

BOARD OF GOVERNORS
Rutgers, The State University of New Jersey
October 13, 2006

A regular meeting of the Board of Governors of Rutgers, The State University of New Jersey, was held on Friday, October 13, 2006, at 12:04 p.m. in the Camden Campus Center, 326 Penn Street, Camden Campus. Mr. Gamper, Chairman of the Board, presided.

Present and constituting a quorum were Gamper, Giaconia, Goodman, Howard, Laudicina, Nachtigal, O'Hara, Russo, and Zoffinger.

Absent were MacMillan and Ryan.

Also in attendance was Gizinski, Chair of the Board of Trustees.

Also present were Cotter and Leath, faculty representatives to the Board of Governors and Curtis, student representative to the Board of Governors.

Attending for the University administration were Alger, Apfel, Cahill, Dennis, Diner, Fehrenbach, Furmanski, Manning, McCormick, Mulcahy, and Winterbauer.

CLOSED SESSION

Pursuant to a resolution passed on July 14, 2006 the Board met in closed session from 10:00 a.m. until approximately 11:52 a.m. to discuss contracts, litigation and matters falling within the attorney-client privilege, and personnel, including faculty promotions, appointments and reappointments with tenure, in accordance with Chapter 231, Public Law 1975, Section 7, Items (b)7 and (b)8.

ANNOUNCEMENT PURSUANT TO CHAPTER 231, PUBLIC LAW 1975
(OPEN PUBLIC MEETINGS ACT)

Mr. Gamper opened the public session of the meeting at 12:04 p.m. and called upon Secretary Fehrenbach, who announced that "pursuant to Public law 1975, Chapter 231, (Open Public Meetings Act), public notice of this meeting was filed on June 22, 2006, and amended on September 27, 2006 and October 6, 2006 with the Office of the Secretary of State of New Jersey and three newspapers, the *Cherry Hill Courier-Post*, the *New Brunswick Home News Tribune* and the *Newark Star-Ledger*. Public notice of the meeting was also posted in the following University libraries: the Alexander Library, New Brunswick; the Dana Library, Newark; and the Robeson Library, Camden. In addition, this meeting has been posted on the Rutgers Website, under Governing Boards."

APPROVAL OF MINUTES

Mr. Gamper drew the Board's attention to the minutes of the September 22, 2006 meeting of the Board and asked if there were any additions or corrections to the minutes. There being none, on motion and duly seconded, the Board unanimously approved the minutes as distributed by the Secretary.

MATTERS PRESENTED BY THE PRESIDENT

President McCormick began by providing an update on the continuing implementation of the transformation of undergraduate education on the New Brunswick/Piscataway campuses. He spoke specifically of the revamping of the admission process which has been successfully activated for fall 2007. President McCormick also noted that the faculty of the new School of Arts and Sciences has adopted, on an interim two year basis, the newly established curriculum requirements. In addition, the president pointed out the continuing efforts being made in the implementation of the reorganization of

student services. President McCormick commented that although the Task Force on Undergraduate Education did not succinctly target the needs of non-traditional students, a special sub-committee lead by Professor Lea Stewart, has been created to address those needs. He stated that the transformation of the residential colleges, particularly the Douglass Residential College, is currently in the planning phase. The president made assurances that the transformation of undergraduate education is on schedule and that he will continue to keep the Board apprised of its progress.

In other matters, President McCormick commented on the budgetary challenges the University faces from an academic perspective and the impact it is having this year. The president then asked Dr. Phillip Furmanski, Executive Vice President for Academic Affairs, to provide a summary on the overall implications of these budgetary challenges. Dr. Furmanski recalled for the Board the contingency plans developed this past year by the Administration in anticipation and recognition of the potential difficulties this year's budget would present to us. Although the final state budget amounted to a cut of \$80 million, creating an unprecedented and dismal situation, Dr. Furmanski stressed that the University will do everything in its power to maintain the integrity of its academic programs. He continued by providing a detailed update on the actual reductions of salaried and non-salaried segments of the budget. The salaried portion cutbacks consist of: (1) the loss of 189 staff members, both union and non-union positions, from vice-president to entry level (2) the elimination of 374 Part-Time Lecturer assignments (3) 229 open positions that will not be filled at this point in time (4) a number of staff downgrades; and (5) the deferral of 64 faculty searches. In addition, Dr. Furmanski stated, the University has experienced non-salary cuts totaling \$22 million that include the obviation of purchasing books for our libraries, the elimination of 459 course sections for fall 2006, a lowered level of maintenance on our facilities, the closure of a dining hall on the New Brunswick campus, and the curtailing or elimination of several activities and academic programs.

Dr. Furmanski concluded by pointing out that the negative impact of these budgetary challenges has been slightly eased through the strategic planning of the deans, directors, and program directors. He stated that despite these difficult times, we have at this point in time, achieved our goals of maintaining the integrity of our academic mission.

COMMITTEE ON EDUCATIONAL PLANNING AND POLICY

Faculty Appointments with Tenure In the absence of Mr. MacMillan, Chair of the Committee on Educational Planning & Policy, Ms. Nachtigal drew the Board's attention to the minutes of the Committee's meeting of September 28, 2006. She reported that the Committee had agreed to recommend for approval to the Board of Governors certain faculty tenure appointment recommendations.¹

Faculty Promotion Recommendation Ms. Nachtigal continued by reporting that the Committee agreed to recommend for approval to the Board of Governors a certain faculty promotion.²

Upon motion by Ms. Nachtigal, and duly seconded, the Board unanimously approved the appointment.

Ms. Nachtigal further reported that the Committee agreed to recommend for approval to the Board of Governors the naming of a Board of Governors Professor of Education; however the Board will be asked to consider the recommendation at a subsequent meeting.

¹ Available from the Office of the Secretary of the University

² Available from the Office of the Secretary of the University

Resolution on the Naming of the Martin Luther King, Jr. Professor of History On behalf of the Committee, Ms. Nachtigal recommended for approval to the Board of Governors the following resolution naming Keith Wailoo as the Martin Luther King, Jr. Professor of History:

WHEREAS, the University is committed to the principles of equality and access and to the advancement of scholarship that extends our understanding of issues related to race in our society and throughout the world; and

WHEREAS, the Martin Luther King, Jr. Chair was established to honor the legacy of Dr. King and his dedication to the extension of human rights to all people; and

WHEREAS, Professor Keith Andrew Wailoo, Department of History, Faculty of Arts and Sciences-New Brunswick and the Institute for Health, Health Care Policy, and Aging Research, is an internationally distinguished scholar whose pioneering research has explored the intertwined histories of race, medicine, and social change, through his careful and penetrating study of the history of twentieth century science has made a significant contribution to realizing the principles to which Dr. King dedicated his life; and

WHEREAS, Professor Keith Wailoo has been recommended for the Martin Luther King, Jr. Professorship by a committee of distinguished faculty and by Dr. Philip Furmanski, Executive Vice President for Academic Affairs and Dr. Richard McCormick, the President of the University;

NOW, THEREFORE, BE IT RESOLVED that the Board of Governors of Rutgers, The State University of New Jersey appoints Keith Wailoo as the Martin Luther King, Jr., Professor of History, effective July 1, 2006.

Upon motion by Ms. Nachtigal, and duly seconded, the Board unanimously approved the resolution.

Proposed Bachelor of Science in Human Resource Management, School of Business-Camden
Ms. Nachtigal continued by reporting that the Committee agreed to recommend for approval to the Board of Governors the following resolution establishing a Bachelor of Science in Human Resource Management to be offered by the School of Business- Camden:

WHEREAS, the School of Business–Camden proposes a Bachelor of Science degree program in Human Resource Management that builds on existing offerings of the School of Business–Camden;

WHEREAS, the new program will expand opportunity for undergraduate students in southern New Jersey and will provide an important service to the regional business community;

WHEREAS, resources to establish and maintain the program are in place;

WHEREAS, the proposed program has been reviewed by an external consultant who has recommended its approval; and

WHEREAS, the proposed program has been approved by the faculty and the Dean of the School of Business–Camden, the Camden Campus Provost, and the Executive Vice President for Academic Affairs;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Governors of Rutgers, The State University of New Jersey, approves the establishment of the Bachelor of Science degree in Human Resource Management to be offered by the School of Business–Camden; and

BE IT FURTHER RESOLVED that the Board of Governors affirms that the program, under the standards of the Higher Education Restructuring Act of 1994, does not exceed or change Rutgers’ mission, does not require significant new resources, and does not raise significant issues of duplication with existing New Jersey programs; and

BE IT FURTHER RESOLVED that upon approval by the Board of Governors of the Bachelor of Science degree in Human Resource Management, the proposal be forwarded to the New Jersey Presidents’ Council.

Upon motion by Ms. Nachtigal, and duly seconded, the Board unanimously approved the resolution.

Proposed Master of Information Technology, Rutgers Business School-Newark and New Brunswick Ms. Nachtigal reported that the Committee agreed to recommend for approval to the Board of Governors the following resolution on the establishment of the degree of Master of Information Technology at the Rutgers Business School-Newark and New Brunswick:

WHEREAS, the Rutgers Business School – Newark and New Brunswick proposes a Master of Information Technology degree program that is designed to strengthen the Ph.D. in Management;

WHEREAS, the new program will benefit directly two program areas within the Ph.D. in Management, the area of Information Technology and the area of Accounting Information Systems;

WHEREAS, the Master of Information Technology also will be a terminal degree for academically outstanding students;

WHEREAS, resources to establish and maintain the program are in place;

WHEREAS, the proposed program has been reviewed by an external consultant who has recommended its approval; and

WHEREAS, the proposed program has been approved by the faculty and the Acting Dean of the Rutgers Business School – Newark and New Brunswick, the Newark Campus Provost, and the Executive Vice President for Academic Affairs;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Governors of Rutgers, The State University of New Jersey, approves the establishment of the Master of Information Technology (M.I.T.) degree program to be offered by the Rutgers Business School – Newark and New Brunswick; and

BE IT FURTHER RESOLVED that the Board of Governors affirms that the program, under the standards of the Higher Education Restructuring Act of 1994, does not exceed or change Rutgers’ mission, does not require significant new resources, and does not raise significant issues of duplication with existing New Jersey programs; and

BE IT FURTHER RESOLVED that upon approval by the Board of Governors of the Master of Information Technology degree program, the proposal be forwarded to the New Jersey Presidents' Council.

Proposed Doctor of Nursing Practice, Graduate School-Newark Ms. Nachtigal also reported that the Committee agreed to recommend for approval to the Board of Governors the following resolution establishing the Doctor of Nursing Practice degree program to be offered by the Graduate School-Newark:

WHEREAS, the Graduate School–Newark proposes a Doctor of Nursing Practice degree program that is designed to be a practice-focused terminal nursing degree program;

WHEREAS, the new nursing program will address the need for doctorally-prepared practitioners in specialty areas that include acute care, care of adults and aged persons, pediatric care, and psychiatric and mental health care;

WHEREAS, a two-phase process will take place to implement the integration of advanced clinical specializations into the new program at Rutgers;

WHEREAS, resources to establish and maintain the program are being provided;

WHEREAS, the proposed program has been reviewed by an external consultant who has recommended its approval; and

WHEREAS, the proposed program has been approved by the graduate faculty and Dean of the College of Nursing, the faculty of the Graduate School–Newark, the Provost and Dean of the Graduate School –Newark, and the Executive Vice President for Academic Affairs;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Governors of Rutgers, The State University of New Jersey, approves the establishment of the Doctor of Nursing Practice (D.N.P.) degree program to be offered by the Graduate School–Newark; and

BE IT FURTHER RESOLVED that the Board of Governors affirms that the program, under the standards of the Higher Education Restructuring Act of 1994, does not exceed or change Rutgers' mission, does not require significant new resources, and does not raise significant issues of duplication with existing New Jersey programs; and

BE IT FURTHER RESOLVED that upon approval by the Board of Governors of the Doctor of Nursing Practice degree program, the proposal be forwarded to the New Jersey Presidents' Council.

Upon motion by Ms. Nachtigal, and duly seconded, the Board unanimously approved the resolution.

Ms. Nachtigal concluded her report by pointing out that Mr. MacMillan presented to the Committee the *Policy Statement on Confidentiality of Proceedings of Governors' Committee Meetings*.

COMMITTEE ON INTERCOLLEGIATE ATHLETICS

Mr. Giaconia, Chair of the Committee on Intercollegiate Athletics, drew the Board's attention to the minutes of the September 18, 2006 meeting of the Committee. He continued by reporting that Mr. Mulcahy, Director of Intercollegiate Athletics, informed the Committee that the department has received over 200 emails and letters about the elimination of six sports teams. Mr. Giaconia stated that

Mr. Jonathan Alger, Vice President and General Counsel, provided an update to the Committee on the sale of the tract of land on Logan Lane in Piscataway to Coach Schiano. Mr. Giaconia further reported that in addition to briefing the committee on the Haines Act requirements and the Act of 1956, Mr. Alger provided a summary of a meeting that he attended with officials from the state legislature to discuss Rutgers' compliance with the Haines Act relative to this anticipated sale. Mr. Giaconia concluded by reporting that Mr. Mulcahy provided an update to the committee members on the Athletics Department's budget cuts for 2006-2007 and 2007-2008, along with a need for a facilities master plan for the department.

As part of the report on of the Committee on Intercollegiate Athletics Ms. Diane Bonanno, Associate Dean of Rutgers College Recreation provided a presentation to the Board on the sport club program. She explained that club sports, which are funded and managed by the students, provides an excellent leadership opportunity for participants. Students from all the colleges are eligible to participate in club sports. She advised that Rutgers currently has 38 active clubs with two pending at this time and that the majority of the clubs participate in some form of organized competition. Ms. Bonanno pointed out that a club sport remains active, is established or eliminated based on the demand by the students for that particular sport. She informed the committee that 1200 students participate in club sports each year and that 51% of the participants are women. Ms. Bonanno concluded her presentation emphasizing that sport clubs are operated in a financially self-sufficient method.

**MATTERS PRESENTED BY SENIOR VICE PRESIDENT FOR ADMINISTRATION
AND CHIEF FINANCIAL OFFICER**

Proposed Resolution Regarding Tax-Exempt Debt Obligations Mr. Gamper called on Mr. Goodman to present a resolution regarding the University's intent to issue federally tax-exempt bond obligations for the Rutgers Business School building project. Prior to the Board taking a vote on the resolution, Mr. Jeffrey Apfel, Senior Vice President of Administration and Chief Financial Officer, provided a brief summary of the resolution. Mr. Goodman then asked the Board for approval on the following resolution:

WHEREAS, Rutgers, the State University of New Jersey ("Rutgers") is a public institution of higher education; and

WHEREAS, Rutgers intends to finance and/or refinance, as applicable, a portion of the costs of the acquisition, planning, design, construction, equipping and furnishing of the Property and related facilities and infrastructure of the Project described below through the issuance of federally tax-exempt debt obligations; and

WHEREAS, on September 28, 2006 Rutgers acquired One Washington Park, Newark, New Jersey as further described in Exhibit A hereof (the "Property") for purposes of housing and consolidating Rutgers' Business School (the "Acquisition"); and

WHEREAS, Rutgers' Board of Governors adopted the Resolution attached hereto as Exhibit B and incorporated herein by reference which (i) generally describes the Acquisition and the project proposed for the Property (hereafter, the "Project") and, (ii) specifies that the total expected cost for the Project is \$83,000,000; and

WHEREAS, Rutgers has made and expects to continue to make expenditures (collectively, the "Reimbursement Expenditures") in connection with the Project prior to the issuance of such tax-exempt debt obligations which obligations will be issued in a principal amount not to exceed \$35 million (the "Obligations");

WHEREAS, in compliance with Section 1.150-2 of the U.S. Treasury Regulations Rutgers hereby declares its reasonable official intent to reimburse the Reimbursement Expenditures for the Project with the proceeds of the federally tax exempt Obligations by adopting this Resolution to memorialize such intent.

NOW, THEREFORE, BE IT RESOLVED by the Board of Governors of Rutgers, as follows:

Section 1: The forgoing recitals are hereby incorporated by reference into this Section 1 as if fully restated herein and are hereby ratified and confirmed.

Section 2: This Resolution is adopted solely for purposes of establishing compliance with the requirements of Section 1.150-2 of the Treasury Regulations. The declaration of official intent set forth in this Resolution does not bind the University to make any expenditure, incur any indebtedness, use any proceeds for reimbursement or proceed with the Project.

Section 3: The University's administration, acting through the President, or the Senior Vice President for Administration and Chief Financial Officer of Rutgers, with advice from the respective Chairs of the Board of Governors and its Committees on Buildings and Grounds and Budget and Finance, as well as the Vice President and General Counsel and Rutgers' outside counsel, and their designated agents (the "Authorized Officers"), each acting alone, are hereby authorized to proceed with review of necessary information to make a recommendation to this Board regarding the proposed issuance of the Obligations for the Project.

Section 4: The Board of Governors hereby declares its official intent to use proceeds of the Obligations to the maximum extent that they qualify to reimburse Rutgers for the Reimbursement Expenditures and that any and all actions heretofore taken by the Authorized Officers necessary or desirable to carry out the purpose of this Resolution are hereby ratified and confirmed and adopted as acts of Rutgers.

Section 5: This Resolution shall take effect immediately.

Upon motion by Mr. Goodman, and duly seconded, the Board unanimously approved the resolution.

JOINT COMMITTEE ON INVESTMENTS

Mr. Apfel drew the Board's attention to the minutes of the August 9, 2006 meeting of the Joint Committee on Investments. He then reported that the Committee had decided to invest \$8 million in Park Street Natural Resources III to complete the allocation to commodities and inflation hedges bringing the University's total investment in Park Street Natural Resources to \$13 million. The Committee was informed of the commitments made by the Board of Trustees to withdraw \$15 million and the Board of Governors to withdraw \$6 million from the investment pool which will be used by the Rutgers Foundation in support of the upcoming campaign.

Mr. Apfel further reported that the Committee discussed the fixed income portfolio and it was decided to invest the fixed income portfolio allocation in the State Street 3-10 years Treasury Fund. Mr. Apfel concluded by reporting that an evaluation of the services of Cambridge Associates was conducted in executive session and a decision was made to use a Request for Information and possibly a Request for Proposals to obtain the necessary information.

REPORT OF THE CAMDEN PROVOST

Provost Roger Dennis addressed the Board on the goals put in place on the Camden campus to achieve a more efficient and entrepreneurial mode of operation. These goals, the provost stated, are being achieved through the improvement of various academic programs and campus facilities. Academically, Camden has introduced several new graduate and undergraduate degree programs; is striving to establish its business school as the premier school in the Delaware Valley region; recently held a groundbreaking ceremony for the law school's new building, and introduced an off campus series of programs at the Atlantic and Cape May Community College campuses. Provost Dennis continued by informing the Board of the efforts under way to upgrade student life facilities including a renovation of the dining facilities and the process of choosing an architect to begin renovation of the recreation center. He also stated that the goal of increasing the student's dormitory space can help elevate their recruiting efforts. Provost Dennis reminded the Board of the University's acquisition of historic Johnson Park located near the Camden campus which, through a series of grants including funding from Green Acres, has been beautifully renovated. In conclusion, the provost stated that he and his administration aim to develop initiatives and programs that will continue to demonstrate the University's support of its students, faculty, and staff.

REPORT OF THE UNIVERSITY SENATE

Professor Martha Cotter reported that the University Senate has met twice since the beginning of the academic year. The meetings were held on September 15 and September 29 in New Brunswick. Professor Cotter noted that the September 15 meeting, which was devoted to President McCormick's State of the University address, was historic in the sense that it was the first meeting at which Rutgers staff members joined faculty, students, administrators, and alumni as University Senators.

She stated that the September 29 meeting featured one action item which was the election of a staff representative to the Senate Executive Committee. Ms. Gayle Stein from the Office of Information Technology was elected from among the 10 Staff Senators. Professor Cotter reported further that the remainder of the meeting was devoted to reports on ongoing initiatives. The reports included undergraduate education, projected activities, and the pending committee charges of the Senate's standing committees for the coming year. The next meeting of the Senate will be held in Camden on October 27, 2006.

OLD BUSINESS

There was no old business.

NEW BUSINESS

There was no new business.

RESOLUTION TO CONDUCT CLOSED SESSION

Mr. Goodman presented the following resolution which, being duly seconded, was unanimously approved by the Board:

BE IT RESOLVED, that the Board meet in closed session preceding the December 8, 2006 meeting to discuss contracts, litigation and matters falling within the attorney-client privilege, and personnel, including faculty promotions, appointments and reappointments with tenure, in accordance with Chapter 231, Public Law 1975, Section 7, Items (b)7 and (b)8.

Any necessary action will be taken at the earliest possible public meeting of the Board.

PUBLIC COMMENTS

Mr. Gamper asked Mrs. Leslie Fehrenbach, Secretary of the University, to call on the individuals that requested to speak at today's meeting.

Mr. Lawrence Jones- Rutgers alumnus – stated that cutting the designated six Olympic sports will have a negative impact on many athletes. He suggested that a committee be formed in an effort to revisit this issue.

Mr. Mathew Gitterman- Rutgers alumnus- stated his belief that the decision to eliminate these programs was made as a policy decision by the athletic director rather than for financial purposes by the Board of Governors. He also made a statement that \$13 million was “not accounted for” in the athletic budget.

Mr. Gamper responded to the speaker by correcting the belief that this decision was made on a last minute basis. He further stated that these budgetary decisions were made based on a multi-year analysis of the athletic programs. Mr. Gamper stated that experts on several related issues, including Title IX, were consulted to ensure the actions taken were done properly.

Mr. Giaconia addressed the speaker and advised him that the statement made by Mr. Gitterman regarding unaccounted funds in the athletic budget was not accurate.

Following a brief discussion by members of the Board, Mr. Gamper stated that he, Mr. Giaconia, Mr. Robert Mulcahy, and Mr. Jonathan Alger, Vice President and General Counsel, will meet with a contingent of the individuals who object to the cuts and are in attendance at today's meeting. The purpose of the meeting, Mr. Gamper emphasized, will be to review the issues and address any misinformation that has been disseminated.

Dr. David Feigley- Chair of Rutgers Exercise and Sports Studies Department – addressed the Board on his belief that Title IX has been inaccurately tied to the reason for the elimination of the six sports. He believes there are alternatives that can be considered, expressed his concern that the University is taking a major change in the wrong direction, and asked the Board to consider alternative solutions.

Ms. Lisa Pantel- Parent of student/athlete – stated her belief that the Board's decision was made on false information that was presented to them. She spoke of the great opportunity that New Jersey offers to students looking to pursue fencing at the collegiate level.

Mr. Glenn Pantel- Parent of student/athlete – stated his belief that cutting the women's fencing team would violate Title IX. He stated that he feels the decision on cutting the designated athletic programs is a terrible decision and will impact the balance that Rutgers currently maintains in its compliance with Title IX.

Mr. Goodman addressed the speaker on his remarks and expressed his opinion that Mr. Pantel's remarks about Rutgers non-compliance with Title IX were inaccurate. Mr. Goodman stated further that the Board has made every effort to help them understand the issues in making the best decision based on the information that has been provided to them.

Mr. Jim Wood- President of United States Swimming – stated that through his hard work and personal participation in intercollegiate sports he has learned the value of teamwork and commitment. He urged the Board to reconsider their decision to eliminate the men’s swimming team program.

Mr. William Clark- Rutgers alumnus – spoke of his participation on the swimming team and feels that his participation in the sport has been a great influence in his life. He urged the Board to reconsider their decision.

Mr. Gregory Eggert- Chair of NJ Swimming – stated that if academic achievement is the goal of the University then all of the athletes should reach that goal. He spoke of 100% graduation rates on many of the teams being eliminated and expressed his concern that Rutgers is not fully committed to its student athletes.

Ms. Jacqui Whitfield- Livingston College (LC) student – addressed the Board on the lack of space on the LC campus. She pointed out that no new construction has taken place on the campus in over 30 years. Ms. Whitfield presented Board members with a 26 page document consisting of information supporting the cause for additional funding for the renovation and new construction of facilities on the LC campus.

Mr. Anthony Noto- Livingston College (LC) student – addressed the Board on the need for an auditorium for the number of student groups at LC. He expressed his belief that new facilities will draw more students, staff, and members of the University community to the LC campus.

Mr. Mickey Maguire- Rutgers College student – informed the Board that he is a member of the learning community at LC. He presented a proposed expansion plan based on a feasibility study of the LC Student Center recently conducted by University students. The proposal included three to five meeting rooms, eight to ten offices for the larger student organizations, a 400 to 500 seat theatre, a commuter lounge, post office, and a multi-purpose room. Mr. Maguire stated that a \$20 million commitment from the University is appreciated, however, it will not cover costs of the plan that he and members of the LC community have presented to the Board today.

President McCormick responded to the speakers from Livingston College and offered to meet with them to discuss in detail what the \$20 million commitment will bring to LC.

Mr. Joshua Griffey- Men’s swimming and diving team – extended his appreciation to Mr. Mulcahy for the letter he received from the athletic director commending him on his academic all-conference award. He then expressed his disappointment in learning soon after the letter of commendation arrived that the men’s swimming and diving program will be eliminated.

Ms. Alexis Jamal- Rutgers Law- Newark student and former member of fencing team – spoke of the great opportunity availed to her through participation on the fencing team. She stated that Rutgers’ unique opportunity of offering fencing provides a chance for many students to pursue the sport at a collegiate level.

Mr. Jason Read- resident of New Jersey and member of 2004 Olympic rowing team – expressed his belief that the University is making a mistake in eliminating the crew program.

Mr. David Benjamin- executive Director of Intercollegiate Tennis Association- Mr. Benjamin spoke of the difference between club sports and varsity sports and the role of the coach as an educator in a student/athlete’s life.

He expressed his belief that it is critical for Rutgers to maintain the six programs that have been designated for elimination.

Mr. Arjun Vaidya- Rutgers Business School student and member of men's tennis team – informed the Board that he received a letter of commendation from Mr. Mulcahy praising the tennis team as a role model for excellence in academics. He expressed his deep disappointment in learning seven days later that the program would be eliminated.

Mr. Dale Caldwell- representative of the US Tennis Association – spoke to the Board on considering the idea of creating a committee to review the impact these cuts have on the Rutgers community. He also made statements on the issue of tennis being a more popular sport worldwide than that of football. Mr. Caldwell also pointed out that some of the challenges faced by many inner city children are alleviated by the scholarships offered for tennis or fencing at Rutgers.

Mr. Charles Crawford- Rutgers alumnus – addressed the Board on the historical significance of the crew team at the University. He stated that he is confident that contributions received from donors would be enough to sustain the rowing program at an Olympic sport level.

Mr. Adam Pantel- Rutgers College student and member of Rutgers fencing team – informed the Board that he chose Rutgers over MIT and Princeton. He stated that he was drawn by the diversity of the student population. Mr. Pantel expressed his opinion that the decision to eliminate fencing was not logical.

Mr. Jim Lawless- high school fencing coach – informed the Board that New Jersey is a prime recruiting pool for collegiate level fencing coaches. He stated his hopes that Rutgers can continue to value this unique distinction.

Mr. Francis McGovern- Rutgers alumnus – expressed his opinion that confusion about the issue of eliminating the designated sports is enough of a reason for the Board to reconsider their decision on the issue.

Mr. Sean Smith- Rutgers alumnus and former member of men's swimming – stated that he feels the decision made by the Board demonstrates their lack of value toward the athletes involved and he feels they have not made the right decision.

Ms. Cindy Jorgensen- member of fencing team – stated that she transferred to Rutgers because of the fencing team's NCAA status. She expressed her opinion that fencing team members are serious athletes and students and that designating fencing as a club sport is not acceptable.

Mr. Andrew Huol- member of fencing team – spoke of Princeton University's ability to carry as many sports with the same amount of money and does not understand Rutgers' inability to do the same.

Mr. Paul Hammond- Rutgers alumnus – asked the Board to reconsider the cuts being made to the athletic program.

Mr. Terry McGovern- Rutgers alumnus and former member of men's swimming – expressed his belief that these students/athletes are the "fabric" of the athletic program. He stated that he feels these athletes will not continue to compete at the club sport level and will transfer to other schools who offer the sport at an Olympic level of competition.

Ms. Maria Jones- Graduate student- nursing – expressed her concern for all of the academic program cuts that have been implemented this year. She informed the Board that the cuts have forced her to continue taking classes for another year in order to complete her degree.

ADJOURNMENT

The meeting was adjourned at 3:20 p.m.

A handwritten signature in black ink that reads "Kate Cahill". The signature is written in a cursive style with a large initial 'K' and a long, sweeping underline.

Kate Cahill
Assistant Secretary of the University

EXHIBIT "A"

Legal Description

ALL THAT CERTAIN Unit in the condominium property known, named, and identified in the Master Deed referred to below as "One Washington Park Condominium," located at 475-495 Broad Street in the City of Newark, County of Essex, State of New Jersey, which property has been submitted to the provisions of the New Jersey Condominium Act, N.J.S.A. 46:46:8B-1 et seq. by the recording in the Office of the Recorder of Deeds in and for Essex County, New Jersey, of a Master Deed for One Washington Park Condominium dated September 28, 2006 prior to the recording of this Deed, such Unit being designated in such Master Deed as UNIT B-1, as more fully described in said Master Deed and the Plans attached thereto and made a part thereof, together with a proportionate undivided interest in the Common Elements (as defined in said Master Deed) of 62.66% .

LEGAL DESCRIPTION

All that certain Lot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the City of Newark, County of Essex State of New Jersey.

TRACT ONE

BEGINNING at a point in the southeasterly line of Essex Street where the same is intersected by the southwesterly line of Orange Street

Thence (1) South 48 degrees 45 minutes East along said line of Orange Street, 225.55 feet to the westerly line of Broad Street

Thence (2) South 02 degrees 55 minutes East along said line of Broad Street, 100.40 feet to an angle point

Thence (3) South 00 degrees 18 minutes East still along said line of Broad Street 52.71 feet to an angle point

Thence (4) South 06 degrees 58 minutes West still along said line of Broad Street, 48.13 feet to an angle point

Thence (5) South 30 degrees 28 minutes West still along said line of Broad Street, 87.42 feet

Thence (6) North 55 degrees 26 minutes 40 seconds West, 234.55 feet

Thence (7) North 32 degrees 39 minutes East, 1.40 feet

Thence (8) North 56 degrees 18 minutes West, 68.17 feet

Thence (9) North 57 degrees 30 minutes West, 31.66 feet to the southeasterly line of Essex Street

Thence (10) North 32 degrees 39 minutes East, along said line of Essex Street, 279.99 feet to the point and place of **BEGINNING**

BEING Lot 18 in Block 32.



**PROPOSED RESOLUTION AUTHORIZING THE
NEGOTIATION AND EXECUTION OF A CONTRACT OF
PURCHASE AND SALE AND OTHER RELATED
DOCUMENTS AND ARRANGING FOR CONSTRUCTION
FINANCING FOR THE RUTGERS NEWARK BUSINESS
SCHOOL'S RELOCATION TO ONE WASHINGTON
PARK, NEWARK, NEW JERSEY**

WHEREAS, Rutgers, the State University ("Rutgers") has a need for facilities in which to relocate and consolidate its Newark Business School ("Business School") operations including, without limitation, space for faculty offices and classrooms (the "Facilities"); and

WHEREAS, it is necessary and essential to develop the Facilities in support of Rutgers' educational functions; and

WHEREAS, the seventeen story office building located at One Washington Park in Newark, New Jersey (the "Building") is (i) located in close proximity to the central part of Rutgers' Newark campus and the Newark Broad Street New Jersey Transit train station, (ii) is immediately adjacent to the City of Newark's light rail line, and (iii) is otherwise prominently situated at the intersection of Washington Street and Broad Street and represents a desirable location in which to house the Business School's operations; and

WHEREAS, Rutgers and the current owner of the Building, Washington Park Fidelco, LLC (the "Seller"), have discussed the possibility of converting the Building into a condominium in which 11 floors of the Building along with a proposed 15,000 square foot addition to be located at grade level (such 11 floors and 15,000 square foot addition, hereafter, the "Rutgers Business School Space") would be established as a separate condominium unit from the remainder of the Building and, in connection therewith, Rutgers has evaluated the feasibility of acquiring the Rutgers Business School Space and reconstituting it for the Business School by, among other things, obtaining an appraisal of the fair market value of the Rutgers Business School Space, obtaining architectural and engineering studies, and evaluating cost-effective methods to acquire and build out the Rutgers Business School Space; and

WHEREAS, members of the Provost's Office in Newark, the Business School, and Rutgers' Facilities Departments in Newark and New Brunswick interviewed pre-selected architectural firms for purposes of selecting a firm to, among other things, (i) design the Rutgers Business School Space, (ii) prepare construction drawings for the construction of same, and (iii) provide architectural services through the completion of construction, and, in connection therewith, has selected the Morristown, New Jersey-based firm of Nadaskay Kopelson Architects, PA to provide the forgoing services and Rutgers now wishes to enter into an architect's contract with the Nadaskay Kopelson firm (such contract the "Architect's Contract"); and

WHEREAS, Rutgers has undertaken a process to develop and evaluate the overall project budget which includes (i) the acquisition of the Rutgers Business School Space, (ii) the construction costs needed to build out the interior and exterior of such space, as applicable, (iii) the construction costs needed to improve and repair certain common elements and common building systems in the Building (a portion of which costs being reimbursed by Seller) (iv) the fee required under the Architect's Contract, and (v) other non-construction related costs and, in connection therewith, the overall project cost is expected to be approximately \$83,000,000 (hereinafter, the project described in the foregoing clauses (i) through (v) and as described herein is referred to as the "Project"); and

WHEREAS, as part of the fiscal year 2005-2006 budget, Rutgers received \$18,000,000 from the State of New Jersey that was earmarked specifically for the Business School; and

WHEREAS, Rutgers has also sought federal subsidies for the Project through participation in the New Markets Tax Credit ("NMTC") program administered by the U.S. Treasury's Community Development Financial Institutions Fund, and, in connection therewith, expects to enter into a transaction with City National Bank of New Jersey, PNC Bank, National Community Investment Fund, and New Jersey Community Capital in which an approximately \$7,000,000 subsidy would accrue to the Project (said transaction, the "NMTC Transaction"), and further, Rutgers is also seeking additional subsidies through the NMTC program by negotiating with other entities with whom a beneficial NMTC transaction can be structured; and

WHEREAS, Rutgers and Seller have also discussed the structure and management of the Building once it has been converted into a condominium and Rutgers is satisfied that the Business School can be operated in the Rutgers Business School Space and that a relocation and consolidation to the Rutgers Business School Space would raise the quality, prominence and visibility of the State's premier business school; and

WHEREAS, after careful consideration of the Project in light of the aforementioned evaluations, Rutgers wishes to (i) enter into the Contract of Purchase and Sale for acquisition of the Rutgers Business School Space, (ii) enter into the Architect's Contract, (iii), to the extent approved by counsel, enter into any and all documents, agreements, contracts, forms, letters or correspondence required in connection with the Project, the NMTC Transaction and a potential second NMTC transaction, and (iv) follow the standard protocol regarding awarding a construction contract and enter into same.

NOW, THEREFORE, BE IT RESOLVED by the Board of Governors of Rutgers, as follows:

Section 1: The forgoing recitals are hereby incorporated by reference into this Section 1 as if fully restated herein and are hereby ratified and confirmed.

Section 2: The University Administration, acting through the Senior Vice President for Administration and Chief Financial Officer of Rutgers, on behalf of Rutgers, with advice from the respective Chairs of the Board of Governors and its Committees on Buildings and

Grounds and Budget and Finance, as well as the Vice President and General Counsel and Rutgers' outside counsel, is hereby authorized and directed to negotiate, approve, execute and perform the Contract for Purchase and Sale on behalf of Rutgers.

Section 3: The University Administration, acting through the Senior Vice President for Administration and Chief Financial Officer of Rutgers, on behalf of Rutgers, with advice from the respective Chairs of the Board of Governors and its Committees on Buildings and Grounds and Budget and Finance, as well as the Vice President and General Counsel and Rutgers' outside counsel, is hereby authorized and directed to negotiate, approve, execute and perform the Architect's Contract on behalf of Rutgers and to undertake and follow the procedures culminating in the award of a construction contract for the Project.

Section 4: The University Administration, acting through the Senior Vice President for Administration and Chief Financial Officer of Rutgers, on behalf of Rutgers, with advice from the respective Chairs of the Board of Governors and its Committees on Buildings and Grounds and Budget and Finance, as well as the Vice President and General Counsel and Rutgers' outside counsel, is hereby authorized and directed to negotiate, approve, execute and perform any and all documents related to the NMTC Transaction and/or any additional NMTC transaction as shall be reasonably necessary in connection with the closing of the NMTC Transaction, and/or any additional NMTC transaction, as applicable.

Section 5: The Senior Vice President for Administration and Chief Financial Officer of Rutgers, the Vice President and General Counsel, the Secretary and Assistant Secretary of Rutgers, and all other officers of Rutgers are each hereby authorized and directed to execute, deliver and perform such other documents including, without limitation, a condominium master deed, a management agreement, any and all certificates, and all closing statements, and take any and all actions necessary or desirable in order to carry out the purpose and intent of this Resolution and to effectuate the transaction contemplated hereby, and the actions heretofore taken by the aforementioned officers in furtherance of the Project or the intent of this Resolution are hereby ratified and confirmed.

Section 6: This Resolution shall take effect immediately.

Board of Governors
Rutgers, The State University
of New Jersey
September 22, 2006