MINUTES
of the
Board of Control
Michigan Technological University
Houghton, Michigan

Meeting of
May 2, 2014
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MINUTES OF THE FORMAL SESSION OF THE BOARD OF CONTROL OF MICHIGAN TECHNOLOGICAL UNIVERSITY held pursuant to due call Ballroom B of the Memorial Union Building on the campus of Michigan Technological University in the City of Houghton, Michigan at nine o’clock on the morning of May 2, 2014.

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 9:00 a.m., on the 2nd day of May 2014, 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, S. Hicks, and a quorum was declared present.

The following members of the Board of Control were present:

S. J. Hicks, Chair
J. A. Fream, Vice Chair (via telephone)
T. L. Baldini
R. J. Jacquart
L. D. Kennedy (via telephone)
P. G. Ollila
T. J. Woychowski (via telephone)
G. D. Mroz, ex officio

The following members were absent:

L. D. Ashford

Also present during part or all of the session were: Dale R. Tahtinen, Secretary of the Board and Vice President for Governmental Relations; Daniel Greenlee, Treasurer and CFO; Max Seel, Provost and Vice President for Academic Affairs; David D. Reed, Vice President for Research; Ellen Horsch, Vice President for Administration; 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

Board Secretary D. Tahtinen recommended that the agenda be amended to delete item IV-G. Revisions to Graduate Student Government Constitution, add items V-O. Honorary Posthumous Degree, and V-P. Response to Senate Proposal 13-14.

It was moved by R. Jacquart, supported by J.Fream, and passed by voice vote without dissent, that the agenda of the formal session of May 2, 2014, as distributed to the Board, be approved as amended.

II. OPENING REMARKS

Chair’s Comments

I would like to welcome everyone to today’s Board of Control meeting and to this Commencement weekend celebration of achievement and success. This is always a special and exciting time of the year, as we honor our graduates and their families.

Due to flight cancellations, as a result of our very foggy weather this week, several of our Board members, were unable to land in Houghton. I would like to thank Julie, Linda and Lenora for their valiant efforts in trying to get here, and would like to welcome Julie, Linda, and Terry who are participating by phone today.

The graduating class this spring totals 978 students; 752 undergraduate students, 189 master students and 37 Ph.D. students. Combined with the fall commencement, the total number of graduates for this year is 1,399, of which 1,045 are undergraduate students, 297 master students, and 57 Ph.D. students.

Since the last Board meeting, many of our faculty, staff and students have been doing great things, and I wanted to take a few moments to highlight some of the more notable accomplishments.

In keeping with strategic plan Goal 1: A world-class and diverse faculty, staff and student population the Board would like to recognize several faculty members that have made significant contributions to Michigan Tech and their chosen field of study and are being recommended for promotion and/or promotion and tenure later in today’s meeting.

The candidates recommended for promotion from assistant professor without tenure to associate professor with tenure are: Lynn Mazzoleni, Chemistry; Chaoli Wang, Computer Science; Kette Thomas, Humanities; Stefaan DeWinter, and Zhengfu Xu of Mathematical Sciences; Petra Huentemeyer, Physics; Jared Anderson and Kalen Larson of Visual and Performing Arts; Shiluyan Hu, Electrical and Computer Engineering; Shiliang Wu, Geological and Mining Engineering and Sciences; Paul Sanders and Yongmei Jin of Materials Science and Engineering; Scott Miers, Mechanical Engineering-Engineering Mechanics; Hairong Wei, School of Forest Resources and Environmental Science; Aurenice de Menezes Oliveira and Xinli Wange, of the School of Technology. Please stand and be recognized.
The candidates recommended for appointment from associate professor without tenure to associate professor with tenure are: Guilang Tang, Biological Sciences; Jiguang Sun, Mathematical Sciences; Jennifer Becker, Civil & Environmental Engineering, and Joshua Pearce, Materials Science and Engineering. Please stand and be recognized.

The candidates recommended for promotion from associate professor with tenure to professor with tenure are: Fredric Quivik, Social Sciences; and Eric Seagren, Civil and Environmental Engineering. Please stand and be recognized.

The candidates recommended for promotion from associate professor with tenure to professor with tenure are: Karla Kitalong, and Beatrice Smith of Humanities; Jason Carter, Kinesiology and Integrative Physiology; Carol MacLennan, Social Sciences; Mary Carol Friedrich, Visual and Performing Arts; Theresa Ahlborn, and Zhanping You, Civil and Environmental Engineering; Jeffrey Allen, Michele Miller, and Gregory Odegard of Mechanical Engineering-Engineering Mechanics; and Victor Busov, of the School of Forest Resources and Environmental Science. Please stand and be recognized.

In addition:
- Graduate students Christa Meingast in environmental engineering and Gregory Hardy and David Diesenroth in mechanical engineering received Graduate Research Fellowships from the National Science Foundation, and Benjamin Winter in civil engineering received an honorable mention.

With respect to **Goal 2: A distinctive and rigorous discovery-based learning experience:**
- Michigan Tech’s Air Force ROTC detachments has been named Team of the Year in an annual competition to determine the best AFROTC detachment in the nation. Tech’s detachment topped 145 AFROTC detachments and more than 1,100 colleges and universities nationwide.
- Michigan Tech was named Michigan’s “most underrated university” by Business Insider. The ranking reflects the university’s high academic standards and acceptance rates, and only one university was selected from each state.
- In addition, Business Insider also rated Michigan Tech number 11 among the top-30 public universities with the smartest students.
- Payscale.com ranked Michigan Tech’s starting salaries 13th in the nation for public in-state tuition and ranked 54th in the nation overall. Michigan Tech ranked 10th among public universities in the nation for the highest average starting salaries, which is currently at $59,200.

Achievements for **Goal 3: World-class Research, Scholarship & Entrepreneurship and Creativity** include:
- Associate Professor Gregory Odegard, of Mechanical Engineering-Engineering Mechanics, who received a $299,995 award from the National Science Foundation for his work on Novel High Voltage Temperature Materials and Structures.
- Assistant Professor Mohammad Rastgaar Aagaah, of Mechanical Engineering-Engineering Mechanics, who received $497,393, from the National Science
Foundation for a CAREER project entitled, Steerable Powered Ankle-foot Prostheses for Increased Mobility in Amputees.

As Dan Greenlee is retiring on June 30, this will be his last Board meeting with us. On behalf of the Board, we want to thank Dan for his outstanding efforts, dedication, his humor and hard work in keeping us on a sound financial footing through the years, and his service to the University, the Michigan Tech Fund, and the Board of Control. It was a pleasure to work with Dan, and we wish him all the best in his retirement.

President’s Comments

My compliments, thanks and congratulations to all those being promoted and being given tenure today. You are a remarkable group of people, and you work with an outstanding group of people in your departments. I would also like to add my thanks and congratulations to Dan Greenlee, who is retiring at the end of June, and also to Walt Milligan who is moving back up to the faculty in Materials Science & Engineering at the end of the fiscal year as well. Both have been in very visible pressure cooker jobs, and we thank them for their service.

Chair Hicks noted some of our impressive graduation statistics for the year, and our students will be moving on to opportunities around the state and the world. After having 266 employers here in the fall and 219 more in the spring, and almost 1,500 recruiters on campus combined for those career fairs, we almost feel like outsiders in the current national media debate centered around the basic question of what is a university education worth? With Michigan Tech’s placement rate in the mid 90’s and starting salaries at the top of the scale in the nation, the answer seems so obvious to us that work with students every day, because it’s the student entree into creating the future.

Yet the debate goes on in government and media circles and is coming to a head now with the federal government entering the ranking field. Rankings that will influence the distribution of federal funds. In this debate, some argue that an educated populous is an essential building block of our democracy, our economy, and our way of life with nothing less than the defense in primacy of our country at stake. Still, others look to the personal value of an education, the intellectual fulfillment that education bestows, the broad sweep of career and life choices that are enabled, and the material wealth and economic security that more often than not follow both for the individual and his or her family. Sometimes ensuring the success of families for generations.

There is hardly a week that goes by in these United States, including our own state of Michigan, where there isn’t a media story that college is or isn’t worth it. That students are, or should be, thinking twice about continuing after high school. However, there is a place where the value of education is not questioned.

On a recent trip to visit with students and parents in China, it is very hard not to be impressed. Stunned in fact to talk with people and hear how people, family, and students in China revere and strive for the opportunity to pursue a degree from a university. There were a number of families who traveled over five hours by train for the opportunity to talk to us
for about 30 minutes about American education. One person told us that he would gladly give up all he had to get his child into a university, but that in China the issue isn’t cost, but availability. There simply are not enough spaces in Chinese universities to meet demand. They describe parenthood as a constant positioning and repositioning strategy to ensure that their child, their only child, might have a chance to be admitted to college. To them, our debate about worth is perplexing. To them it is simply a fact that education is a life changing experience, if you are fortunate enough to be able to pursue it. In no small part perhaps, because in the Chinese hyper-competitive environment, the life that comes with higher education has consequences, as does the life without. Those consequences are starkly different. They are a reminder every day. It is a constant reminder, not only to the students and their country, but to their entire culture that higher education is indeed worth it.

III. COMMITTEE REPORTS

Academic Affairs Committee Report

As the Academic Affairs Committee did not formally meet due to travel challenges, Chair Woychowski ceded the floor to Provost Seel.

Provost Report

Provost Max Seel provided the Board with the following report.
Seven Strategic Questions for AAC

1. Are the University’s educational programs consistent with its mission?
2. Are the University’s strategic plan and academic plan congruent?
3. Does the University’s overall budget reflect and support the academic priorities?
4. Are faculty personnel policies aligned and supportive of the strategic plan and its goals?
5. Are enrollment policies consistent with and supportive of the academic strategic plan?
6. Is the University on track to achieve the "Quality of Teaching" and "Quality of Learning" goals, and are the targets appropriate to support the achievement of the strategic plan?
7. How must information technology be aligned to achieve the strategic plan?

December 2012

Promotion and Tenure Policy and Procedures
Tenured/Tenure-Track Faculty Handbook – Appendix I. Tenure, Promotion, and Reappointment Procedures
http://www.admin.mtu.edu/admin/prov/facbook/appi/lapp.htm

External Reviews

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<td>Dean</td>
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<td>Provost-President</td>
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<td>Board of Control</td>
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RIGOROUS PROCESS

From last Board Meeting:

Michigan Tech 2014

Engineering
Vision 2035: 400 Tenured/Tenure-track  
100 Full-time nontenured Faculty  
~100 Part-time Faculty

2014 Summary

16 assistant to associate professor  
13 associate to full professor  
4 tenure at associate rank  

11 out of 33 cases = 33% were women  
(overall Michigan Tech: 26% women faculty)

6 of 13 full professor promotions = 46% were women

What External Reviewers Think

U of Texas Austin
XX is a force, and an extremely positive one, in the field of x engineering. To say that she deserves tenure in your department is a gross understatement!

U of South Florida
She has created new knowledge in an area of national importance and her research is of the highest quality as demonstrated by competitive funding, national awards, and publications in high impact peer reviewed journals.

Cornell University
YY has exceeded the standards we would expect for awarding tenure at Cornell University!

SUNY Buffalo
Over the years I have noticed that MTU is focused on hiring and promoting candidates that have long scientific legs as opposed to "instant glory" science that is practiced with greater frequency. In return, I am confident that this mindset of MTU will pay huge scientific dividends and ZZ is highly likely to be a flag bearer of that success in years to come.
What External Reviewers Think

Arizona State University
Relative to other Assistant Professors in engineering departments... nationwide, Dr. X is excelling.

U of Tennessee Knoxville
Dr. Y is an outstanding scholar, a leader in his expertise area, and a hard working individual. He has been highly recognized for his long time dedication to his research development and achievements in the field by both national and international societies.

Ohio State University
I enthusiastically recommend that Dr. Z be promoted... His body of work is on an excellent trajectory with significant promise for the foreseeable future to further build his program, while continuing to contribute to your fine institution and the society's needs.

What External Reviewers Think

Boston University
I can say with certainty that XX would be awarded promotion at Boston University. We would be delighted to count her among our senior faculty.

MIT
Overall, Dr. X is an exceptional scholar... Dr. X has successfully managed to carve out a niche for himself, in a complex field with many other players... Without a doubt he has made a mark in his field, is well-known in the community, and has effectively combined fundamentals and applications towards the design of new materials. This is exciting.

University of Michigan
Dr. Y is an exceptionally talented faculty member. He has outstanding potential for continued growth and leadership and he will be a tremendous asset to your department.

University of California, Berkeley
Dr. Z has a very good academic record in both research and teaching. Hence, I am enthusiastically recommending him for the full professorship.

What External Reviewers Think

Penn State
XX is an excellent candidate for tenure, and he is already nationally known as a productive scientist and scholar in his field. I have the highest enthusiasm for his case and I strongly recommend a positive decision.

Texas A&M
Clearly, Dr. Y's scholarly contributions... have been highly influential and this alone positions her as one very top scientist in her field. In fact, I believe that in the US she is probably the best... of her generation.

University of Michigan
I would like to state upfront that there is no question in my mind... that XX is... productive, creative, and highly deserving tenure at your university... He has a very strong publication record and earned national/international reputation in the field...

Michigan State
Dr. Y is an exceptional scientist, a role model for others, and one whose reputation extends internationally. Based on the level and quality of his scholarship, teaching, and service, he would more than meet the requirements for promotion to Professor at Michigan State University.
What External Reviewers Think

University of Wisconsin Madison
It is with nothing but enthusiasm that I write this letter in support of Professor X's promotion and tenure... because X ranks with the top researchers of her generation, worldwide, ...... She has been a main player in several of its important developments...

Smithsonian
In summary, I consider Dr. Y's record of scholarly achievement and professional activity to be fully commensurate with what the nation's leading research universities expect of their tenured full professors.

Texas A&M
...it is clear that Dr. X has done, and is continuing to do so, an excellent job for Michigan Technological University. He provides a steady stream of good quality publications, attracts external funding, has a good network of collaborators, and raises the profile of the university both within the USA and abroad.

Research and Sponsored Programs Report

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

Sponsored Program Summary
3rd Quarter, FY14
May 2, 2014

Dave Reed
Vice President for Research

Outline

• Sponsored Awards, 3rd Qtr FY14
• Research Expenditures, 3rd Qtr FY14
• Intellectual Property/Commercialization, 3rd Qtr, FY14
• Corporate Sponsorship, 3rd Qtr FY14
• ORAU
Research Expenditures, FY13

- $70.0 MM
- 2.8%

Research Expenditures, 3rd Qtr FY14

<table>
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<tr>
<th>College/School/Institute</th>
<th>FY2013</th>
<th>FY2014</th>
<th>Variance</th>
<th>%</th>
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</thead>
<tbody>
<tr>
<td>Administration</td>
<td>3,034,000</td>
<td>2,995,659</td>
<td>-38,341</td>
<td>-1.2%</td>
</tr>
<tr>
<td>College of Engineering</td>
<td>16,833,973</td>
<td>17,036,973</td>
<td>203,000</td>
<td>1.2%</td>
</tr>
<tr>
<td>College of Science &amp; Arts</td>
<td>10,204,998</td>
<td>9,707,455</td>
<td>-497,543</td>
<td>-4.9%</td>
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<tr>
<td>Institute for Advanced and Revolutionary Edu.</td>
<td>857,467</td>
<td>858,162</td>
<td>6,695</td>
<td>0.8%</td>
</tr>
<tr>
<td>Resilience Research Center (SRC)</td>
<td>6,205,516</td>
<td>6,343,126</td>
<td>137,610</td>
<td>2.2%</td>
</tr>
<tr>
<td>Michigan Tech Research Institute (MTRI)</td>
<td>7,366,663</td>
<td>7,050,262</td>
<td>-316,401</td>
<td>-4.2%</td>
</tr>
<tr>
<td>Michigan Tech Transportation Institute (MTTI)</td>
<td>315,490</td>
<td>312,140</td>
<td>-3,350</td>
<td>-1.1%</td>
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<tr>
<td>School of Business &amp; Economics</td>
<td>1,151,567</td>
<td>1,491,267</td>
<td>340,699</td>
<td>30.4%</td>
</tr>
<tr>
<td>School of Forest Resources &amp; Environmental Science</td>
<td>4,236,107</td>
<td>5,781,052</td>
<td>1,544,945</td>
<td>36.3%</td>
</tr>
<tr>
<td>School of Technology</td>
<td>1,075,806</td>
<td>1,043,348</td>
<td>-32,458</td>
<td>-3.0%</td>
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<tr>
<td>Total</td>
<td>23,434,284</td>
<td>28,326,651</td>
<td>4,892,367</td>
<td>20.9%</td>
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</table>

Intellectual Property, 3rd Qtr FY14

- Patents issued: 32 vs. 30, 6.6%
- Licenses issued: 28 vs. 30, 6.6%
- Total: 238,733 vs. 166,456, 33.4%
ORAU

- ORAU is a non-profit, 501c)3 government contractor with approximately 1,000 employees and about $350 million per year in revenues.
- It is operated as a consortium by 119 universities.
- Membership costs Tech $1,000 per year; from FY10-FY13, our faculty, staff, and students have received $1,185,300 in funding.

ORAU provides innovative scientific and technical solutions to advance national priorities in science, health, education, and national security. ORAU works with federal, state, local, and commercial customers to advance national priorities and serve the public interest using specialized teams of experts, unique laboratory capabilities, and access to over 100 major research universities.
• Faculty
  — ORAU Powe Junior Faculty Award [Wu, 2010; Mayer, 2011; and Guney, 2012]

• Staff
  — MindTrekkers Travel Award

• Postdoctoral Fellows [8 Awards]
  — Army Postdoctoral Fellowship [2]
  — DOE NETL Research Participation [1]
  — EPA Research Participation [1]

• Graduate Students [10 Awards]
  — DOE Office of Science Graduate Fellowship [8]
  — Army Environmental Management Participation [1]
  — Army Research Participation [1]

• Postgraduate Interns [10 Awards]
  — NETL Research Participation [5]
  — Army Research participation [2]
  — FDA Research Participation [2]
  — ORNL Research Participation [1]

• Undergraduate Students [7 Awards]
  — EPA Research Participation [4]
  — DoD Research Participation [1]
  — DOE Student Travel Award [1]
  — DOE ORNL Undergraduate Lab Internship [1]
Audit and Finance Committee Report

Mr. Baldini reported that the Audit and Finance Committee has met on two occasions since the last Board meeting, and it has been a busy time with the 3rd quarter updates and keeping current with State updates.

The Committee reviewed the 2014 year end projections based upon the 3rd quarter closing numbers at March 31, which showed net income in the General Fund being positive by about $440,000 and the Current Fund being positive by about $3.7 million. Both are solidly positive which is great. The Committee also reviewed the University and Tech Fund’s blended balance sheet and projected statements of cash flows which have improved over the last year at this time, and we believe that we are on a sound financial footing.

Dan Greenlee, our CFO and Treasurer, will present a high-level review of these fiscal year 2014 projected numbers after my report.

As is usual at this time of the year, the Committee reviewed a final fiscal year 2015 General Fund budget along with the related planning parameters, which formed the basis of the budget. The proposed FY15 budget is to be voted on today, and our Committee endorses the passage of this budget.

Along with the budget for the upcoming year, we also reviewed these other actions items that are on the agenda today: Approval of our External Auditors, Revision of the EMC-DeLage Lease into a Lease-Purchase Agreement, and revisions to the Experience Tech Fee. The Audit and Finance Committee endorses the passage of all of these recommendations.

Other items that the Committee reviewed include the Historic Metrics and 5-year Targets; the Internal Audit Follow-up Report, Continuous Improvement using Lean Principles, and the Capital Projects Update.
We are also working on a compensation package for the President. His latest adjustment was in December 2012, and we were going to address that this week, but as many of you know many of our Board members were unable to make it to Houghton due to weather conditions.

CFO Report

Mr. Dan Greenlee, provided the Board with the following report.

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Financial Report
Board of Control Meeting

Friday, May 2, 2014

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Balance Sheet
Condensed Statement of Net Assets
as of March 31, 2014

(In thousands)

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>University</th>
<th>Tech Fund</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Assets</td>
<td>$19,917</td>
<td>$5,918</td>
<td>$25,835</td>
</tr>
<tr>
<td>Noncurrent Assets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital Assets, net</td>
<td>$247,759</td>
<td>-</td>
<td>$247,759</td>
</tr>
<tr>
<td>Other Noncurrent Assets</td>
<td>$31,898</td>
<td>$121,922</td>
<td>$153,820</td>
</tr>
<tr>
<td>TOTAL ASSETS</td>
<td>$286,704</td>
<td>$127,945</td>
<td>$414,649</td>
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<tr>
<td>LIABILITIES</td>
<td></td>
<td></td>
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<tr>
<td>Current Liabilities</td>
<td>$24,419</td>
<td>$338</td>
<td>$24,757</td>
</tr>
<tr>
<td>Noncurrent Liabilities</td>
<td>$82,303</td>
<td>$5,758</td>
<td>$88,061</td>
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<tr>
<td>TOTAL LIABILITIES</td>
<td>$106,722</td>
<td>$3,687</td>
<td>$110,409</td>
</tr>
<tr>
<td>NET ASSETS</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investments in capital assets, net of related debt</td>
<td>$174,756</td>
<td>$338</td>
<td>$174,018</td>
</tr>
<tr>
<td>Other net assets, restricted and unrestricted</td>
<td>$4,606</td>
<td>$121,922</td>
<td>$126,528</td>
</tr>
<tr>
<td>TOTAL NET ASSETS</td>
<td>$219,062</td>
<td>$127,945</td>
<td>$347,007</td>
</tr>
<tr>
<td>TOTAL LIABILITIES AND NET ASSETS</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$286,704</td>
<td>$127,945</td>
<td>$414,649</td>
<td></td>
</tr>
</tbody>
</table>
Current Fund FY14

(in thousands)

<table>
<thead>
<tr>
<th></th>
<th>Original Projection</th>
<th>3rd Qtr Projection</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>$261,812</td>
<td>$267,393</td>
</tr>
<tr>
<td>Expense</td>
<td>$(261,086)</td>
<td>$(263,841)</td>
</tr>
<tr>
<td>Net Income</td>
<td>$724</td>
<td>$3,752</td>
</tr>
<tr>
<td>Current Fund Balance</td>
<td>$13,919</td>
<td>$16,874</td>
</tr>
</tbody>
</table>

Note: Current Fund includes General Fund, Designated Fund, Auxiliaries, Retirement and Insurance, and the Expendable Restricted Funds.

Current Fund Balances

(in thousands)

<table>
<thead>
<tr>
<th></th>
<th>Balance 06/30/11</th>
<th>Balance 06/30/12</th>
<th>Balance 06/30/13</th>
<th>3rd Qtr Projection</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL CURRENT FUND BALANCE</td>
<td>$16,080</td>
<td>$12,488</td>
<td>$13,195</td>
<td>$16,947</td>
</tr>
<tr>
<td>LEGALLY RESTRICTED FUNDS</td>
<td>$(2,800)</td>
<td>$(3,380)</td>
<td>$(2,587)</td>
<td>$(2,034)</td>
</tr>
<tr>
<td>UNRESTRICTED CURRENT FUND BALANCE</td>
<td>$13,272</td>
<td>$9,108</td>
<td>$10,608</td>
<td>$14,913</td>
</tr>
</tbody>
</table>

CASH FLOW

Calendar Years
2013 & 2014 YTD
(Dollars in millions)

$23.1MM
IV. CONSENT AGENDA

It was moved by R. Jacquart, supported by P. Ollila, and passed by voice vote without dissent, that the Board of Control approve and adopt the items contained in the Consent Agenda.

IV-A. Approval of Minutes

It was moved by R. Jacquart, supported by P. Ollila, and passed by voice vote without dissent, that the minutes of the formal session of February 21, 2014, as distributed to the Board, be approved.

IV-B. Gifts

It was moved by R. Jacquart, supported by P. Ollila, and passed by voice vote without dissent, that the Board of Control acknowledges the gifts to Michigan Technological University.

Michigan Technological University
Michigan Tech Fund
Fundraising Productivity Report
July 1, 2013 through March 31, 2014
Compared to Prior Year

<table>
<thead>
<tr>
<th>Source</th>
<th>FY14 YTD Total</th>
<th>% YTD</th>
<th>FY13 YTD Total</th>
<th>FY13 Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individuals - Major Gifts (25K and up)</td>
<td>2,686,822</td>
<td>34%</td>
<td>3,588,369</td>
<td>6,197,162</td>
</tr>
<tr>
<td>Realized Planned Gifts (Unanticipated - 25K and up)</td>
<td>128,972</td>
<td></td>
<td>973,476</td>
<td>1,051,317</td>
</tr>
<tr>
<td>Individuals - non-Major Gifts</td>
<td>1,526,292</td>
<td>118%</td>
<td>1,465,843</td>
<td>1,725,643</td>
</tr>
<tr>
<td>Full Value New Planned Gift Commitments</td>
<td>8,886,556</td>
<td>82%</td>
<td>12,833,322</td>
<td>14,125,562</td>
</tr>
<tr>
<td>Annual Fund</td>
<td>1,214,746</td>
<td>81%</td>
<td>1,345,902</td>
<td>1,840,671</td>
</tr>
<tr>
<td>Corporate Sponsored Research</td>
<td>5,783,023</td>
<td>130%</td>
<td>7,098,324</td>
<td>9,881,172</td>
</tr>
<tr>
<td>Corporations</td>
<td>1,602,093</td>
<td>53%</td>
<td>2,084,218</td>
<td>2,327,001</td>
</tr>
<tr>
<td>Foundations &amp; Other Organizations</td>
<td>515,007</td>
<td>103%</td>
<td>152,000</td>
<td>170,000</td>
</tr>
<tr>
<td>Gifts-in-Kind</td>
<td>326,804</td>
<td>60%</td>
<td>677,210</td>
<td>677,583</td>
</tr>
<tr>
<td>Grand Total</td>
<td>23,767,976</td>
<td>77%</td>
<td>30,778,360</td>
<td>37,916,896</td>
</tr>
</tbody>
</table>

*Except for the Annual Fund, all totals include outright gifts and the full amount of new pledge commitments.
*Annual Fund includes cash from prior year pledges in addition to outright current year gifts and new pledge commitments due current year.
*An individual’s gifts given through another source (i.e. family foundation or closely held business) are credited to the individual.
IV-C. Resignations, Retirements & Off Payroll

It was moved by R. Jacquart, supported by P. Ollila, 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
(February 03, 2014 – April 05, 2014)

<table>
<thead>
<tr>
<th>RESIGNATION</th>
<th>Department</th>
<th>Title</th>
<th>Hire Date</th>
<th>Term Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Borysow-Jorgensen, Aleksandra</td>
<td>Physics</td>
<td>Associate Professor</td>
<td>08/28/89</td>
<td>02/16/14</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>RETIRED</th>
<th>Department</th>
<th>Title</th>
<th>Hire Date</th>
<th>Term Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Seidel, Steven</td>
<td>Computer Sciences</td>
<td>Professor</td>
<td>08/27/84</td>
<td>02/28/14</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>EXEMPT</th>
<th>Department</th>
<th>Title</th>
<th>Hire Date</th>
<th>Term Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Martin, Mies</td>
<td>Van Pelt And Opie Library</td>
<td>Coord. Digital Resource</td>
<td>07/31/00</td>
<td>02/15/14</td>
</tr>
<tr>
<td>Kostner, Timothy</td>
<td>Keweenaw Research Center</td>
<td>Research Engineer I</td>
<td>11/19/12</td>
<td>04/01/14</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>NON-EXEMPT</th>
<th>Department</th>
<th>Title</th>
<th>Hire Date</th>
<th>Term Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Phillipson, Deidre</td>
<td>IT Services and Security</td>
<td>Help Desk Consultant</td>
<td>10/16/12</td>
<td>02/13/14</td>
</tr>
<tr>
<td>McCloud, David</td>
<td>IT Services and Security</td>
<td>Help Desk Consultant</td>
<td>10/29/12</td>
<td>02/19/14</td>
</tr>
<tr>
<td>Stimac, JoAnne</td>
<td>MEEM</td>
<td>Administrative Aide</td>
<td>10/11/99</td>
<td>02/14/14</td>
</tr>
<tr>
<td>Hext, Miles</td>
<td>Rozsa Ctr. For Performing Arts</td>
<td>Office Assistant 5</td>
<td>11/19/10</td>
<td>02/19/14</td>
</tr>
<tr>
<td>Hautala, Hubert</td>
<td>Facilities Management</td>
<td>Custodian</td>
<td>04/24/97</td>
<td>03/28/14</td>
</tr>
</tbody>
</table>
IV-D. Degree Title Changes

It was moved by R. Jacquart, supported by P. Ollila, and passed by voice vote without dissent, that the degree titles for the M.S. and Ph.D. in Rhetoric and Technical Communication be changed to M.S. and Ph.D. in Rhetoric, Theory and Culture.

IV-E. Policy 13.1. Curriculum Changes

It was moved by R. Jacquart, supported by P. Ollila, and passed by voice vote without dissent, that the Board of Control amends policy 13.1. Curriculum Changes as presented.

The amended policy shall read as follows:

13.1 Curriculum Changes

The President shall have power, on appropriate recommendation, to authorize changes in details of the course offerings of the institution and their organization as curricula. This information will be available on the Michigan Technological University web site.

Addition or deletion of academic programs, departments or degrees will be referred to the Board for action. The naming of academic units is at the discretion of the President.


IV-F. Approval of External Auditor

It was moved by R. Jacquart, supported by P. Ollila, and passed by voice vote without dissent, that the Board of Control authorizes the Treasurer and Chief Financial Officer to enter into the five year agreement as presented, and to engage the certified public accounting firm Rehmann Robson to conduct the following audits for the fiscal year ending June 30, 2014:

1. The annual examination of the University's Financial Statements and Supplemental Information (all funds).

2. The annual examination of federal student financial assistance programs, including Pell Grants, Education Opportunity Grants, Perkins Loans, College Work Study Programs and Part B Loans.
3. The financial audit of the University's intercollegiate athletics programs, as mandated by the National Collegiate Athletics Association.


**IV-G. Revisions to Graduate Student Government Constitution**

This item was deleted from the agenda.

**IV-H. Change in October 2014 Meeting Date**

It was moved by R. Jacquart, supported by P. Ollila, and passed by voice vote without dissent, that the Board of Control change the meeting date from October 9, 2014 to October 3, 2014.

**V. ACTION/DISCUSSION ITEMS**

**V-A. Emeritus Rank**

It was moved by T. Baldini, supported by R. Jacquart, and passed by voice vote without dissent, that the Board of Control approves the following emeritus appointments:

1.) Dr. Mark Roberts, Professor Emeritus, School of Business and Economics

**V-B. Appointments, Not Involving Tenure and/or Promotion**

It was moved by T. Woychowski, supported by J. Fream, and passed by voice vote without dissent, that the Board of Control approves the appointments listed herein. The appointments do not include tenure or promotion.

**Appointment without Tenure for Two Years**

**Effective August 18, 2014**

- John Durocher, Assistant Professor, Biological Sciences
- Erika Hersch-Green, Assistant Professor, Biological Sciences
- Tarun Dam, Assistant Professor, Chemistry
- Loredana Valenzano, Assistant Professor, Chemistry
- Jeon Myounghoon, Assistant Professor, Cognitive & Learning Sciences
- Laura Brown, Assistant Professor, Computer Science
- Lauren Bowen, Assistant Professor, Humanities
- Ramon Fonkoue, Assistant Professor, Humanities
- Qinghui Chen, Assistant Professor, Kinesiology & Integrative Physiology
- Emma Norman, Assistant Professor, Social Sciences
V-C. Appointments, Involving Tenure/Promotion

It was moved by R. Jacquart, supported by P. Ollila, and passed by voice vote without dissent, that the Board of Control approves the appointments involving tenure and/or promotion listed herein.

**Appointment from Assistant Professor without Tenure to Associate Professor with Tenure**

- Lynn Mazzoleni: Chemistry
- Chaoli Wang: Computer Science
- Kette Thomas: Humanities
- Stefaan De Winter: Mathematical Sciences
- Zhengfu Xu: Mathematical Sciences
- Petra Huentemeyer: Physics
- Jared Anderson: Visual & Performing Arts
- Kalen Larson: Visual & Performing Arts
- Shiyan Hu: Electrical & Computer Engineering
- Shiliang Wu: Geological & Mining Engineering & Sciences
- Paul Sanders: Materials Science & Engineering
Appointment from Associate Professor without Tenure
to Associate Professor with Tenure

Guilang Tang
Jiguang Sun
Jennifer Becker
Joshua Pearce

Appointment from Associate Professor without Tenure
to Professor with Tenure

Fredric Quivik
Eric Seagren

V-D. Promotions

It was moved by P. Ollila, supported by R. Jacquart, and passed by voice vote without dissent, that the Board of Control approves the promotions listed herein.

Promotion from Associate Professor with Tenure
to Professor with Tenure

Karla Kitalong
Beatrice Smith
Jason Carter
Carol MacLennan
Mary Carol Friedrich
Theresa Ahlborn
Zhanping You
Jeffrey Allen
Michele Miller
Gregory Odegard
Victor Busov
V-E. Approval for a Bachelor of Science in Statistics

Mr. Ollila commented that this proposal had a positive review by the Academic Affairs Committee, and the Committee supports the passage of the proposal.

It was moved by P. Ollila, supported by R. Jacquart, and passed by voice vote without dissent, that the Board of Control approves the Bachelor of Science in Statistics degree program.

V-F. Approval for a Master of Science in Data Science

Mr. Ollila commented that this proposal had a positive review by the Academic Affairs Committee, and the Committee supports the passage of the proposal.

Mr. Woychowski inquired about possible start-up costs, space and/or equipment costs that would be needed for the program. Provost Seel explained that there are no equipment costs involved. This is the first inter-departmental masters. It’s a professional master’s program with high demand in industry. The costs associated with the program have been discussed. For example, using some GTA lines from existing lines and with the tremendous growth of the graduate program, some additional help was needed to take care of all the graduate students, this inter-departmental master’s program will get the support through the Graduate School. We are projecting graduating 15-20 students from the program.

It was moved by T. Woychowski, supported by P. Ollila, and passed by voice vote without dissent, that the Board of Control approves the Master of Science in Data Science degree program.

V-G. Honorary Degree

The Administration is recommending that Mr. Frank Pavlis be awarded an Honorary Doctorate of Philosophy degree.

Frank Pavlis graduated from Michigan Tech in 1938 with a B.S. in Chemical Engineering, and received his M.S. in Chemical Engineering from the University of Michigan in 1939. In 1957 he completed the advanced management program at the Harvard Business School.

Mr. Pavlis began his 40-year career with Air Products, Inc. in 1940, as their first employee, and today Air Products and Chemicals, Inc. is a $6B worldwide company producing industrial gases and specialty chemicals. Frank has held many significant positions over his career with Air Products. These positions began with Chief Engineer, Technical Sales Director, Treasurer, and on into the Vice President ranks. His last position before retiring in 1980 was as Vice President for International/World Trade.

Mr. Pavlis is a member of Tau Beta Pi, the American Chemical Society, the American Institute of Chemical Engineers and is a registered Professional Engineering in Pennsylvania.
Frank received the Distinguished Alumni Award in 1990, and established the Pavlis Institute for Global Technological Leadership in 2005. In addition, he is a member of the Presidents Society, the McNair Society, and the Hubbell Society.

It was moved by R. Jacquart, supported by P. Ollila, and passed by voice vote without dissent, that the Board of Control approves the awarding of an Honorary Doctorate of Philosophy to Mr. Frank Pavlis.

V-H. Melvin Calvin Medal of Distinction

The Melvin Calvin Medal of Distinction is the highest honor bestowed on individuals who have exhibited truly distinguished professional and personal accomplishments and who have been associated with the University. The administration is recommending Mr. David House and Mr. Richard Henes for the prestigious Melvin Calvin Medal of Distinction.

David House began his career in 1965 as a computer designer at Raytheon Computer and Communications Division. In 1968 he joined Honeywell Computer Control Division and in 1972 became director of computer development at Microdata. In 1974, House joined Intel Corp., and in 1978 became general manager of the company's Microcomputer Components Division. Over the next 13 years he lead the organization that developed the company's leading microprocessor product line, including the Pentium Processor, and grew that business from $40M to $4B per year. He also managed the team that developed the highly successful "Intel Inside" marketing program, one of the most recognized brands in the world and the most successful ingredient brand ever developed. House is currently Executive Chairman of Brocade Communications Systems and on the Board of Azaire Networks.

David has received the Michigan Tech Distinguished Alumni Award, an Honorary Ph.D. in Electrical Engineering, the Board of Control Silver Medal, and was a Commencement Speaker. He is a strong supporter of Michigan Tech and through his generosity Michigan Tech has established the Michigan Tech Research Institute/Dave House Center, the Dave House Endowed Professorship in Engineering, as well as providing substantial contributions to the Leaders in Innovation Campaign, and various donations to the Electrical Engineering Department for laboratory equipment and Enterprise activities.

It was moved by R. Jacquart, and supported by P. Ollila, and passed by voice vote without dissent, that the Board of Control award the Melvin Calvin Medal of Distinction to Mr. David House.

Richard W. Henes (Dick), a native of Menominee Michigan, earned his bachelor's degree in mechanical engineering from Michigan Tech in 1948 and went on to earn a bachelor of law degree from the University of Michigan, Ann Arbor. In 1958, after working as both an engineer and lawyer, Dick moved to Phoenix Arizona and founded Henes Stamping Inc. Dick parlayed his Michigan tech education and business sense into a remarkable and very successful company turning out products as varied as electronic instruments, semiconductor parts, aircraft components, exercise equipment and a cover for pickup truck beds. Henes prospered and did well as the population expanded. Along the way, Dick transferred his affluence into philanthropy and Michigan Tech has become his primary beneficiary.
He credits Michigan Tech with stimulating his interest in mechanical engineering and to excel at whatever he did. Dick’s influence and impact have been significant at Michigan Tech. Dick and his late wife, Elizabeth (Liz), have been longtime supporters of Michigan Tech. In 2002, they established the first endowed chair in the Mechanical Engineering-Engineering Mechanics Department, and have sponsored a chair in Electrical & Computer Engineering and another chair in Mathematical Sciences. They have also established an endowed scholarship for students, and provided funding for the remodeling of the undergraduate and graduate physics lab. They are members of the McNair Society and the Hotchkiss Society. Dick has received the Distinguished Alumni Award, and is a member of the Mechanical Engineering-Engineering Mechanics Academy.

It was moved by T. Woychowski, supported by T. Baldini, and passed by voice vote without dissent, that the Board of Control awards the Melvin Calvin Medal of Distinction to Mr. Richard Henes.

V-I. Election of Chair and Vice Chair

It was moved by T. Baldini, supported by P. Ollila, and passed by voice vote without dissent, that the Board of Control table this item until the August meeting.

V-J. Appointment of Treasurer

It was moved by T. Baldini, supported by R. Jacquart, and passed by voice vote without dissent, that the Board of Control appoints Julie Seppala as Treasurer of the Board of Control effective July 1, 2014.

V-K. Policy 6.7. Sabbatical Leave

It was moved by P. Ollila, supported by R. Jacquart, and passed by voice vote without dissent, that the Board of Control amends policy 6.7. Sabbatical Leave as presented herein.

The amended policy shall read as follows:

6.7 Sabbatical Leave

The granting of sabbatical leaves of absence is intended for the mutual benefit of the University and the person granted such a leave. Sabbatical leaves may be granted faculty members in order to provide a period of creative activity for the purpose of furthering professional competence. The granting of such leave will in no case be automatic, and each request for sabbatical leave will be judged on its own merits.

To be eligible for sabbatical leave, a faculty member must have (1) been granted tenure at the university, and (2) served for at least six years as a faculty member at the university. Eligibility for subsequent sabbatical leaves requires a minimum of six years of service since the completion of the previous sabbatical leave.
Sabbatical leaves may be granted for either one or two consecutive semesters. For this purpose, spring and the following fall semester will be considered to be consecutive. Compensation for faculty on sabbatical leave will be as follows:

<table>
<thead>
<tr>
<th>Duration of Leave</th>
<th>Rate of Pay while on Sabbatical Leave</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Semester</td>
<td>100% of academic year rate</td>
</tr>
<tr>
<td>2 Semesters</td>
<td>67% of academic year rate</td>
</tr>
</tbody>
</table>

Faculty may not accept full-time employment during the course of their sabbatical leave, with such exceptions as the President of the University, with advice from the University Sabbatical Leave Committee, may permit. Persons receiving sabbatical leave must agree to return to their position for the following year, with such exceptions as the President of the University, with advice from the University Sabbatical Leave Committee, may permit.

Money from Outside Sources

Faculty members on sabbatical leave of absence may receive money from fellowships, grants, or other sources.

This policy shall be administered in accordance with procedures recommended by the Senate and approved by the President.

This policy supersedes Board of Control policy 6.7. Sabbatical Leave dated July 15, 2010.

V.L. Policy 8.9. Experience Tech Fee

It was moved by T. Baldini, supported by R. Jacquart, and passed by voice vote without dissent, that the Board of Control amends policy 8.9. Experience Tech Fee as presented herein.

The amended policy shall read as follows:

8.9 Experience Tech Fee

The President is authorized to assess an Experience Tech Fee of $90.00 in each of the fall and spring semesters for each enrolled undergraduate student and $74.00 in each of the fall and spring semesters for each enrolled graduate student. The fee is to improve student access to facilities and events to include, but is not limited to, Mont Ripley Ski Hill, Intramural Sports, Portage Lake Golf Course, Gates Tennis Center, Visual and Performing Arts Department events, Hockey Games, Michigan Tech Trails and Recreational Forest, and the Rozsa Center for the Performing Arts presenting series.

The Fee is designed to replace revenue from individual student ticket sales and fees to support their operational costs. Procedures for the distribution of funds will be established by the Vice President for Student Affairs in consultation with Student Government.
A limited number of exceptions in assessing the fee may be made by the President or the President's designate for university employees and/or graduate students not on the main campus.

Students not enrolled in courses on the main campus, University employees and/or Senior Citizens who are not assessed the fee are not eligible to receive the associated benefits.

This policy supersedes Board of Control policy 8.9. Experience Tech Fee dated April 29, 2011.

V-M. FY2014-2015 General Fund Operating Budget

Mr. Baldini commented that the Governor has recommended a $2.5 million increase in our state appropriation, and although the Legislature has not approved this as yet, indications are it should be adopted. We like to approve our budget at this time of the year as it gives the Administration the opportunity to advise and inform the students as to what tuition will be for the coming year. Our budget shows an increase in students, as we have had more applications this year than other years. The new tuition this year is a differential tuition, and the Administration has worked with the students on this structure. We have an increase in state appropriations, and have also built into the budget mid-year salary increases, stipends for the graduate students, maintenance, and fringe benefits. Although we are increasing tuition, we are also significantly increasing scholarships to $50 million. We always focus on the increasing tuition, but we should also mention that we as a Board, along with the Administration, have made a point of putting more money on the financial aid side through our good budgeting and the support of our alumni.

Vice President Reed presented the FY 2014-2015 General Fund Operating Budget to the Board for approval.
The Administration is proposing a differential tuition fee which is moving toward an upper-lower division tuition structure, which will bring us in line with the other high and very high research universities in the State. Our first and second year students will have a common tuition level for all curricula, and then in the junior and senior years different curricula will have different fees. Instead of having our engineers and computer science students pay fees for their second, third and fourth years, they will just pay them for the third and fourth years. When we go through the calculation with the State, even though we have a 2% increase in in-state tuition built in for all years, because we are changing the fee structure our reported tuition increase is actually going to be 0.5%. We have tried to work very hard with the
students to make sure that everyone understood this, and not misled by the formula that we are required to use when we report our tuition to the State.

There is a 3% merit based salary increase for our non-represented faculty and staff that we are proposing that would take place in the December/January timeframe. We will be doing employee evaluations in the fall, and the supervisors would make their recommendations and we would implement then at the turn of the calendar year.

Our general fund scholarships line is going from $33 million to $36 million. That’s an increase of 9%. Tuition is going up 2% for our in-state students, 3% for out-of-state students, and our financial aid is going up 9%. The access and affordability for our students is something that we take very seriously.

We have had a decline in our fringe benefit rate this year for our regular employees from 39% of payroll to 36.5%, which results in a savings in the general fund budget.

The State’s action is not final at this point in time, but the House, the Senate, and the Governor are all recommending 5.8%, or a $2.5 million, increase for us. We are very comfortable and have no reservations about proposing this budget to you for approval today.

Mr. Woychowski asked for clarification on the maintenance budget. Vice President Reed pointed out that we are increasing the maintenance budget by $500,000. Back in the early 1990’s during a time of financial stress, the University zeroed out the maintenance budget, and keep it at zero until this current fiscal year when we added $500,000 line for maintenance. We are proposing that we add another $500,000 to take it up to $1 million. That is not quite where we want it to be, as we are thinking $2.5 to $3 million is where it needs to be. It’s not that we haven’t done maintenance over the years, it’s just been an annual fire drill of where is the money going to come from. This is moving toward a more stable and better situation which is in line with the strategic plan for providing a safe, efficient, and attractive working and learning environment for our staff and our students.

Mr. Woychowski also inquired about the reduction of $300,000 in utilities. Vice President Reed responded that the biggest part of this reduction is a change in the purchasing of our electrical service. Several years ago we moved to a interrupted power system with UPPCO, and this year we changed to a power purchase agreement with Wolverine Power that has saved us further money going forward. President Mroz added that in spite of the cold weather we had because of the purchase of gas into the future we were able to constrain the costs this year and will be able to do so next year as well.

Chairman Hicks noted that this is an iterative process that starts in October, and it goes through the Finance Committee. He complimented Dr. Reed and his team on how effective and efficient this process is. He also pointed out that the State gave us an additional $2.5 million and the University gave out $3 million in scholarships.

President Mroz also stated that the Michigan Senate has more money in their bill for MPSERS relief for the 7 universities than either the Governor or the House. They have $15 million and currently that amount is $2.54 million, and that is a couple million over what it was just a couple years ago. We will see over the next couple of weeks whether that money
survives in the budget that comes out of the conference committee. Yesterday we received news that the Chair of the Senate Appropriations Committee for Higher Education and the Chair of the House Appropriations Committee for Higher Education, put forward legislation that we helped draft to bring that amount of relief up to $15 million for the 7 universities. That is not included in this budget, but we sure hope that it comes through. President Mroz complimented Ellen Horsch and Dale Tahtinen for their outstanding efforts in getting us to this point. Mr. Hicks commented that it is a penalty to the university of about $6 million a year. Mr. Baldini added his thanks to Ellen and Dale as well, and pointed out that it was Michigan Tech who took the lead on this effort and advocated that this was a fairness issue that needed to be addressed.
At the September 30, 2010 meeting, the Board authorized the President to implement university procedures allowing carryforward of funds of up to 2% of the general fund budget. The Administration is requesting that this be revised to allow greater flexibility in the budgeting process.

It was moved by T. Baldini, supported by J. Fream, and passed by voice vote without dissent, that the Board of Control authorizes the President to implement university procedures allowing carryforward of funds in the general fund as part of the annual budget process effective this year.

It was moved by R. Jacquart, supported by T. Baldini, and passed by voice vote without dissent, that the Board of Control approves the FY 2014-2015 General Fund Operating Budget as presented.

**V-N. Revision of EMC-DeLage Lease into Lease-Purchase Agreement**

Michigan Tech entered into a lease agreement with EMC-DeLage for the lease of EMC storage array, two years ago. Since this was a lease structure and not a purchase, the City of Houghton was able to charge EMC-DeLage annual personal property tax on the equipment. That cost is passed along to Michigan Tech. This personal property tax equals approximately $25,000 annually. The new lease agreement places title to the equipment in the University subject to EMC’s security interest. The lease-purchase still costs Michigan Tech $312,169 annually, for another three years as the original agreement did. We will save the approximate $25,000 annual property tax assessment by this lease revision.

It was moved by T. Baldini, supported by R. Jacquart, and passed by voice vote without dissent, that the Board of Control authorizes the President to enter into a revised Lease-Purchase Agreement with EMC-DeLage and accept title to the equipment under the lease-purchase agreement.

**V-O. Honorary Posthumous Degree**

The Administration is recommending that Ms. Ellina Levin be awarded an Honorary Posthumous Doctorate of Philosophy Degree in Applied Cognitive Sciences and Human Factors.

Ellina Levin began in the PhD program in the fall of 2011. To fund her education, Ellina worked as a healthcare practitioner having trained previously as a medical doctor in Russia and respiratory therapist in the United States. Given her medical background, Ellina was ideally suited to pursue her interest and research in the human factors of healthcare.

Since her enrollment, Ellina actively engaged in graduate level research conducting an observational and qualitative study examining the behavioral and technological factors affecting successful nurse handovers in critical and non-critical healthcare settings. She was very enthusiastic and passionate about her studies and moving her research forward.
In the spring of 2013, Ellina had to withdraw for medical reasons, and eventually passed away on April 12, 2014.

It was moved by P. Ollila, supported by T. Woychowski, and passed by voice vote without dissent, that the Board of Control approves the awarding of an Honorary Posthumous Doctorate of Philosophy Degree in Applied Cognitive Sciences and Human Factors to Ms. Ellina Levin.

**V-P. Response to Senate Proposal 13-14**

It was moved by T. Baldini, supported by J. Fream, and passed by voice vote without dissent, that instead of Senate Proposal 13-14, the Board of Control endorses the following Principles of Communication.

Principles of Communication

The Board of Control, the University Administration, and the University Senate of Michigan Technological University all work for the well-being of the university from different perspectives. To ensure good communication in the spirit of shared governance, the Board of Control will employ the following guiding principles:

When the Board of Control contemplates changes in policy that also affect Senate policy, in the interest of shared governance, when possible those changes will be brought to the Senate, through established channels, for their input before action is taken.

When possible and prudent, the Board of Control will send to the Senate, through the Administration, a list of changes made to Board of Control policies so that the Senate might implement these changes in a timely fashion.

**VI. REPORTS**

A. University Senate Report – Dr. Brian Barkdoll, President
B. Undergraduate Student Government Report – Mr. Anthony Sharp, Outgoing President
C. Graduate Student Government Report – Ms. Amber Amberlee Haselhuhn Outgoing President and Sasha Teymorian, Incoming President

Copies of these reports were included in the agenda book.

The Board thanked Brian Barkdoll, Anthony Sharp and Amberlee Haselhuhn for their service and wished them well in their future endeavors.
VII. INFORMATIONAL ITEMS
   A. Analysis of Investments
   B. University Issued Bond Balances
   C. Research and Sponsored Programs
   D. Advancement Report
   E. Recent Media Coverage
   F. Employee Safety Statistics

VIII. OTHER BUSINESS

There was no other business at this time.

IX. PUBLIC COMMENTS

Marilyn Clark, CEO, MTEC

I want to talk about how the relationship between the MTEC SmartZone and Michigan Tech is just getting better over time. About 14 years ago, the State of Michigan put out a request for proposal to create smart zones, even though they didn’t quite know what they were. Michigan Tech was instrumental in pulling that proposal together, and we were successful here in Houghton.

Over time we have just solidified our collaboration between Michigan Tech and the SmartZone. I’m going to name three activities that have come about in the time that I have been leading the Smartzone.

The first one is our collaboration with Dave Reed’s organization and research. He is also on our Board. That organization has helped us leverage start-ups in the community coming from Michigan Tech and the community. One of those activities is co-sponsored by Jim Baker’s organization. They also man the program we created called Smart Start. Since the summer of 2012 we have had 54 ideas come through Smart Start. 32 of them have been created into a LLC. We are second in the State of Michigan within the smart zone community for creating new companies. Since we compete with southeast Michigan, Grand Rapids, and Ann Arbor we are pretty proud of the fact that we hit a formula to take the wonderful research that is coming out of the university and the talented people in the community, educated by Michigan Tech, in helping to create employment for themselves and other people.

The second thing I want to talk about is the collaboration with Michigan Tech in recruiting companies, who recruit students at Michigan Tech, to put a satellite office in space that we offer. We have world class have space and it allows us to have companies who already have structures and needs to employ students during the time that they are studying at Michigan Tech. There just aren’t enough McDonald’s jobs to keep these students employed. Besides the fact that they get to work in their discipline and become much more employable to other communities. I know that a couple of the companies get requests from competitors that ask
for students that they are not hiring and can we give them the names because they are so superior. They know how to communicate by email, phone, do inter-discipline collaboration, etc. That is another program that is in collaboration with Michigan Tech and it is really paying dividends for our community.

Lastly, I want to talk about the fact that my leadership board and Glenn’s leadership board, including Paul Ollila, have started a session every six months to determine what are some common projects between us that we can work on and help continue our collaboration and joint projects that help the Michigan Tech community, but also the community in the Keweenaw.

A healthy Michigan Tech makes a healthy Copper Country. We would not be the vibrant community that we are without Michigan Tech as a cornerstone in the community. I grew up here, I went to Michigan Tech, and at the time I graduated we all needed to leave to create a job.

Our funding expires in 2017. However, the State has offered three smart zones an opportunity to continue funding until 2032. That actually aligns with your 2035 plan, and I hope that our relationship just gets better and better as we move in that direction. You have heard a lot of people talk about the weather. We talk about the weather here because there is a lot of it. We can’t do anything about the weather, but what we can do is help create a climate of entrepreneurship within the university and within the community. That we can help control. Millennials are interested in being entrepreneurs, not like when we graduated and tried to get into a company and stay there for 30 years. They are interested in creating their own living and they are interested in living in a place where they want to be, and some of them actually want to be here.

I’m excited about the collaboration and how it is just getting better over time. Glenn and I will probably not see 2035 in our current roles, but we hope that the collaboration between our two boards keeps that healthy over time.

Thank you very much.

President Mroz commented that he started out the meeting talking about his recent trip to China and one of the things that was kind of amazing over there is that as soon as you mentioned the phrase EB5, people just lit up. People in China knew that our Governor has already been there. Some of them knew that our Governor has been there with one of our faculty members, and I think the Governor has been in China almost as many times as he has been in Houghton visiting the SmartZone. The Governor is rumored to be back here in August again, and the director of the EB5 program will be up with the Lt. Governor in June. We are getting a lot of attention from Lansing.
X.  INFORMAL CLOSED SESSION FOR A PERIODIC PERSONNEL EVALUATION OF PRESIDENT MROZ

It was moved by T. Baldini, supported by R. Jacquart, and passed by voice vote without dissent, that the Board of Control proceed into an informal closed session for a periodic personnel evaluation of President Mroz. (A closed session for such a purpose is provided for in Section 8 (a) of P.A. 267 of 1976). (A roll call vote is required).

Roll Call Vote:
Hicks – Yes
Ollila – Yes
Baldini – Yes
Woychowski – Yes
Jacquart - Yes
Fream – Yes
Kennedy - Yes

The motion passed.

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

Presidential Compensation

It was moved by J. Fream, supported by P. Ollila, and passed by voice vote without dissent, that the Board of Control approves an annual salary of $315,000 for President Mroz retro-active to the date that the campus community received their salary increase, which was November 24, 2013.

Ms. Fream commented that the Leadership Committee will be studying the competitiveness of presidential compensation on a national basis to ensure that the Board understand how we are compensating President Mroz and how it fairs from a competitive nature.

XI. ADJOURNMENT

It was moved by T. Baldini, supported by P. Ollila, and passed by voice vote without dissent, that the meeting be adjourned.

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Secretary of the Board of Control

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Chair, Board of Control