

**NEW JERSEY INSTITUTE OF TECHNOLOGY
BOARD OF TRUSTEES
MINUTES OF MEETING (DRAFT)
(April 7, 2011)**

1. The meeting was called to order by Vice Chairperson DeCaprio, at 11:50 a.m. Other Trustees in attendance were Board Members Babineau, Bone, Cistaro, Garcia, Slimowicz and Wolff. Also in attendance were President Altenkirch, Mr. Mauermeyer, Board Treasurer, and Ms. Holly Stern, Board Secretary.

In accordance with the New Jersey Open Public Meeting Act, the Acting Chairperson read the following statement:

“Notice of this meeting was provided to the public as required by the New Jersey Meeting Act, in the schedule of meeting dates of the Board of Trustees of New Jersey Institute of Technology which was mailed to the Star Ledger, The Herald News and Vector on November 19, 2008. The Schedule was also mailed to the City Clerk of Newark on November 19, 2008, for filing with that office and posting in such public place as designated by said Clerk.”

2. Vice Chairperson DeCaprio opened the meeting to the public speakers who filed requests to speak with the Board Secretary. Dr. David Hawk was the first speaker. He stated that four days ago, he received a letter from the General Counsel advising that the Board would discuss his employment as a tenured professor and that he would be permitted to address the Board for three minutes. He stated that he expects the Board will discuss the letter of President Altenkirch of August 23, 2010, that he would seek the termination of his employment as a tenured professor on the grounds that he had violated state law in inappropriately changing the grades of an individual with whom he had a business relationship from an F to an A, purchased equipment to date not returned to or recovered by NJIT for which he was reimbursed with NJIT funds, and misused the search process to hire with tenure an individual with whom he had a prior personal relationship and that he had engaged in other actions that violate the implicit standards of good behavior expected of an NJIT tenured professor. With respect to the allegation regarding changing of a student’s grade, Dr. Hawk asked that the Board consult Sec. 3.5.1 of the Faculty Handbook and having done so, make their own independent inquiry to determine what grade he changed from an “F” to and “A” and whether the course instructors involved had complied with the mandatory provisions of Section 3.5.1 before entering the student’s grade, and on what grounds the President contends he was required or permitted to ignore the mandate of Section 3.5.1.

He asked the Board to conduct its own independent assessment of legal authority to determine the rights and obligations of course instructors and the University, and asked the Board to study the case of Brown v. Armenti, 247 F. 3rd 69 (3rd Cir. 2001) with the University's legal counsel. He also asked the Board to compare the Ad Hoc Committee's statement on this matter with the notes exchanged between Student "K" and her instructor, and the e-mails exchanged between and among the Committee, Student "K" and Denise Coleman. He asked the Board to have legal counsel show them where there is authority for applying the prescriptive of the New Jersey Conflict of Interest law to a person with whom he is said to have a business relationship.

Continuing to the President's allegations that he purchased equipment that had not, to date, been returned to or recovered by NJIT for which he was reimbursed with NJIT funds, he asked the Board to ask the President whether he has reviewed his statements addressed to NJIT's legal counsel, identifying the account debited for the funds used to purchase the equipment and his discretionary authority to use the funds for his personal benefit, and the use to which the equipment was put, the presence of the equipment in his office when he was Dean, until he was harshly and physically ejected by Interim Dean English; if he has read the statements what his responses were, and on what basis he makes such responses, and if he has not read the statements, why not.

With respect to the President's allegations that he misused a faculty search process, ask the President and General Counsel to evaluate his own written statements to the Search Committee regarding the professor's candidacy and the candidacies of the other academics who responded to the internationally posted advertisement for the position, including the handwritten or typewritten notes.

At that juncture, being over three minutes, Secretary Stern noted that the three minute time limit had been exceeded and asked Dr. Hawk to conclude his remarks. Dr. Hawk ended at that point, and indicated he had written material. Acting Chair DeCaprio stated that the written comments should be submitted to the Board Secretary. Dr. Hawk said that he would give copies of the materials to the Governor and to the Mayor personally.

3. The Board then moved to vote on the Resolution concerning Dr. Hawk, which Ms. Stern read into the record. She explained that this resolution moves the matter forward to initial hearing at which time there would be the opportunity for Dr. Hawk to present evidence, and cross-exam witnesses, and action before the Board was not intended as the hearing that would be the initial decision by the hearing body. Vice Chair DeCaprio asked if there were any questions or comments. There were none and the Board voted upon the Resolution. Ms. Stern noted that this will allow the matter to move forward to an evidentiary hearing pursuant to statute.

4. BY A MOTION DULY MADE BY MR. BONE, SECONDED BY MR. CISTARO and UNANIMOUSLY PASSED, the Board voted to APPROVE RESOLUTION TO ACT UPON DETENURIZATION CHARGE.
5. The portion of the public session open to the public continued. Dr. Mill Jonakait, who had previously registered to speak, noted that she ceded her time slot to Dr. Richard Sher. Dr. Sher stated that the Faculty Council was responding to the resolution for shared governance. The Faculty Council welcomes suggestions for improving the university. He added that the Faculty Handbook allocates the authority and responsibility for a university-wide governance structure. There is no compelling case made in support of this Resolution. He stated that the faculty were not told this was going to the Board of Trustees, and should not be rushed. It is important, since the Middle States review team is coming but there is no requirement that we move this quickly. The University Senate is not the best and only model; this is the biggest issue he has ever seen. This all relates to the last point; we can all agree and go forward in a consensus way. Ms. Stern noted the six minutes time limitation, and Dr. Sher concluded his remarks.

Dr. Robert Barat spoke next. He is a Professor in Chemical Engineering, and was a BS/MS student here in the late 70's and early 80's. The university has changed enormously; there are many challenges. These challenges are unique in our history. The University needs a contemporary and progressive governing system, and the authority that comes with a broad representation. We need rigor in data collection, analysis and deliberations through structured standing committees, along with short and long term perspectives and timely decisions by a majority of stakeholders. He urged the Board to support the Resolution.

Dr. Katia Passerini addressed the Board. She spoke of the role of Rapid Assessment and Steering Committee (RASC) in coordinating the Middle States Self-Study, consisting of groups of faculty and staff from within the university's community. For example, the university's learning community articulation under the direction of the Provost is operating in record time. Similar observations can be made regarding shared governance models. We are here today to move forward on developing a contemporary governance structure. Best practices is essential. We need to focus on good elements and look at our peers. We should elevate NJIT to be a model for best practices.

Vice Chair DeCaprio thanked the speakers for their excellent comments, noting that we had to get this right, and move forward expeditiously. The public comment portion of the meeting closed, and the Board proceeded with the agenda.

6. BY A MOTION DULY MADE BY MR. CISTARO, SECONDED BY MS. GARCIA AND UNANIMOUSLY PASSED, the minutes of the February 10, 2011 meeting of the Board of Trustees were approved (with the deletion of an inadvertently added phrase at the end of Paragraph 14 referencing a Board retreat.)

7. Sr. Vice President Sebastian discussed the proposed resolution to authorize exclusive license of university intellectual property. Intellectual Ventures, the proposed licensee acquires portfolios of intellectual property, including patents. This is an entity that we've done business with in the past. The second is a company that specializes in academic start-ups. The third is a conventional license of intellectual property that is the fruit of an NSF-sponsored research program. The proposed licensee is a pharmaceutical company with the ability to license property to an equipment manufacturer.
8. BY A MOTION DULY MADE BY MS. GARCIA, SECONDED BY MS. BABINEAU AND UNANIMOUSLY PASSED, the Board voted to APPROVE RESOLUTIONS TO AUTHORIZE EXCLUSIVE LICENSE OF UNIVERSITY INTELLECTUAL PROPERTY.
9. It was next determined by the Board that Resolutions listed as (C),(D) and (E) in the Board book, would be voted on together.
10. BY A MOTION DULY MADE BY MR. SUGLA, SECONDED BY MS. GARCIA AND UNANIMOUSLY PASSED , the Board voted to APPROVE RESOLUTION TO CHANGE FACULTY HANDBOOK SECTION ON "THE INSTITUTE AND ITS ADMINISTRATIVE ORGANIZATION"; to APPROVE RESOLUTION TO CHANGE FACULTY HANDBOOK SECTION ON "POLICIES AND PROCEDURES REGARDING FACULTY AND INSTRUCTIONAL STAFF"; and to APPROVE RESOLUTION TO AMEND FACULTY HANDBOOK TO INCLUDE A SECTION ENTITLED "RESTRUCTURING OF ACADEMIC UNITS."
11. President Altenkirch discussed the next resolution on the agenda for approval. He noted that the Board heard from the speakers about the resolution about the need for open debate. That is what this resolution is about. Policies and procedures should not be developed in secret with lobbying and unknown procedures. We do not approve of the secret ballot system. The Chair of the Faculty Council asked that we bring this to you. President Altenkirch urged the Board to approve the Resolution.
12. BY A MOTION DULY MADE BY MR. CISTARO, SECONDED BY MS. GARCIA AND UNANIMOUSLY PASSED, the Board voted to APPROVE RESOLUTION TO ENCOURAGE OPEN DEBATE AND CONSENSUS BUILDING IN EFFECTIVE AND EFFICIENT DEVELOPMENT OF POLICIES AND PROCEDURES.
13. BY A MOTION DULY MADE BY MR. BONE, SECONDED BY MR. WOLFF AND UNANIMOUSLY PASSED, the Board voted to APPROVE RESOLUTION REQUESTING THE ADMINISTRATION DEVELOP POLICIES AND PROCEDURES FOR IMPLEMENTING A SHARED GOVERNANCE STRUCTURE WITH RESPONSIBILITIES AS DELEGATED BY THE BOARD

OF TRUSTEES (with amendments as noted to include consideration of other shared governance structures).

14. President Altenkirch discussed FY11/FY12 Budget Update. We are in the beginning stages of assembling the budget. The base funding is level, and there are no salary increase funds. We are adjusting the FY 11 budget, with January/February as a new starting point. Going forward, we are going to lose Federal stimulus funds received in the past. Currently, it appears that there will be a \$7 million shortfall assuming a 6% tuition increase. Last year there was a 4% cap on tuition; caps have traditionally been at 8%. If we increased tuition 8% that would wipe out the deficit. We are close to balancing the budget. Currently, we are sitting tight and watching what happens in the Legislature. We can't do more detailed budget than we have already done, without more information.
15. Vice President Bloom addressed Enrollment Update and Projections. He began by noting that we are always sharpening our pencil with projections. There is a May 1st deadline for applications, and we are projecting a 2% growth rate for this Fall. This is our average increase for the last 5 years. The competition is steep, as the number of student graduating from New Jersey high schools is declining. We've had a 9% decrease in applications, but a double-digit increase in the number of deposits. Undergraduate enrollment is continuing, and the rate of continuing students has increased. We are projecting approximately 1000 freshman for the Fall semester. PhD student enrollment is flat, and that is a concern. Dr. Bloom noted the impact of changes from the School of Architecture to the College of Architecture and Design, and our Athletics program. The Honors College closed out new enrollments two weeks ago. We need to grow our regional reach.
16. President Altenkirch gave an update on the NJIT Campus Gateway Plan. We've selected and are working with a developer for the Greek Village Phase.
17. Treasurer Mauermeyer reporting on the Operating Statement Year to Date, the Schedule of Short Term Investments, and the Endowment Report. We are now two-thirds of the way through the fiscal year, and have recognized all revenue beyond our appropriation. On the expenditure side, we are on line with our targets. On the Supplemental Schedule, this is where we watch the right hand column inclusive of encumbrances and commitments. The revenue projections from the State seem to be holding. We are watching our working capital, in case the State may not be on time with their payments. The cash flow is in place, though there is not much of a vehicle for it. With respect to the Endowment Report, the market is good. We are essentially back to where we were before the market decline. As our endowment has grown we can now look at commodities and private equity as investment vehicles within the approved asset allocation.
18. Board Member Cistaro reported on Gifts and Fund Raising Activities. Our donations, as is the number of donors. As far as extraordinary gifts, they have declined since 2009; we have received \$1.1 million in 2011 so far. One item of good

news is that unrestricted funds are up. We met with the Advancement Committee. We should continue to meet with alumni in China and India, even if it is necessary to utilize part-time people for that. We've added an employee to help with the Annual Fund, and we plan to contact lapsed donors as well. We will continue to work with the Deans.

19. The Chairperson announced that the next scheduled closed session would be convened on Thursday, June 2, 2011 at 9:30 AM, at Eberhardt Hall Alumni Center Board Room, to discuss personnel, real estate and contract matters. The following resolution was read and approved by all Trustees present.

WHEREAS, there are matters that require consideration by the Board of Trustees that qualify under the Open Public Meetings Act for discussion at a Closed Session;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Trustees shall have a Closed Session to discuss such matters as personnel, real estate and contract matters on Thursday, June 2, 2011 at 9:30 AM, Eberhardt Hall Board Room.

The next Public Session of the Board will take place on Thursday, June 2, 2011 at 11:00 AM, Eberhardt Hall Board Room, following the Closed Session of the Board.

The meeting was adjourned at 1:00 pm.