1-19-2001

WMU Board of Trustees Annual Meeting January 19, 2001

WMU Board of Trustees

Follow this and additional works at: http://scholarworks.wmich.edu/trustee_meetings

Part of the Higher Education Administration Commons

WMU ScholarWorks Citation
http://scholarworks.wmich.edu/trustee_meetings/111

This Minutes is brought to you for free and open access by the Western Michigan University at ScholarWorks at WMU. It has been accepted for inclusion in WMU Board of Trustees Meetings by an authorized administrator of ScholarWorks at WMU. For more information, please contact maila.bundza@wmich.edu.
WESTERN MICHIGAN UNIVERSITY BOARD OF TRUSTEES
ANNUAL MEETING
FRIDAY, JANUARY 19, 2001
CONNABLE BOARD ROOM, BERNHARD CENTER
2:30 p.m.

AGENDA

I. PROCEDURAL ITEMS

1. Remarks by the Chair
2. Remarks by the President
3. Acceptance of the Agenda
4. Approval of the Minutes of the December 8, 2000 Regular Meeting

II. ACTION ITEMS

5. Election of Officers
6. Authorization to Confer Degrees
7. Recommendation re Honorary Degree
8. Academic and Student Affairs Committee Recommendations
   a. Grant Report
   b. Personnel Report
   c. Transfer of Major
   d. Department Separation
   e. Department Transfer
9. Budget and Finance Committee Recommendations
   a. Gift Report
   b. Personnel Report
   c. Ratification of WMU/MSEA Contract
   d. Appointment of External Auditor
   e. Resolution re Refunding 1991B Series General Revenue Bonds
   f. Easement Agreement - Arboretum Apartments
   g. Easement Agreement - Grand Rapids Regional Center Roadway

ROLL CALL

(continued)
AGENDA - January 19, 2001
Continued

III. INFORMATIONAL ITEMS

10. Remarks by the Provost
    Dobney

11. Public Comments
    St. John

IV. EXECUTIVE SESSION - ROLL CALL
    St. John
REMARKS BY THE CHAIR
REMARKS BY THE PRESIDENT
ACCEPTANCE OF THE AGENDA
 APPROVAL OF THE MINUTES OF THE DECEMBER 8, 2000 REGULAR MEETING
ELECTION OF OFFICERS

At the annual meeting, as provided for in its bylaws, the Western Michigan University Board of Trustees elects the following officers for the 2001 calendar year: chair, vice chair, secretary, assistant secretary, treasurer and assistant treasurer.

The chair and vice chair are trustee nominations and require two separate votes:

Chair
Richard St. John

Vice Chair
Richard Chormann

The remaining officers, nominated by President Floyd, are listed below; and the slate requires only one vote:

Secretary
Betty Kocher

Assistant Secretary
Robert Beam

Treasurer
Robert Beam

Assistant Treasurer
Lowell Rinker
AUTHORIZATION TO CONFER DEGREES

It is recommended that the President be authorized to confer degrees at the April 21 commencement ceremonies as recommended by the Faculty.
Western Michigan University
Board of Trustees Meeting

RECOMMENDATION RE HONORARY DEGREE

It is recommended that an honorary doctor of public service degree be awarded to Mr. Don Gilmer, Commissioner of the Michigan Bureau of State Lottery, at the April 21 commencement ceremonies. Prior to his appointment as commissioner, Mr. Gilmer served eleven terms in the Michigan House of Representatives.
Biography

Don Gilmer, Commissioner
Bureau of State Lottery

Don Gilmer, of Augusta, was appointed as the sixth Commissioner of the Michigan Bureau of State Lottery by Governor John Engler, effective January 15, 1999.

Gilmer served as a state representative in the Michigan House, representing part of Calhoun county and the eastern half of Kalamazoo county.

Gilmer served as the Chairman of the House Appropriations Committee from 1993 – 1996. In addition to serving on the Appropriations Committee, Gilmer also served as the Minority Vice-Chair of the Higher Education and Consumer and Industry Services Subcommittees.

While serving his 11 terms in the House of Representatives, Gilmer gained considerable experience with regard to Michigan education issues. He served as a member of the Department of Education's Michigan School Finance Commission, the House of Representatives Ad Hoc Special Committee on Property Tax and School Finance and the House Republican Task Force on Property Tax and School Reform.

Gilmer attended Michigan State University and Western Michigan University from 1963 to 1965 and was a Kellogg Fellow at Michigan State University from 1968 to 1971. He is a graduate of Kellogg High School in Hickory Corners.

He is married to Lynn Weimeister and has three children – Laura, Steve and Jason.

###

I/reference/Don Gilmer Bio.doc
GRANT REPORT

It is recommended that the grant report for November and December 2000 be approved.

(Tab ASA-2)
PERSONNEL REPORT

It is recommended that the personnel report be approved.

(Tab ASA-3)
TRANSFER OF MAJOR

It is recommended that the Board of Trustees approve the transfer of the journalism major from the English Department to the Communications Department, effective July 1, 2001.

(Tab ASA-4)
DEPARTMENT SEPARATION

It is recommended that the Board of Trustees approve the separation of the Department of Mathematics and Statistics, effective July 1, 2001.

(Tab ASA-5)
DEPARTMENT TRANSFER

It is recommended that the Board of Trustees approve the transfer of the Department of Computer Science from the College of Arts and Sciences to the College of Engineering and Applied Sciences, effective July 1, 2001.

(Tab ASA-6)
GIFT REPORT

It is recommended that the gift report for November 2000 be approved.

(Tab BF-2)
PERSONNEL REPORT

It is recommended that the personnel report be approved.

(Tab BF-3)
RATIFICATION OF WMU/MSEA CONTRACT - ROLL CALL

It is recommended that the administration be authorized to implement the 2000-2004 agreement with the MSEA (Michigan State Employees Association).

(Tab BF-4)
APPOINTMENT OF EXTERNAL AUDITOR

It is recommended that the Board of Trustees approve the appointment of Plante & Moran as external auditor for the financial audit of the year ending June 30, 2001, with the intention that the engagement will be a minimum of five years, subject to annual review by both the University and the public accounting firm.

(Tab BF-5)
EASEMENT AGREEMENT - ARBORETUM APARTMENTS - ROLL CALL

It is recommended that the administration be authorized to enter into the appropriate easement agreement (as requested by Consumers Energy for underground electric and gas facilities) and to execute all necessary documents to grant such an easement.

(Tab BF-7)
RESOLUTION RE REFUNDING 1991B SERIES GENERAL REVENUE BONDS

It is recommended that the resolution be approved, authorizing the issuance of refunding bonds for the Series 1991B General Revenue Bonds and the 1999 Note and providing for other matters relating thereto.

(Tab BF-6)
EASEMENT AGREEMENT - GRAND RAPIDS REGIONAL CENTER ROADWAY - ROLL CALL

It is recommended that the administration be authorized to enter into Amendment 1 to Easement Agreement (enabling the realignment of University Drive and Claystone intersection at the Grand Rapids Regional Center) and to execute the necessary documents to grant such an easement.

(Tab BF-B)
PUBLIC COMMENTS
EXECUTIVE SESSION - ROLL CALL
I. ACTION ITEMS

1. Approval of the Minutes of the December 8, 2000 Committee Meeting
   Krause

2. Grant Report
   Evans

3. Personnel Report
   Dobney/Powell

4. Transfer of Major
   Dobney

5. Department Separation
   Dobney

6. Department Transfer
   Dobney
APPROVAL OF THE MINUTES OF THE DECEMBER 8, 2000 COMMITTEE MEETING
Grant Report - Dr. Eileen Evans, Associate Dean, The Graduate College

Background

The grant report for the month of November and December 2000 indicates a total of $2,947,780.98 in externally funded awards. Of the total, November awards amounted to $737,560.22 or 25 percent and December awards amounted to $2,210,220.76 or 75 percent. The year-to-date total is $8,161,778.03.

November and December 2000

<table>
<thead>
<tr>
<th>Awards by Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Instruction</td>
<td>150,564.00</td>
</tr>
<tr>
<td>Research</td>
<td>1,910,659.98</td>
</tr>
<tr>
<td>Public Service</td>
<td>426,450.00</td>
</tr>
<tr>
<td>Academic Support</td>
<td>224,285.00</td>
</tr>
<tr>
<td>Student Services</td>
<td>0.00</td>
</tr>
<tr>
<td>Institutional Support</td>
<td>0.00</td>
</tr>
<tr>
<td>Operations and Maintenance of Plant</td>
<td>0.00</td>
</tr>
<tr>
<td>Scholarships and Fellowships</td>
<td>235,822.00</td>
</tr>
<tr>
<td><strong>Total for November and December 2000</strong></td>
<td><strong>$2,947,780.98</strong></td>
</tr>
</tbody>
</table>

Notable awards for this period were from the National Science Foundation, U.S. Department of Health and Human Services, U.S. Department of Education, Michigan Department of Education, Corporation for Public Broadcasting, DaimlerChrysler, and Singapore MBA Program.

Recommended Motion

It is recommended that the grant report for November and December 2000 be approved.
<table>
<thead>
<tr>
<th>DESCRIPTION</th>
<th>SPONSOR</th>
<th>DIRECTOR</th>
<th>AMOUNT</th>
<th>DATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Instruction</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>To provide funding for the Singapore MBA Program</td>
<td>Singapore MBA Program</td>
<td>Ms. Cathleen Fuller</td>
<td>$96,600.00</td>
<td>12/22/2000</td>
</tr>
<tr>
<td>(New)</td>
<td></td>
<td>Office of International Affairs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>To provide funding for Sunway College/WMU Twinning Program</td>
<td>Sunway College</td>
<td>Ms. Cathleen Fuller</td>
<td>$35,214.00</td>
<td>12/22/2000</td>
</tr>
<tr>
<td>(New)</td>
<td></td>
<td>Office of International Affairs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>To provide funding for the Christ College/WMU Twinning Program</td>
<td>Christ College</td>
<td>Ms. Cathleen Fuller</td>
<td>$18,750.00</td>
<td>12/22/2000</td>
</tr>
<tr>
<td>(New)</td>
<td></td>
<td>Office of International Affairs</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL INSTRUCTION</strong></td>
<td></td>
<td></td>
<td><strong>$150,564.00</strong></td>
<td></td>
</tr>
<tr>
<td>Research</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>To support the Midwest Educational Reform</td>
<td>U.S. Department of Education</td>
<td>Dr. Joseph Kretovics</td>
<td>$1,024,621.00</td>
<td>12/8/2000</td>
</tr>
<tr>
<td>Consortium, a collaborative partnership designed</td>
<td>Teaching, Learning, and Leadership</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>to restructure public schools and to reform</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>teacher preparation to improve academic</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>achievement in all students (New)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>To conduct a series of acoustic analyses and</td>
<td>U.S. Department of Health and</td>
<td>Dr. James Hillenbrand</td>
<td>$310,068.00</td>
<td>12/22/2000</td>
</tr>
<tr>
<td>speech recognition experiments designed to</td>
<td>Human Services</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>improve understanding of the perceptual</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>mechanisms underlying phonetic recognition</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Continuation)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>DESCRIPTION</td>
<td>SPONSOR</td>
<td>DIRECTOR</td>
<td>AMOUNT</td>
<td>DATE</td>
</tr>
<tr>
<td>----------------------------------------------------------------------------</td>
<td>----------------------------------</td>
<td>--------------------------------------------------</td>
<td>--------------</td>
<td>-----------</td>
</tr>
<tr>
<td>Research</td>
<td>DaimlerChrysler</td>
<td>Dr. Ho Sung Lee</td>
<td>$89,176.00</td>
<td>11/27/2000</td>
</tr>
<tr>
<td>To conduct an experimental and computational analysis of heat transfer in</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>automotive engine cooling systems in order to better understand the factors</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>affecting heat transfer performance, and to develop improved guidelines for</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>the design of cooling systems. (New)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>To conduct research and provide testing services in specialized areas of</td>
<td>Various Industries</td>
<td>Dr. Thomas Joyce</td>
<td>$85,512.25</td>
<td>11/30/2000</td>
</tr>
<tr>
<td>paper science engineering in association with industry (Supplemental)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>To aid Michigan school districts in the implementation of &quot;inclusion&quot;</td>
<td>Michigan Department of Education</td>
<td>Dr. Alonzo Hannaford Dr. Phillip Larsen</td>
<td>$74,000.00</td>
<td>11/28/2000</td>
</tr>
<tr>
<td>philosophy in K-12 science classrooms through the development of three</td>
<td></td>
<td>(Dean's Office, College of Education)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>professional development training modules. (New)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>To advance understanding of transition metal excited state behavior and</td>
<td>National Science Foundation</td>
<td>Dr. Marc Perkovic</td>
<td>$70,000.00</td>
<td>12/1/2000</td>
</tr>
<tr>
<td>improve the relevance, scope, and quality of laboratory instruction</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Supplemental)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>To conduct research and provide testing services in specialized areas of</td>
<td>Various Industries</td>
<td>Dr. Thomas Joyce</td>
<td>$64,411.74</td>
<td>12/31/2000</td>
</tr>
<tr>
<td>paper science engineering in association with industry (Supplemental)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>To develop a robust numerical scheme to simulate the unsteady turbulent</td>
<td>Sandia National Laboratories</td>
<td>Dr. William Liou</td>
<td>$60,000.00</td>
<td>11/27/2000</td>
</tr>
<tr>
<td>flow around a hypersonic vehicle. (New)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>DESCRIPTION</td>
<td>SPONSOR</td>
<td>DIRECTOR</td>
<td>AMOUNT</td>
<td>DATE</td>
</tr>
<tr>
<td>-----------------------------------------------------------------------------</td>
<td>--------------------------------</td>
<td>---------------------------------------------</td>
<td>----------------</td>
<td>------------</td>
</tr>
<tr>
<td>Research</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>To conduct research and provide testing services in specialized areas of printing, papermaking, and inks in association with industry (Supplemental)</td>
<td>Various Industries</td>
<td>Dr. Thomas Joyce Paper and Printing Science and Engineering</td>
<td>$33,113.97</td>
<td>11/30/2000</td>
</tr>
<tr>
<td>To increase efficiency of synthetic polymers by using borax in a dual polymer system (New)</td>
<td>U.S. Borax Inc.</td>
<td>Dr. Dewei Qi Paper and Printing Science and Engineering</td>
<td>$30,000.00</td>
<td>11/7/2000</td>
</tr>
<tr>
<td>To examine the modulation of the L-type calcium channel in catfish cone horizontal cells by second messenger systems in an effort to better understand the role that calcium plays in information processing through the retina (New)</td>
<td>U.S. Department of Health and Human Services</td>
<td>Dr. Cindy Linn Biological Sciences</td>
<td>$24,333.00</td>
<td>12/22/2000</td>
</tr>
<tr>
<td>To conduct research and provide testing services in specialized areas of printing, papermaking, and inks in association with industry (Supplemental)</td>
<td>Various Industries</td>
<td>Dr. Thomas Joyce Paper and Printing Science and Engineering</td>
<td>$16,863.27</td>
<td>12/31/2000</td>
</tr>
<tr>
<td>To perform research and testing in paper coating technology (Supplemental)</td>
<td>Various Industries</td>
<td>Dr. Margaret Joyce Paper and Printing Science and Engineering</td>
<td>$10,200.00</td>
<td>12/31/2000</td>
</tr>
<tr>
<td>To conduct a needs assessment of low income residents through data acquisition, a survey, and focus groups (New)</td>
<td>County of Kalamazoo</td>
<td>Ms. Lyndell Bleyer Community Information System</td>
<td>$8,250.00</td>
<td>12/12/2000</td>
</tr>
<tr>
<td>DESCRIPTION</td>
<td>SPONSOR</td>
<td>DIRECTOR</td>
<td>AMOUNT</td>
<td>DATE</td>
</tr>
<tr>
<td>-------------</td>
<td>---------</td>
<td>----------</td>
<td>--------</td>
<td>------</td>
</tr>
<tr>
<td>Research</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>To conduct community assessments and needs surveys within faith communities in order to develop a partnership for health promotion in Battle Creek (New)</td>
<td>In One Accord</td>
<td>Dr. Katherine Matas&lt;br&gt; School of Nursing</td>
<td>$5,856.00</td>
<td>12/22/2000</td>
</tr>
<tr>
<td>To provide training to prepare mathematics curriculum reform specialists as a follow-up to the 1999-2000 Eisenhower mathematics education reform grant (New)</td>
<td>Creative Publications, Inc.</td>
<td>Dr. Robert Laing&lt;br&gt; Dr. Ruth Ann Meyer&lt;br&gt; Mathematics and Statistics</td>
<td>$3,400.00</td>
<td>11/30/2000</td>
</tr>
<tr>
<td>To assist in translating French language documents related to Michilimackinac during the seventeenth and eighteenth centuries (New)</td>
<td>Michigan Department of Natural Resources</td>
<td>Dr. Jose Brandao&lt;br&gt; History</td>
<td>$500.00</td>
<td>12/14/2000</td>
</tr>
<tr>
<td>To study modified clays to determine the relationship between coating structure and print quality for matte papers (Supplemental)</td>
<td>Engelhard Corporation</td>
<td>Dr. Margaret Joyce&lt;br&gt; Dr. John Cameron&lt;br&gt; Paper and Printing Science and Engineering</td>
<td>$354.75</td>
<td>12/6/2000</td>
</tr>
<tr>
<td><strong>TOTAL RESEARCH</strong></td>
<td></td>
<td></td>
<td><strong>$1,910,659.98</strong></td>
<td></td>
</tr>
<tr>
<td>Public Service</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>To augment the capability of CPB-supported public broadcast stations to expand the quality and scope of their services to the community (New)</td>
<td>Corporation for Public Broadcasting</td>
<td>Mr. Floyd Pientka&lt;br&gt; WMUK</td>
<td>$103,676.00</td>
<td>12/5/2000</td>
</tr>
<tr>
<td>To recruit teachers in Southwest Michigan to participate in a professional development program designed to increase science content knowledge and promote use of an inquiry-based pedagogy (New)</td>
<td>Michigan Department of Education</td>
<td>Dr. Robert Poel&lt;br&gt; Science Studies</td>
<td>$75,000.00</td>
<td>11/30/2000</td>
</tr>
<tr>
<td>DESCRIPTION</td>
<td>SPONSOR</td>
<td>DIRECTOR</td>
<td>AMOUNT</td>
<td>DATE</td>
</tr>
<tr>
<td>-------------</td>
<td>---------</td>
<td>----------</td>
<td>----------</td>
<td>-----------</td>
</tr>
<tr>
<td><strong>Public Service</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>To provide technical assistance in the form of improved management of processes including data collection and analyses; and strategic planning and access to appropriate intellectual and practical resources for the network of 32 mathematics and science centers in Michigan (Renewal)</td>
<td>Grand Valley State University</td>
<td>Dr. Deanna Draze Dr. Mark Jenness Science Studies</td>
<td>$66,135.00</td>
<td>11/30/2000</td>
</tr>
<tr>
<td>To augment the capability of CPB-supported public broadcast stations to expand the quality and scope of their services to the community (New)</td>
<td>Corporation for Public Broadcasting</td>
<td>Mr. Floyd Pientka WMUK</td>
<td>$39,326.00</td>
<td>12/7/2000</td>
</tr>
<tr>
<td>To provide technical assistance pertaining to the Allied Paper/Portage Creek/Kalamazoo River superfund site (New)</td>
<td>Kalamazoo River Watershed Council</td>
<td>Dr. Charles Ide Environmental Institute Dr. Jay Means Chemistry</td>
<td>$37,500.00</td>
<td>11/10/2000</td>
</tr>
<tr>
<td>To provide technical assistance to the project director and manager of the Plymouth-Canton Community Schools' project, Real Education Applications and Learning (REAL) (New)</td>
<td>Plymouth-Canton Community Schools</td>
<td>Dr. Pamela Zeller The Evaluation Center</td>
<td>$31,000.00</td>
<td>11/10/2000</td>
</tr>
<tr>
<td>To build a collaborative network of community service-learning partnerships for enhancing the quality of education and the quality of life for residents of Kalamazoo (New)</td>
<td>Kalamazoo Foundation</td>
<td>Dr. Wendy Wintermute Service Learning Center</td>
<td>$30,000.00</td>
<td>11/10/2000</td>
</tr>
<tr>
<td>To publish a book designed to introduce readers to a holistic approach to finding personal peace, fulfillment, and healing (New)</td>
<td>The John E. Fetzer Institute, Inc.</td>
<td>Dr. Thomas Seiler Medieval Institute</td>
<td>$27,974.00</td>
<td>12/22/2000</td>
</tr>
<tr>
<td>DESCRIPTION</td>
<td>SPONSOR</td>
<td>DIRECTOR</td>
<td>AMOUNT</td>
<td>DATE</td>
</tr>
<tr>
<td>----------------------------------------------------------------------------</td>
<td>----------------------------------------------</td>
<td>-----------------------------------------------</td>
<td>--------------</td>
<td>------------</td>
</tr>
<tr>
<td><strong>Public Service</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>To develop materials and implement services for custodial grandparents,</td>
<td>The Drake/Quinn Foundation</td>
<td>Dr. Linda Dannison</td>
<td>$10,000.00</td>
<td>12/11/2000</td>
</tr>
<tr>
<td>their preschool aged grandchildren, and early childhood professionals in</td>
<td></td>
<td>Family and Consumer Sciences</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kent County (New)</td>
<td></td>
<td>Dr. Andrea Smith</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Teaching, Learning, and Leadership</td>
<td></td>
<td></td>
</tr>
<tr>
<td>To provide services to custodial grandparents, grandchildren, and</td>
<td>Spectrum Health</td>
<td>Dr. Linda Dannison</td>
<td>$5,000.00</td>
<td>12/11/2000</td>
</tr>
<tr>
<td>educators in Kent County (Supplemental)</td>
<td></td>
<td>Family and Consumer Sciences</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Dr. Andrea Smith</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Teaching, Learning, and Leadership</td>
<td></td>
<td></td>
</tr>
<tr>
<td>To provide scoring services for authorized users of the National School</td>
<td>National Association of Secondary School</td>
<td>Dr. Arlen Gullickson</td>
<td>$489.00</td>
<td>11/30/2000</td>
</tr>
<tr>
<td>Principals school climate survey and satisfaction survey (Supplemental)</td>
<td>Principals</td>
<td>The Evaluation Center</td>
<td></td>
<td></td>
</tr>
<tr>
<td>To provide scoring services for authorized users of the National School</td>
<td>National Association of Secondary School</td>
<td>Dr. Arlen Gullickson</td>
<td>$350.00</td>
<td>12/31/2000</td>
</tr>
<tr>
<td>Principals school climate survey and satisfaction survey (Supplemental)</td>
<td>Principals</td>
<td>The Evaluation Center</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL PUBLIC SERVICE</strong></td>
<td></td>
<td></td>
<td>$426,450.00</td>
<td></td>
</tr>
<tr>
<td><strong>Academic Support</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>To provide support for a new architectural of &quot;Remote Wiring and Measurement</td>
<td>National Science Foundation</td>
<td>Dr. Johnson Asumadu</td>
<td>$139,045.00</td>
<td>12/18/2000</td>
</tr>
<tr>
<td>Laboratory (RwmLab)&quot;; this will allow the student to physically wire up</td>
<td></td>
<td>Electrical and Computer Engineering</td>
<td></td>
<td></td>
</tr>
<tr>
<td>the electrical and electronics circuits and perform real measurements</td>
<td></td>
<td>Dr. Ralph Tanner</td>
<td></td>
<td></td>
</tr>
<tr>
<td>through internet access (New)</td>
<td></td>
<td>Industrial and Manufacturing Engineering</td>
<td></td>
<td></td>
</tr>
<tr>
<td>DESCRIPTION</td>
<td>SPONSOR</td>
<td>DIRECTOR</td>
<td>AMOUNT</td>
<td>DATE</td>
</tr>
<tr>
<td>-----------------------------------</td>
<td>----------------------------------------------</td>
<td>---------------------------------------------</td>
<td>-------------</td>
<td>-----------</td>
</tr>
<tr>
<td>Academic Support</td>
<td>Michigan Department of Education</td>
<td>Ms. Marilyn Duke Mr. Gregory Hilton</td>
<td>$85,240.00</td>
<td>12/6/2000</td>
</tr>
<tr>
<td>To outline a model program of</td>
<td></td>
<td>Academic Skills Center</td>
<td></td>
<td></td>
</tr>
<tr>
<td>structured support and intervention that will increase the retention, transfer, and graduation rates of underrepresented African American, Hispanic, and American Indian students enrolling at Southwestern Michigan College (New)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Scholarships and Fellowships</td>
<td>Michigan Department of Education</td>
<td>Ms. Griselda Daniel The Graduate College</td>
<td>$121,634.00</td>
<td>11/30/2000</td>
</tr>
<tr>
<td>To provide doctoral fellowships to underrepresented doctoral students (New)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>To introduce school children who are underrepresented in postsecondary education to the potential of a college education (New)</td>
<td>Michigan Department of Education</td>
<td>Mr. Donyll Lewis Division of Minority Affairs</td>
<td>$113,588.00</td>
<td>12/8/2000</td>
</tr>
<tr>
<td>To support the creation of a bibliography and a database on environmental assessments of college campuses (New)</td>
<td>National Wildlife Federation</td>
<td>Dr. Harold Glasser Environmental Studies Program</td>
<td>$600.00</td>
<td>11/10/2000</td>
</tr>
<tr>
<td>TOTAL ACADEMIC SUPPORT</td>
<td></td>
<td></td>
<td>$224,285.00</td>
<td></td>
</tr>
<tr>
<td>TOTAL SCHOLARSHIPS AND FELLOWSHIPS</td>
<td></td>
<td></td>
<td>$235,822.00</td>
<td></td>
</tr>
<tr>
<td>TOTAL GRANTS AWARDED</td>
<td></td>
<td></td>
<td>$2,947,780.98</td>
<td></td>
</tr>
</tbody>
</table>
Western Michigan University
Board of Trustees
Academic and Student Affairs Committee

January 19, 2001
Agenda Item No. 3

PERSONNEL REPORT

Administrative Appointment
Thomas Gossman, Ombudsman, University Ombudsman Office, effective May 1, 2001.

Appointments - Term
William Argo, Instructor, Department of Teaching, Learning and Leadership, effective December 11, 2000 through August 6, 2002.

Morna McDermott, Instructor, Department of Teaching, Learning and Leadership, effective December 11, 2000 through August 6, 2002.

Ronald Prange, Instructor, Department of Finance and Commercial Law, effective December 11, 2000 through April 15, 2002.

Jean Treacy, Instructor, Department of Teaching, Learning and Leadership, effective December 11, 2000 through August 6, 2002.

Reappointments - Adjunct
Paul Daniels, Adjunct Assistant Professor, Department of Geosciences, effective February 1, 2001 through January 31, 2004.

Jack Gray, Adjunct Professor, Department of Finance and Commercial Law, effective February 1, 2001 through January 31, 2004.

Michael Mueller, Adjunct Professor, Department of Finance and Commercial Law, effective February 1, 2001 through January 31, 2004.

Jay Shoemaker, Adjunct Assistant Professor, Department of Industrial and Manufacturing Engineering, effective February 1, 2001 through January 31, 2004.

Hayden Smith, Adjunct Assistant Professor, Department of Industrial and Manufacturing Engineering, effective February 1, 2001 through January 31, 2004.

Jeroen Wagendorp, Adjunct Associate Professor, Department of Geography, effective February 1, 2001 through January 31, 2004.
Appointments - Adjunct
Louis Adler, Adjunct Professor, Department of Paper and Printing Science and Engineering, effective February 1, 2001 through January 31, 2004.

Angela Janik, Adjunct Assistant Professor, WMU Bronson School of Nursing, effective February 1, 2001 through January 31, 2004.

Thomas O'Brien, Adjunct Assistant Professor, Department of Industrial and Manufacturing Engineering, effective February 1, 2001 through January 31, 2004.

Matthew Wolff, Adjunct Professor, Department of Finance and Commercial Law, effective February 1, 2001 through January 31, 2004.

Appointments - Academic Career Specialist

Kathleen Young, Assistant Academic Career Specialist, WMU Bronson School of Nursing, effective December 11, 2000.

Sabbatical Leave
Rozanne Elder, Department of History

NON-ACADEMIC

Appointment
John Coons, Interim Director, University Counseling and Testing Center, effective August 28, 2000.

Retirement
Mary VandenBerg, Medical Office Assistant, Sindecuse Health Center, effective December 31, 2000.
Western Michigan University
Board of Trustees
Academic and Student Affairs Committee

Agenda Item No. 4
January 19, 2001

Transfer of Major

Background

The Department of English wishes to transfer its current Journalism major and minor, intact, to the Department of Communication. Both departments have considered the proposal and have voted in favor of it.

The proposal will cause no changes for enrolled students, beyond the location of the home department. The three full-time members of the Journalism faculty would move from English to Communications. Current resources will switch from one department to the other.

Recommended Motion

It is recommended that the Board of Trustees approve the transfer of the journalism major from the English Department to the Communications Department effective July 1, 2001.
Department Separation

Background

The separation of the Department of Mathematics and Statistics is typical at universities of our size, especially when the work in Mathematics and Statistics is as comprehensive and complex as it is at WMU. Separation would allow each unit to develop a distinct identity appropriate to its specific mission.

There are no changes to the graduation requirements for any program and no changes to course offerings.

The resources necessary to accomplish this change are primarily provided by dividing the new budget resources of the current Department of Mathematics and Statistics proportionately between the two new departments.

Recommended Motion

It is recommended that the Board of Trustees approve the separation of the Department of Mathematics and Statistics effective July 1, 2001.
Department Transfer

Background

The faculty in the department and the deans of the two colleges agree that the Department of Computer Science majors, minors, and graduate programs more appropriately fall into the purview of the College of Engineering and Applied Sciences than in the College of Arts & Sciences.

There will be no effect on departments or colleges other than Arts & Sciences and Engineering and Applied Sciences. The Department of Computer Science will continue to honor commitments for courses used by other departments throughout the university.

There are no changes in major, minor, or graduate program requirements. As a result, there is no expected effect on demand.

The deans of the two colleges have agreed to the budget transfers necessary to make this change. The Computer Science Department will remain in its present location pending an eventual move to the new facilities upon completion of the planned construction.

Recommended Motion

It is recommended that the Board of Trustees approve the transfer of the Department of Computer Science from the College of Arts & Sciences to the College of Engineering and Applied Sciences effective July 1, 2001.
I. ACTION ITEMS

1. Approval of the Minutes of the December 8, 2000 Committee Meeting Klohs
2. Gift Report Bender
3. Personnel Report Beam
4. Ratification of WMU/MSEA Contract Beam
5. Appointment of External Auditor Beam
7. Easement Agreement - Arboretum Apartments Beam
8. Easement Agreement - Grand Rapids Regional Center Roadway Beam

II. INFORMATIONAL ITEMS

9. Fixed Rate Swap Beam
10. Operating Cash Accounts Report Beam
11. Annuity and Life Income Funds Report Beam
APPROVAL OF THE MINUTES OF THE DECEMBER 8, 2000 COMMITTEE MEETING
GIFT REPORT

Background

This report includes activity for the month of November. Current and deferred cash gifts for November were $532,980. The year-to-date total for the current fiscal year is $4,768,482. This represents an increase of $463,513 over last fiscal year. Information regarding major gifts is provided.

Recommended Motion

It is recommended that this gift report including activity for November be approved.
## WESTERN MICHIGAN UNIVERSITY
### GIFTS RECEIVED

<table>
<thead>
<tr>
<th>Identification</th>
<th>November 2000</th>
<th>November 1999</th>
<th>Over (Under)</th>
<th>Year-to-date 2000-01</th>
<th>Year-to-date 1999-00</th>
<th>Over (Under)</th>
</tr>
</thead>
<tbody>
<tr>
<td>WMUF CASH GIFTS:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Alumni</td>
<td>137,174</td>
<td>159,277</td>
<td>(22,103)</td>
<td>546,970</td>
<td>483,047</td>
<td>63,923</td>
</tr>
<tr>
<td>Individual Friends</td>
<td>98,964</td>
<td>96,591</td>
<td>2,373</td>
<td>582,906</td>
<td>439,615</td>
<td>143,291</td>
</tr>
<tr>
<td>Corporations/Foundations/Other Orgns</td>
<td>187,448</td>
<td>23,679</td>
<td>163,769</td>
<td>2,267,931</td>
<td>2,144,070</td>
<td>123,861</td>
</tr>
<tr>
<td>Estate Gifts</td>
<td>30,405</td>
<td>100,000</td>
<td>(69,595)</td>
<td>1,227,686</td>
<td>1,132,169</td>
<td>95,517</td>
</tr>
<tr>
<td><strong>CURRENT CASH GIFTS</strong></td>
<td>$ 453,991</td>
<td>$ 379,547</td>
<td>$ 74,444</td>
<td>$ 4,625,493</td>
<td>$ 4,198,901</td>
<td>$ 426,592</td>
</tr>
<tr>
<td>DEFERRED GIFTS:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Charitable remainder trusts and annuities (shown at fair market value)</td>
<td></td>
<td></td>
<td></td>
<td>142,999</td>
<td>106,068</td>
<td>36,921</td>
</tr>
<tr>
<td>Net present value as of date of gift:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY 2000</td>
<td>$ 33,251</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY 2001</td>
<td>$ 82,812</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>SUBTOTAL-CURRENT CASH &amp; DEFERRED GIFTS</strong></td>
<td>$ 532,980</td>
<td>$ 475,615</td>
<td>$ 57,365</td>
<td>$ 4,768,482</td>
<td>$ 4,304,969</td>
<td>$ 463,513</td>
</tr>
<tr>
<td>NON-CASH GIFTS:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>SUBTOTAL-GIFTS RECEIVED BY WMU FOUNDATION</strong></td>
<td>$ 640,755</td>
<td>$ 501,927</td>
<td>$ 138,828</td>
<td>$ 5,553,112</td>
<td>$ 4,863,671</td>
<td>$ 689,441</td>
</tr>
<tr>
<td>PAPER TECHNOLOGY FOUNDATION</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash Gifts:</td>
<td>109,043</td>
<td>351,150</td>
<td>(242,107)</td>
<td>218,378</td>
<td>406,895</td>
<td>(188,517)</td>
</tr>
<tr>
<td>Non-Cash Gifts:</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>48,700</td>
<td>-</td>
<td>48,700</td>
</tr>
<tr>
<td><strong>SUBTOTAL-GIFTS RECEIVED BY PAPER TECH. FDN.</strong></td>
<td>$ 109,043</td>
<td>$ 351,150</td>
<td>(242,107)</td>
<td>$ 267,078</td>
<td>$ 406,895</td>
<td>(139,817)</td>
</tr>
<tr>
<td><strong>TOTAL GIFTS</strong></td>
<td>$ 749,798</td>
<td>$ 853,077</td>
<td>(103,279)</td>
<td>$ 5,820,190</td>
<td>$ 5,270,566</td>
<td>$ 549,624</td>
</tr>
</tbody>
</table>
GIFTS & PLEDGES $10,000 AND OVER

November 2000

Cash Gifts November:

Marguerite J. Beilfuss Estate $ 53,154

Beilfuss Scholarship Fund
Final Distribution

Mr. and Mrs. John Wattles 10,000

Donald “J” Seelye Athletic Center

New Pledges November:

Mr. Robert J. Bobb $250,000

The Robert J. Bobb Professorship in
Finance and Commercial Law

Dr. Bernadine Carlson-Carmichael 32,000

The Bernadine Carlson-Carmichael
Medallion Scholarship

Anonymous Donor 30,000

Student & Faculty Enrichment Endowment
for Music Theatre

Dr. Joyce R. Zastrow 10,000

Joyce R. Zastrow Vocal Music Scholarship

*Paper Technology Foundation, Inc. gifts.
Personnel Report

Retirements

Carol Converse, First Cook, Davis Dining Services, effective February 1, 2001.


Katherine McLain, Second Cook, Bernhard Center Dining Services, effective March 1, 2001.
RATIFICATION OF WMU/MSEA Contract

Background

On Thursday, December 7, 2000, Western Michigan University and the Michigan State Employees Association (MSEA) reached tentative agreement on a four-year labor contract. This tentative agreement was ratified by the membership on Monday, December 11, 2000.

Highlights of this agreement include several provisions that will enhance operating efficiency at the University's Power Plant. Namely, the University and MSEA agreed upon a new, more-flexible organizational structure which emphasizes cross-training and reduces the number of job classifications from seven to three. This new structure will allow the University to operate the Power Plant with fourteen staff members, as opposed to the current nineteen, by the end of fiscal year 2004-2005. If feasible, the staff reductions will be achieved by attrition or transfers to other University positions over the next four years.

The economic package include a 2% lump sum bonus in the first year of the agreement, a 2.5% across the board increase in the second and third years, and a 3% across the board increase in the fourth year.

Recommended Motion

It is recommended that the administration be authorized to implement the 2000-2004 agreement with the Michigan State Employees Association.
RECOMMENDATION re APPOINTMENT OF EXTERNAL AUDITOR

Background

The Board appoints external auditors on an annual basis, with an understanding that there will normally be a minimum engagement of five years. As has been our practice, we have annually appointed Deloitte & Touche for the last three audit cycles. This year we are recommending that the audit firm be changed for our annual financial audit of the fiscal year which ends June 30, 2001.

The University began the external auditor selection process by soliciting proposals from six firms that service the Southwest Michigan region. Of the six firms solicited for proposal, three were national firms and there were regional firms. Two firms elected to submit proposals to the University, which detailed the services provided, qualifications and identities of assigned staff as well as estimates of hours and fees. Proposals were submitted from Andrews Hooper & Pavlik P.L.C. and Plante & Moran, LLP. The proposals were comparable regarding the estimated hours and fees, with both under the existing fee paid to Deloitte & Touche.

Both firms are high quality regional firms with experience and knowledge in public higher education institutions. Andrews Hooper & Pavlik, P.L.C. currently services Central Michigan University, Oakland University, Saginaw Valley State University and Northern Michigan University. Plante & Moran currently services Ferris State University, Grand Valley State University, Lake Michigan College and various community colleges.

After a review of the proposals and presentations by each firm, the administration recommends that Plante & Moran be appointed as the external auditor for the University for the fiscal year ending June 30, 2001. This recommendation is based on the quality of the professionals from Plante & Moran assigned to the University audit as well as the long relationship the University has enjoyed with Plante & Moran through exemplary previous audit services for seven years, and their high commitment to both the University and community.

Recommended Motion

It is recommended that the Board approve the appointment of Plante & Moran as external auditor for the financial audit of the fiscal year ending June 30, 2001. It is our intention that the engagement will be a minimum of five years subject to annual review by both the University and public accounting firm.
Background

In 1991, the University issued two series of General Revenue Bonds. Series A was issued to refund existing debt at a lower interest rate. Series B was issued as new money to provide for specific capital projects. Since the Series 1991B Bonds were issued for new money, they are eligible to be refunded. The par amount of outstanding Series 1991B Bonds is $18,450,000. In 1999, the University executed a note agreement for $4,750,000 that bears a variable interest rate derived from the base lending rate (prime).

These are the only outstanding University obligations that are candidates for refunding. Given the significant interest rate rally, we have been monitoring the savings levels that could be realized from a refinancing of the Series of 1991B Bonds and 1999 Note. The market rates have already reached levels, which makes a refunding of these obligations very attractive.

At this time we are asking for Board approval to secure our ability to have the President and the Vice President for Business and Finance be authorized to engage in the execution of the refunding. By seeking this approval, the University will be positioned to respond to the market and capture the savings.

Recommended Motion

It is recommended that the Board approve the attached Resolution authorizing the issuance of refunding bonds for the Series 1991B General Revenue Bonds and the 1999 Note, and providing for other matters relating thereto.
BOND AUTHORIZING RESOLUTION

BOARD OF TRUSTEES

OF

WESTERN MICHIGAN UNIVERSITY

GENERAL REVENUE REFUNDING BONDS, SERIES 2001
RESOLUTION OF BOARD OF TRUSTEES OF
WESTERN MICHIGAN UNIVERSITY
AUTHORIZING THE ISSUANCE AND DELIVERY
OF GENERAL REVENUE REFUNDING BONDS, SERIES 2001 AND
PROVIDING FOR OTHER MATTERS RELATING THERETO

WHEREAS, the Board of Trustees of Western Michigan University (the "Board") is a body corporate created by and existing under the Constitution of the State of Michigan with full constitutional authority over and general supervision of Western Michigan University (the "University") and control and direction of all expenditures from the University's funds; and

WHEREAS, the Board has previously issued its General Revenue Bonds, Series 1991B (the "1991 Bonds") in the original principal amount of $21,340,000 and its 1999 General Revenue Note (the "1999 Note") in the original principal amount of $4,750,000 and

WHEREAS, the Board has determined it may be appropriate and in the best interest of the University to refund all or a portion of the 1991 Bonds and the 1999 Note, as shall be determined by an Authorized Officer (hereinafter defined); and

WHEREAS, in the exercise of its constitutional duties, and in order prudently to control and direct expenditures from the University's funds, the Board has determined it is necessary and desirable to authorize the issuance and delivery of the Board's General Revenue Refunding Bonds, Series 2001 (the "Bonds") in order to provide funds which, together with other available funds of the University, may be used to refund all or a portion of the 1991 Bonds and the 1999 Note and to pay costs related to the issuance of the Bonds and the refunding of the 1991 Bonds and the 1999 Note, including the costs of insurance premiums or other credit or liquidity facilities, if appropriate; and

- 2 -
WHEREAS, a trust agreement or indenture (the "Trust Indenture") must be entered into
by and between the Board and a trustee (the "Trustee"), to be designated by an Authorized
Officer, pursuant to which the Bonds will be issued and secured; and

WHEREAS, Lehman Brothers (the "Underwriter") has been selected as underwriter for
the Bonds, and it is necessary to authorize the Authorized Officers to negotiate the sale of the
Bonds with the Underwriter and to enter into a bond purchase agreement (the "Bond Purchase
Agreement") and, if deemed appropriate, a Remarketing Agreement (the "Remarketing
Agreement") or a Broker Dealer Agreement (the "Broker Dealer Agreement") with the
Underwriter setting forth the terms and conditions upon which the Underwriter will agree to
purchase the Bonds and the interest rates thereof and the purchase price therefor, and providing
for the remarketing by the Underwriter of variable rate demand bonds or auction rate bonds, if
any; and

WHEREAS, in order to be able to market the Bonds at the most opportune time, it is
necessary for the Board to authorize the President and the Vice President for Business and
Finance and Treasurer (each an "Authorized Officer"), or either of them, to designate the Trustee
and to negotiate, execute and deliver on behalf of the Board, the Trust Indenture, the Bond
Purchase Agreement, the Remarketing Agreement or Broker Dealer Agreement, and other
related documents, to establish the specific terms of the Bonds and to accept the offer of the
Underwriter to purchase the Bonds, all within the limitations set forth herein; and

WHEREAS, the refunding of the 1991 Bonds and the 1999 Note and the funding of all or
a part of the costs thereof with the proceeds of the Bonds will serve proper and appropriate
public purposes; and

- 3 -
WHEREAS, the Board has full power under its constitutional authority and supervision of the University, and control and direction of all expenditures from the University's funds, to refund the 1991 Bonds and the 1999 Note and to pay all or a part of the cost thereof by the issuance of the Bonds, and to support payment of the Bonds by a pledge of General Revenues (as shall be defined in the Trust Indenture in a manner generally consistent with the definition thereof included in the Trust Agreement securing the Board's General Revenue Bonds, Series 2000, subject to such changes as may be determined to be appropriate by an Authorized Officer):

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF WESTERN MICHIGAN UNIVERSITY, AS FOLLOWS:

1. The Board hereby approves the refunding of all or a portion of the outstanding 1991 Bonds and the 1999 Note and authorizes the Authorized Officers, or either of them, to select the portion, if any, of the 1991 Bonds and the 1999 Note to be refunded (the portion to be so selected being herein called the "Refunded Obligations") and to arrange for the redemption or payment of the Refunded Obligations in whole or in part from the proceeds of the Bonds, and to fund, as appropriate, the remaining portion of the costs of the refunding from available funds of the University or other available funds.

2. The Board hereby authorizes the issuance, execution and delivery of the Bonds in one or more series to be designated GENERAL REVENUE REFUNDING BONDS, SERIES 2001 with appropriate additional or alternative series designations, if any, in the aggregate original principal amount to be established by an Authorized Officer, but not to exceed the principal amount necessary to produce proceeds of Twenty Five Million Dollars ($25,000,000), to be dated as of the date or dates established by an Authorized Officer, for the purpose of providing funds which, together with other available funds, will be used to refund the Refunded
Obligations, and to pay costs incidental to the issuance of the Bonds and the refunding, including the costs of bond insurance premiums or other credit or liquidity facilities, if appropriate. The Bonds shall be serial Bonds or term Bonds, or both, which may be subject to redemption requirements, as shall be established by an Authorized Officer, but the first maturity shall be no earlier than July 1, 2001 and the last maturity shall be no later than December 31, 2025. The Bonds may bear no interest or may bear interest at stated fixed rates for the respective maturities thereof as shall be established by an Authorized Officer, but the highest yield (computed using the stated coupon and the stated original offering price) for any maturity shall not exceed 6.75% per annum, and the Bonds may be issued in whole or in part as capital appreciation bonds, which for their term or any part thereof bear no interest but appreciate in principal amount over time at compounded rates (not in excess of 6.75% per annum) to be determined by an Authorized Officer. Alternatively, all or part of the Bonds may bear interest at a variable rate of interest for all or a portion of their term, and the variable rate of interest shall not exceed the lesser of the maximum rate permitted by law or the maximum rate, if any, to be specified in the Trust Indenture. In addition, all or part of the Bonds may be issued in related series, one of which bears interest at a variable rate and one of which bears interest at a residual rate determined by subtracting the variable rate from the fixed rate paid by the Board, but the combined rate on such Bonds, taking the two related series together, which shall be determined by an Authorized Officer, shall not exceed 6.75% per annum. The Bonds may be subject to redemption or call for purchase prior to maturity at the times and prices and in the manner as shall be established by an Authorized Officer, but no redemption premium shall exceed 3% of the principal amount being redeemed. Interest on the Bonds shall be payable at such times as shall be specified by an Authorized Officer. The Bonds shall be issued in fully
registered form in denominations, shall be payable as to principal and interest in the manner, shall be subject to transfer and exchange, and shall be executed and authenticated, all as shall be provided in the Trust Indenture. The Bonds shall be sold to the Underwriter pursuant to the Bond Purchase Agreement for a price to be established by an Authorized Officer (but the Underwriter's discount, exclusive of original issue discount, shall not exceed 0.55% of the principal amount thereof) plus accrued interest, if any, from the dated date of the Bonds to the date of delivery thereof.

In connection with the Bonds, either of the Authorized Officers may, on behalf of and as the act of the Board, from time to time enter into an interest rate swap, cap or similar agreement or agreements (collectively, the "Swap Agreement") with a counter-party or counter-parties to be selected by the Authorized Officer. Such Swap Agreement shall provide for payments between the Board and the counter-party related to interest on all or a portion of the Bonds or to indexed or market established rates. The expected effective interest rates on the Bonds, taking into account the effect of the Swap Agreement, shall be within the limitations set forth herein.

Any or all of the Bonds may be made subject to tender for purchase at the option of the holder thereof. The obligation of the Board to purchase any Bonds subject to tender options may be made payable from available cash reserves of the University, subject to such limitations as may be specified in the Trust Indenture, or may be made payable from a letter of credit, line of credit or other liquidity device (the "Liquidity Device"), all as shall be determined by an Authorized Officer and provided for in the Trust Indenture. Any reimbursement obligation for draws under the Liquidity Device shall be a limited and not a general obligation of the Board, payable from and secured by a pledge of General Revenues. Either Authorized Officer is authorized to execute and deliver, for and on behalf of the Board, any agreements or instruments
necessary to obtain, maintain, renew or replace, and provide for repayments under, any Liquidity Device deemed by such officer to be required for the purposes of this Resolution. Purchase obligations shall not be considered as “principal and interest requirements” hereunder. In the alternative, any or all of the Bonds may be subject to rights on behalf of the holders thereof to tender their Bonds for purchase by the market through a dutch auction procedure, subject to a specified maximum interest rate not in excess of the lesser of the maximum rate specified by law or the rate specified in the Trust Indenture.

3. The Bonds, and the obligations of the Board under the Swap Agreement and the Liquidity Device, if any or all is or are entered into as provided herein, shall be limited and not general obligations of the Board payable from and secured by a lien on General Revenues and moneys, securities or other investments from time to time on deposit in certain funds created pursuant to the Trust Indenture or agreements entered into in connection with the Swap Agreement or Liquidity Device. Except as otherwise determined by an Authorized Officer, as provided below, the lien shall be on a parity basis with the liens on General Revenues securing previously issued outstanding bonds and notes of the Board.

No recourse shall be had for the payment of the principal amount of or interest or premium on the Bonds, the Swap Agreement or the Liquidity Device, or any claim based thereon, against the State of Michigan, or any member or agent of the Board (including, without limitation, any officer or employee of the University), as individuals, either directly or indirectly, nor, except as provided in the Trust Indenture, Swap Agreement or Liquidity Device, or agreements related thereto, against the Board, nor shall the Bonds and interest with respect thereto, or the Swap Agreement or Liquidity Device become a lien on or be secured by any property, real, personal or mixed of the State of Michigan or the Board, other than General
Revenues and the moneys, securities or other investments from time to time on deposit in certain funds established as pledged pursuant to the Trust Indenture or agreements related to the Swap Agreement or Liquidity Device.

Notwithstanding anything herein to the contrary, any obligations of the Board under the Swap Agreement or any agreement with respect to the Liquidity Device may, if determined appropriate by an Authorized Officer, be payable and secured on a subordinated basis to the Bonds and other General Revenue obligations of the Board.

4. The right is reserved to issue additional bonds, notes or other obligations payable from and secured on a parity basis with the Bonds from the General Revenues, upon compliance with terms and conditions therefor as shall be set forth in the Trust Indenture.

5. The Authorized Officers, or either of them, are hereby authorized and directed, in the name and on behalf of the Board, and as its corporate act and deed, to select the Trustee and to negotiate, execute and deliver the Trust Indenture in such form as shall be not inconsistent herewith and as shall be approved by the General Counsel, and the Bond Purchase Agreement and Remarketing Agreement or Broker Dealer Agreement, if necessary, and an Escrow Deposit Agreement with an Escrow Agent to be selected by an Authorized Officer, with direction and authorization to the Escrow Agent or the Underwriter to purchase securities as necessary to accomplish the refunding, in the forms as an Authorized Officer may approve upon recommendation of the General Counsel, which approvals shall be conclusively evidenced by the execution of the Trust Indenture, the Bond Purchase Agreement, the Remarketing Agreement or Broker Dealer Agreement, and the Escrow Deposit Agreement, respectively, all within the limitations set forth herein.
6. The Authorized Officers are hereby authorized to cause the preparation of a Preliminary Official Statement and an Official Statement, and to deem such documents "final" in accordance with law. The Underwriter is authorized to circulate and use, in accordance with applicable law, the Preliminary Official Statement and the Official Statement in connection with the offering, marketing and sale of the Bonds.

7. Either the President or Vice President for Business and Finance and Treasurer is authorized and directed to execute the Bonds by manual or facsimile signature and, if deemed appropriate, to impress or imprint the University seal thereon, and either of the Authorized Officers is authorized to deliver the Bonds to the Underwriter upon payment of the purchase price therefor, determined pursuant to Section 2 hereof.

8. Each Authorized Officer and the Secretary of the Board (or any assistant secretary) and the General Counsel, or any Associate or Assistant General Counsel, and all other appropriate officers, or representatives of the Board or the University and each one of them, are authorized and directed to execute and deliver such certificates and other documents (including a Letter of Representations among the Board, the Trustee under the Trust Indenture and The Depository Trust Company and any agreements or other documents related to a dutch auction tender process) and to take such other action as may be necessary to effect the proper sale, execution and delivery of the Bonds, subject to and as may be required by the Bond Purchase Agreement, the Trust Indenture and this Bond Authorizing Resolution.

9. Either Authorized Officer is authorized to acquire a commitment or commitments for bond insurance for the Bonds, and if such insurance is deemed cost effective, to accept a commitment on behalf of the Board and to the cause the premium with respect thereto to be paid from Bond proceeds as part of the costs of issuance.
10. In accordance with the requirements of Rule 15c2-12 of the United States Securities and Exchange Commission, the Board may be required in connection with the issuance of the Bonds to enter into a Disclosure Undertaking for the benefit of the holders and beneficial owners of the Bonds. Either Authorized Officer is authorized to cause to be prepared and to execute and deliver the Undertaking on behalf of the Board.

11. Following delivery of the Bonds, the Authorized Officers, or any one of them, are authorized to take any action or to evidence any action required or permitted to be taken by the Board under the Trust Indenture.

12. This Bond Authorizing Resolution shall be effective immediately upon adoption. All resolutions or parts of resolutions or other proceedings of the Board in conflict herewith are hereby repealed insofar as such conflict exists.
I hereby certify that the attached is a true and complete copy of a resolution adopted by the Board of Trustees of Western Michigan University on January __, 2001, in accordance with all applicable laws, and that the minutes of the meeting at which the resolution was adopted were kept and will be or have been made available at the Office of the Secretary of the Board of Trustees of Western Michigan University.

I further certify as follows:

1. Present at the meeting were the following Board members:

Absent from the meeting were the following Board members:

2. The following members of the Board voted for the adoption of the Resolution:

The following members of the Board voted against adoption of the Resolution:

RESOLUTION DECLARED ADOPTED.

Secretary, Board of Trustees of
Western Michigan University

DELIB.2204603.1095924-00076
Western Michigan University
Board of Trustees
Budget and Finance Committee

EASEMENT AGREEMENT - ARBORETUM APARTMENTS

Background

Consumers Energy has requested an easement covering the proposed route across University property for underground electric and gas facilities to the next phase of apartments on Emajean. The attached drawings show the proposed route and will be part of the easement as an exhibit.

Recommended Motion

It is recommended that the Board of Trustees authorize the administration to enter into the appropriate easement agreement and execute all necessary documents to grant such easement.
EASEMENT FOR ELECTRIC LINES AND GAS PIPELINES

Tax Code: 394445
W.O.#: 04982643

Parties: "Owner" is Western Michigan University, a Michigan Constitutional Body Corporate
Owner's address is 1903 West Michigan Avenue, Kalamazoo, 49008

"Consumers" is CONSUMERS ENERGY, a Michigan corporation. Consumers' address is 212 West Michigan Avenue, Jackson, Michigan 49201.

Grant of Easement: For good and valuable consideration, Owner grants Consumers a permanent easement for underground electric lines and gas pipelines on, under, and across a portion of "Owner's Land", called the "Easement Area". Owner's Land is in the City of Kalamazoo, County of Kalamazoo and State of Michigan and is described in the attached Exhibit A. The Easement Area is within Owner's Land is described in the attached Exhibit B. Consumers may attach additional lines running laterally from the main electric lines and pipelines to the Northerly, Easterly and Westerly edge(s) of Owner's Land, in which event the Easement Area shall include a 10-foot-wide strip of land, being 5 feet on each side of each such lateral line, as constructed on Owner's Land.

Purpose: The purpose of the easement is to grant Consumers the right to enter Owner's Land to construct, operate, inspect, maintain, replace, improve, remove, and enlarge underground electric lines and gas pipelines on the Easement Area. The underground electric lines may consist of underground cables (including fiber-optic cable), conduits, wires, conductors, subsurface junction vaults, surface-mounted transformers and enclosures, and other equipment for transmitting and distributing electrical energy and communications signals. The gas pipelines may consist of pipelines with valves, connections, and accessories for transmitting and distributing natural gas.

Trees and Other Vegetation: Consumers shall have the right from time to time hereafter to enter Owner's Land to trim, cut down, and otherwise remove and control any trees, brush, roots, and other vegetation, whether inside or outside the Easement Area, that Consumers believes may interfere with the construction, operation, and maintenance of the electric lines or pipelines.

Buildings/Structures: Owner shall not: 1) locate any buildings, structures, septic systems, drain fields, ponds, or swimming pools within the Easement Area, 2) plant any trees within the Easement Area, or 3) change the ground elevation within the Easement Area. If Owner violates this provision, Owner shall reimburse Consumers for expenses Consumers incurs correcting the violation. If Consumers corrects the violation by relocating electric lines or in pipelines on Owners land, this easement shall automatically apply to such relocated line(s).

Successors: This easement shall bind and benefit Owner's and Consumers' heirs, successors, lessees, Licensees, and assigns.

Form 286D 5-98
Date: __________________________

Witnesses: __________________________

Owner: Western Michigan University

__________________________
Robert M. Beam, Treasurer

Acknowledgment

The foregoing instrument was acknowledged before me in ___________ County, Michigan, on ___________, ___________, by Western Michigan University, a Michigan Constitutional Body Corporate, Robert M. Beam, its Treasurer.

__________________________
Notary Public

County, Michigan

Acting in ___________ County

My Commission Expires: ___________

This easement is exempt from real estate transfer tax pursuant to MCLA 207.505(f) and from State real estate transfer tax pursuant to the provisions of MCLA 207.526(f).

Prepared By:
Alan Poling
Consumers Energy Company
2500 East Cork Street
Kalamazoo, MI 49001

Form 286D  5-98
EXHIBIT A

Owner's Land

A PARCEL OF LAND IN THE SOUTHWEST 1/4 OF SECTION 19, TOWN 2 SOUTH, RANGE 11 WEST, IN THE CITY OF KALAMAZOO, KALAMAZOO COUNTY, MICHIGAN, DESCRIBED AS:

COMMENCING AT THE WEST 1/4 CORNER OF SAID SECTION 19; THENCE SOUTH 89DEG 27MIN 45SEC EAST, 1307.00 FEET TO THE NORTHWEST CORNER OF THE NORTH 1/2 OF THE NORTHEAST 1/4 OF SAID SOUTHWEST 1/4, AND THE PLACE OF BEGINNING; THENCE SOUTH 89DEG 28MIN 18SEC EAST, 1313.07 FEET TO THE CENTER OF SAID SECTION 19; THENCE SOUTH 00DEG 08MIN 20SEC WEST ALONG THE NORTH AND SOUTH 1/4 LINE OF SAID SECTION, 662.10 FEET TO THE SOUTHEAST CORNER OF SAID NORTH 1/2; THENCE NORTH 89DEG 30MIN 05SEC WEST ALONG THE SOUTH LINE OF SAID NORTH 1/2, 1313.26 FEET TO THE SOUTHWEST CORNER OF SAID NORTH 1/2; THENCE NORTH 00DEG 02MIN 22SEC EAST, 662.78 FEET TO THE PLACE OF BEGINNING.

EXHIBIT B

Easement Area

A 10-foot-wide strip of land, as shown in the attached drawing being 5 feet on each side of each electric line and pipeline, as constructed on Owner's Land.
Background

The University has had recent discussions with B & A Development Real Estate Division, Inc. regarding the Grand Rapids Regional Center roadway. The attached document, Amendment No. 1 to Easement Agreement, describes the realignment of the road intersection at University Drive and Claystone. At this time, the administration is asking for authorization to execute the necessary easement agreement to enable the realignment of University Drive and Claystone intersection at the Grand Rapids Regional Center.

Recommended Motion

It is recommended that the Board of Trustees authorize the administration to enter into Amendment No. 1 to Easement Agreement and execute all necessary documents to grant such easement.
AMENDMENT NO. 1
TO
EASEMENT AGREEMENT

This Agreement (the “Agreement”) amends a certain Easement Agreement dated November 9, 1988 and recorded in Liber 2584 of Mortgages, Page 1337, Kent County Records (the “Original Easement Agreement”) and is made January _, 2001, by RAC Associates, LLC, a Michigan limited liability company, whose address is 4515 Roger B. Chaffee Drive SE, Kentwood, Michigan 49548 (“RAC”), Thunder Properties L.L.C., a Kentucky limited liability company, whose address is 304 Whittington Parkway, Suite 107, Louisville, Kentucky 40222 (“Thunder Properties”), and The Board of Control of Western Michigan University, a Michigan corporation, whose address is 2070 Administration Building, Kalamazoo, Michigan 49008 (“WMU”).

Statement of Facts

A. WMU is the owner of certain land in the City of Grand Rapids, Kent County, Michigan, described as (“Parcel I”):

That part of the NW 1/4, Section 11, T6N, R11W, City of Grand Rapids, Kent County, Michigan, described as: Commencing at the West 1/4 corner of Section 11; thence S87°20'40"E 771.54 feet along the South line of said NW 1/4 to the PLACE OF BEGINNING of this description; thence N2°39'20"E 250.0 feet; thence N86°41'19"E 448.54 feet to a point on the Westerly line of East Beltline Avenue; thence N89°56'11"E 10.0 feet; thence S00°03'49"E 297.44 feet along said Westerly line; thence N87°20'40"W 470.23 feet along the South line of said NW 1/4 to the place of beginning.

B. Thunder Properties is the owner of certain land in the City of Grand Rapids, Kent County, Michigan, described as (“Parcel II”):

That part of the NW 1/4, Section 11, T6N, R11W, City of Grand Rapids, Kent County, Michigan, described as: Commencing at the West 1/4 corner of Section 11; thence S87°20'40"E 771.54 feet along the South line of said NW 1/4; thence N2°39'20"E 250.0 feet to the PLACE OF BEGINNING of this description; thence N2°39'20"E 580.00 feet; thence S87°20'40"E 330.0 feet; thence N2°39'20"E 150.0 feet; thence S87°20'40"E 189.77 feet along the centerline of Claystone Street; thence S00°03'49"E 772.58 feet along the Westerly line of East Beltline Avenue; thence N89°56'11"E 40.0 feet; thence S89°56'11"W 139.0 feet along said Westerly line; thence S89°56'11"W 10.0 feet; thence S00°03'49"E 70.0 feet along said Westerly line; thence S86°41'19"W 448.56 feet to the place of beginning.

Less all that part of the foregoing premises lying northerly of the southerly boundary line of the following described premises:

That part of the NW 1/4, Section 11, T6N, R11W, City of Grand Rapids, Kent County, Michigan, described as: Commencing at the W 1/4 corner of Section 11; thence S87°20'40"E 1201.73 feet along the South line of said NW 1/4; thence
N00°03'49"W 539.54 feet to a point on the Westerly line of East Beltline Avenue and
the PLACE OF BEGINNING of the centerline of a 40 foot wide strip of land; thence
S89°56'11"W 198.0 feet; thence Westerly 85.87 feet along a 120 foot radius curve to
the left, the chord of which bears S69°26'11"W 84.05 feet; thence S48°56'11"W
117.0 feet; thence Southerly 129.74 feet along a 100 foot radius curve to the left, the
chord of which bears S11°46'11"W 120.83 feet; thence S25°23'49"E 46.73 feet to the
place of ending of the centerline of said 40 foot wide strip of land.

C. Thunder Properties is also the owner of certain land in the City of Grand Rapids, Kent County,
Michigan, described as ("Parcel III"): That part of the NW 1/4, Section 11, T6N, R11W, City of Grand Rapids, Kent County,
Michigan, described as: Commencing at the W 1/4 corner of Section 11; thence S87°20'40"E
771.54 feet along the South line of said NW 1/4; thence N02°39'20"E 250.00 feet; thence
N24°16'10"W 331.63 feet; thence N02°39'20"E 120.00 feet the PLACE OF BEGINNING
of this description; thence N02°39'20"E 460.00 feet; thence S87°20'40"E 330.00 feet; thence
N02°39'20"E 150.00 feet; thence S87°20'40"E 189.77 feet along the centerline of Claystone
Street; thence S00°03'49"E 717.58 feet along the Westerly line of East Beltline Avenue;
thence S89°56'11"W 198.00 feet; thence Southwesterly 100.18 feet along a 140.00 foot
radius curve to the left, the chord of which bears S69°26'11"W 98.06 feet; thence
S48°56'11"W 29.84 feet; thence N51°40'00"W 300.82 feet to the place of beginning.

D. RAC is the owner of certain land in the City of Grand Rapids, Kent County, Michigan,
described as ("Revised Parcel IV"): That part of the NW 1/4, Section 11, T6N, R11W, City of Grand Rapids, Kent County,
Michigan, described as: Commencing at the W 1/4 corner of Section 11; thence S87°20'40"E
771.54 feet along the South line of said NW 1/4; thence N02°39'20"E 250.00 feet; thence
N24°16'10"W 331.63 feet; thence N02°39'20"E 120.00 feet the PLACE OF BEGINNING
of this description; thence N02°39'20"E 460.00 feet; thence S87°20'40"E 330.00 feet; thence
N02°39'20"E 150.00 feet; thence S87°20'40"E 189.77 feet along the centerline of Claystone
Street; thence S00°03'49"E 717.58 feet along the Westerly line of East Beltline Avenue;
thence S89°56'11"W 198.00 feet; thence Southwesterly 100.18 feet along a 140.00 foot
radius curve to the left, the chord of which bears S69°26'11"W 98.06 feet; thence
S48°56'11"W 29.84 feet; thence N51°40'00"W 300.82 feet to the place of beginning.

E. Taken together, RAC, Thunder Properties, and WMU comprise all of the parties in interest
to the Original Easement Agreement.

F. Section I of the Original Easement Agreement created a non-exclusive perpetual easement for
ingress and egress from Parcel I to the East Beltline over and across Parcel III (the "Existing Private Drive"
a/k/a "University Drive").

G. Section II of the Original Easement Agreement created a non-exclusive perpetual easement
for ingress and egress to Claystone Street, a public street, over and across Parcel IV (the "Future Private
Drive" a/k/a "Drive #2").

H. Section IV of the Original Easement Agreement created certain easements for possession and
joint use, and other rights over and within Parcel II (the "Joint Use Rights").

I. The parties desire to modify certain of their respective rights and obligations as established
by the Original Easement Agreement.
Terms and Conditions

NOW, THEREFORE, in consideration of the mutual covenants contained in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, RAC and Thunder Properties and WMU make this Agreement.

1. Consent to Relocation of Drive #2. WMU and Thunder Properties each consent to the relocation of Drive #2 by RAC. The relocation shall result in a placement of the southerly and westerly edge of Drive #2 approximately 15 feet from the southerly and westerly boundary line of Revised Parcel IV. The relocation shall be constructed by RAC at its sole discretion and expense.

2. Storm Drainage Easement and Restatement of Drainage Rights. Thunder Properties hereby declares and grants to RAC and its successors and assigns, as an easement appurtenant to Revised Parcel IV, a non-exclusive, perpetual, private easement (the "Storm Drainage Easement") for the construction, installation, maintenance, repair, replacement, reinstallation, operation and inspection of a storm sewer line(s) over, across and under Parcel II. The easement parcel is described as follows and is depicted on the attached exhibit:

That part of the NW 1/4, Section 11, T6N, R11W, City of Grand Rapids, Kent County, Michigan, described as: Commencing at the W 1/4 corner of Section 11; thence S87°20'40"E 771.54 feet along the South line of said NW 1/4; thence N02°39'20"E 250.00 feet; thence N86°41'19"E 448.56 feet; thence N00°03'49"W 48.06 feet along the Westerly line of East Beltline Avenue to the PLACE OF BEGINNING of this description; thence N87°20'40"W 50.06 feet; thence N00°03'49"W 213.57 feet; thence N89°56'11"E 20.00 feet; thence S00°03'49"E 55.00 feet along the Westerly line of East Beltline; thence N89°56'11"E 40.00 feet; thence S00°03'49"E 139.00 feet along said Westerly line; thence S89°56'11"W 10.00 feet; thence S00°03'49"E 21.94 feet to the place of beginning.

The construction shall be performed in accordance with all applicable laws, including, without limitation, the ordinances and regulations of the City of Grand Rapids. All construction shall be completed in a good, workmanlike, and expeditious manner and shall be performed free and clear of any and all construction liens. RAC shall defend, indemnify and hold harmless Thunder Properties from construction liens and claims of damages for personal injury or property during the construction. RAC shall not unreasonably impede the flow in the drainage ditch during the construction and shall restore the ditch to its condition existing prior to the construction. It may remove such trees as are reasonably necessary to install the sewer line, but it shall repair in a reasonable manner any other damage to the land.

RAC retains the right to continue natural surface drainage into the drainage easement held by the City of Grand Rapids and recorded in Liber 2073 of Mortgages, Page 300, Kent County Records, and to connect with the existing storm water drain located within that easement. RAC shall construct and maintain a detention basin on Revised Parcel IV in such a manner so as not to increase the risk (beyond the present risk) of flooding to Parcels I, II and III.

RAC shall be under no obligation to maintain the drainage stream or maintain, repair or replace any improvements within the Storm Drainage Easement, except storm sewer line(s) installed by RAC.

3. Release of Joint Use Rights. Except as restated by Paragraph 2 above, RAC releases all Joint Use Rights over and within Parcel II arising under the Original Easement Agreement.

4. Maintenance of University Drive and Drive #2. The driveway improvements located within University Drive and Drive #2 shall be maintained in the following manner:

   a) Until such time as Thunder Properties or its successors or assigns commences development of Parcel II, RAC shall maintain, repair and replace the driveway improvements located within the easement, without reimbursement.

   b) At such time as Thunder Properties or its successors or assigns commences development of Parcel II for any use or improvement other than the parking lots which currently exist, RAC and Thunder Properties shall maintain, repair and replace the driveway improvements located within the easement. The cost
of such maintenance, repair or replacement shall be apportioned pro rata between the owners of Revised Parcel IV and Parcel II based upon the ratio of the total square footage of the buildings erected on Revised Parcel IV and Parcel II to the total square footage of all buildings erected on the parcels combined. For example, if the building erected on Parcel II is 10,000 square feet and the buildings located on Revised Parcel IV contain 75,000 square feet in total, then the owner of Parcel II shall pay 10/85's of the cost and the owner of Revised Parcel IV shall pay 75/85's.

5. Rights and Remedies. If any owner of Parcel II or Revised Parcel IV or Parcel I fails to perform or commence to perform any obligation under this Agreement and such failure continues for ten (10) days (or shorter if necessity requires) following written notice specifying the default, the non-defaulting owner shall have the right (but not the obligation) to cure such default and take such action as may be necessary to do so including, without limitation, entering upon the land owned by the defaulting owner to effect such cure. If any sums are paid by the non-defaulting owner pursuant to this paragraph, the defaulting owner shall be liable to the non-defaulting owner for all sums expended by such non-defaulting owner in accordance with the provisions of this paragraph until such sums are repaid in full. In the event the defaulting owner fails to repay such sums to the non-defaulting owner when due, the non-defaulting owner shall be entitled, in addition to any other remedies that it may have, to enforce collection of such amount by a suit at law for money judgment. The expenses incurred in connection with collecting any unpaid amounts, including statutory interest, costs and reasonable attorneys' fees, shall also be chargeable to the defaulting owner.

6. Reservation and Assumption of Rights. Thunder reserves for itself and its successors and assigns the rights of ingress and egress across Drive #2. RAC, for itself and its successors and assigns, assumes and agrees to perform all of the obligations arising through that certain Declaration and Grant of Easement dated April 29, 1988 of record in Liber 2590, page 835.

7. Miscellaneous. Time is of the essence. Invalidation of any one of the provisions contained in this Agreement by judgment, court order or otherwise shall not invalidate or otherwise affect any other provisions in this Agreement, all of which shall remain in full force and effect. All notices, demands and requests required or permitted to be given by any party to the other shall be deemed given when personally delivered or mailed by certified mail, return receipt requested, to such other party at its address as specified in this Agreement or otherwise specified in writing. Whenever a transfer of ownership of any parcel occurs, liability of the transferor for the breach of any obligation under this Agreement occurring after the transfer shall automatically terminate. The rule of strict construction does not apply to the easements. The easement grants shall be given a reasonable construction so that the intention of the parties to confer usable rights of enjoyment on each other is carried out. If an easement is terminated by written agreement, the Agreement terminating the easement may, for convenience sake, run to "the owners and parties interested" in Revised Parcel IV, Parcel I, and Parcel II.

8. Scope. This Agreement is being entered into for the sole use and benefit of Parcel I, Parcel II, and Revised Parcel IV. This Agreement, and the rights under this Agreement, shall not be transferred or assigned by the parties, except appurtenant to the property owned by them. None of the rights contained in this Agreement may be conveyed or granted by any party to real estate other than Parcel I, Parcel II, and Revised Parcel IV.

9. Relationship of Parties. Nothing contained in this Agreement, nor any act of the parties, shall be deemed or construed by any party or by any third party to create the relationship of principal and agent, of partnership, of joint venture, of joint enterprise, or of any association between the parties hereto, nor shall anything contained in this Agreement or any act of the parties be construed to render any party liable for the debts or obligations of any other party.

10. Interpretation. No provision in this Agreement is to be interpreted for or against any party because that party or that party's legal representative drafted the provision.

11. Waiver, Modification or Cancellation. Any waiver, alteration or modification of any of the provisions of this Agreement, or cancellation or replacement of this Agreement (in whole or in part), shall be effective only if in writing and signed by the parties to this Agreement.

12. Cumulative Remedies. All rights, remedies and recourse under this Agreement or otherwise are separate and cumulative and may be pursued separately, successively or concurrently, are non-exclusive
and the exercise of any one or more of them shall in no way limit or prejudice any other legal or equitable right, remedy or recourse to which any party may be entitled.

13. Construction. This Agreement shall be governed by and construed according to the laws of the State of Michigan.

14. Continuation. In all other respects, the Original Easement Agreement shall continue in full effect and without change.

15. Entire Agreement. This Agreement contains the entire understanding between the parties relating to the rights granted and the obligations assumed. This Agreement may not be amended, except in writing and signed by all parties to this Agreement, their heirs, personal representatives, successors or assigns.

WITNESSES:

RAC:
RAC Associates, LLC

By: ________________________________
   Its: Member

WITNESSES:

Thunder Properties:
Thunder Properties, L.L.C.

By: ________________________________
   Its: Member

WITNESSES:

WMU:
The Board of Control of Western Michigan University

By: ________________________________
   Its: ________________________________
The foregoing instrument was acknowledged before me this day of January, 2001, by [signature] as Member of RAC Associates, LLC, a Michigan limited liability company, on behalf of the company.

Notary Public, [signature] County, Michigan
My Commission Expires: [signature]

The foregoing instrument was acknowledged before me this day of January, 2001, by [signature] as Member of Thunder Properties, L.L.C., a Kentucky limited liability company, on behalf of the company.

Notary Public, [signature] County, Michigan
My Commission Expires: [signature]

The foregoing instrument was acknowledged before me this day of January, 2001, by [signature] as of The Board of Control of Western Michigan University, a Michigan corporation, on behalf of the corporation.

Notary Public, [signature] County, Michigan
My Commission Expires: [signature]

Drafted by and after recording return to:
Ryan E. Lamb, Esq.
SIEBERS MOHNÉY, PLC
100 East 8th Street, Suite 240
Holland, MI 49423
(616) 394-9881

F:\Data\RACE Beltime\Amend No1 Rev3.eas
PROPOSED EASEMENT FOR DRAINAGE

SURVEY LINE OF EAST BELTUNE AVE (M+4 M-37)

BOUNDARY SURVEY

PARCEL A
3.448 ACRES

PARCEL B
7.696 ACRES

587°20'40"E 189.77' G/L CLAYSTONE ST.
FIXED RATE SWAP

Background

On April 3, 2000, the Board authorized the issuance and delivery of General Revenue Bonds, Series 2000, and providing for other matters relating thereto. On June 6, the University issued variable rate bonds in the notional amount of $75,400,000 and a term of 30 years. The variable rate fluctuates every 35 days.

The resolution approved by the Board also authorized the execution of a swap in conjunction with this debt. Since early fall, we have been carefully monitoring the fixed rate swaps. As a result, the University entered into a swap with Lehman Brothers for $75,400,000 over a 30-year period. The fixed rate was 4.83% with fees of .25%, for an all-inclusive rate of 5.08%.

In effect, the University will now pay a fixed rate of 5.08% for 30 years and Lehman will be responsible for making the variable rate payments, whatever they may be. The 5.08% is historically a very low rate of interest to be paid by the University on outstanding debt.

Recommended Motion

This is an informational item requiring no specific action by the Board of Trustees.
Western Michigan University: Summary of Interest Rate Hedge Transaction on December 15, 2000

➢ Over the last few weeks, long term interest rates declined by approximately 30 basis points in response to Federal Reserve Chairman Greenspan’s comments implying interest rate cuts in the near term as well as a conclusion to the Presidential election impasse.

➢ The University locked-in an historically attractive interest rate of 5.08% (base rate of 4.83% plus broker dealer fees of 0.25%) on its $75.4 mm General Revenue Bonds, Series 2000. The 20-year low for the Bond Buyer Revenue Bond Index, which is a market indicator for 30-year tax-exempt fixed rate bonds, is 5.09%.

➢ The equivalent bond yield on December 15th would have been 5.52% for the University (approximate yield of 5.40% plus 0.12% in estimated costs of issuance and bond insurance).

➢ The synthetic fixed rate provides that Lehman Brothers pays the actual floating rate on WMU’s SAVRS. This can only be altered if major tax legislation is enacted and the short term high grade tax-exempt index (BMA) trades at 77% of LIBOR for six months.

➢ In order for BMA to consistently trade at 77% of LIBOR, the marginal corporate tax rate would need to decrease by approximately 42%\(^{(1)}\) – i.e., from almost 40% to about 25%.

➢ Lehman Brothers is providing upfront collateral to secure its obligations under the contract with “AAA” rated U.S. Treasuries and Agencies at 102% of the required collateral amount.

---

\( (1) \) Assuming that BMA trades at \((1 - \text{the highest marginal corporate tax rate})\)
Western Michigan University
Board of Trustees
Budget and Finance Committee

OPERATING CASH ACCOUNTS REPORT
Western Michigan University
Board of Trustees
Budget and Finance Committee

AGENDA ITEM NO. 11
January 19, 2001

ANNUITY AND LIFE INCOME FUNDS REPORT