houghton County.

**Presidential Evaluation**

It was moved by D. Brule, supported by M. Richardson, and passed by voice vote without dissent, that the Board of Control extends President Mroz’s current contract for a five year period through June 30, 2012, and that the salary and terms of the contract reflect past performance and marketplace.

It was moved by K. Clark, supported by M. Richardson, and passed by voice vote without dissent, that the Board of Control authorizes the Presidential Evaluation Committee to negotiate terms and conditions for the five year agreement, and to bring those back to the full Board at the August 3 meeting.

**VIII. PERMISSION TO ADDRESS THE BOARD**

**Mike Henricksen:** We have two parties here who are going to make presentations to the Board. The first is Dr. Marilyn Cooper, Professor of the Department of Humanities.

**Marilyn Cooper:** I wanted to say first of all that our request to speak to the Board was a joint request for me and Dr. Barna and he was not able to stay and so I will be the only person addressing you. I’m the current President of the MTU Chapter of AAUP and we requested to speak to the Board as representatives of the Union on the question of faculty salary raises for this year. I have a letter here from Dr. Tahtinen saying we are not allowed to speak to the Board on behalf of the Union, as a representative of the union, and I would like to know if that is the Board policy and if every member of the Board agrees with that?

**Dale Tahtinen:** Mr. Chairman, why don’t I just address this since I sent the letter. That is totally consistent with the Board’s policy. The only organizations that address the Board are those that the Board requests that they address and have representatives address, that has consistently been the case. But individuals, if they want to express their thoughts on any matter to the Board, as appropriate, they address them as individuals and that is very consistent with the policy of the Board.

**Marilyn Cooper:** So, I understand then that the Board is refusing to hear from the faculty union on responding to the question of salary raises for faculty?

**Mike Henricksen:** I believe your representation here today was approved based on you personally... (M. Cooper interrupted)

**Marilyn Cooper:** I just wanted to make sure that you do not want to hear from the faculty union their position on the faculty raises. I am prepared to speak for myself.
Mike Henricksen: I think everybody has an opinion, you know you are welcome to yours at this particular session and we would like to hear it if you’d like . . . (M. Cooper interrupted)

Marilyn Cooper: Oh, I will speak to it, I just wanted to make sure that you do not want to hear from the faculty union, from the MTU AAUP?

Mike Henricksen: I don’t think anybody said that. I think what we would like to do is have you go forward with your presentation.

Marilyn Cooper: OK. Then I will speak as a faculty member who happens to be a member of the union and I only have three comments. In response to your decision to award salary adjustments to faculty without negotiating with the union, I find it incredible that President Mroz is arguing that distributing raises on the basis of past practice is the only fair and legal way to proceed. Past practice with regard to raises at Michigan Tech for the past 20 years has been a process that is wildly inconsistent and often very unfair. It has included over the past 20 years across the board salary reductions, across the board salary raises, no salary increases, required days of work without pay which was misleadingly labeled “furloughs.” Loss of retirement health benefits, golden parachutes for inept and felonious administrators. Past practice does not seem to be a good ground on which to stand.

Our only substantial raises for the faculty over the past five years has been in years when the Union has been particularly active. In the year that we had a 50% drive and then in the year in which we elected the union. The one constant fact about past practices is that MTU faculty salaries have gone down and down in relation to faculty salaries at other institutions in the state and across the nation. So past practices won’t cut it and neither will a $1 million salary pool change that very much.

Secondly, I find it incredible that the administration is going to repeat the illegal unilateral imposition of raises that they made last year which forced us, forced the Union, I should say, to file an Unfair Labor Practices charge. Not negotiating salary adjustments and the mechanisms by which they are distributed is a clear violation of labor law. The hearings from last year’s negotiations are still in process, I mean last year’s violations, are still in process and all indications we have is that the Unfair Labor Practices charge will be validated. Going ahead with faculty raises for next year and continuing to refuse to negotiate, which is also a violation of labor law, will ensure another Unfair Labor Practices charge and hearing and I do not think that is in anyone’s best interest.

And then finally, I also find it incredible that President Mroz claims that at the forum on Monday that MERC ordered both sides not to negotiate last fall. This is really not the case. The Union was never told not to negotiate and we know that what happened with the Administration is that a single aide at MERC that has no legal training told another member, one of the members of the administration, that in his opinion case law in Michigan suggests that negotiating after Petition of Decertification had been filed might be a bad idea. He is wrong about that the case law does not apply in this case. So, my opinion there is no legal reason not to negotiate and the best thing for Michigan Tech and the faculty who are as committed to this University as the Administration is that we would immediately return to
the negotiating table to discuss faculty salaries for next year and negotiate and cease this fairly unproductive standoff.

Thank you.

Mike Henricksen: Thank you Dr. Cooper.

IX. OTHER BUSINESS

There was no other business at this time.

X. PUBLIC COMMENTS

There were no public comments at this time.

XI. ADJOURNMENT

It was moved by K. Clark, supported by M. Richardson, and passed by voice vote without dissent, that the meeting be adjourned.

____________________________________
Secretary of the Board of Control

____________________________________
Chair, Board of Control