

**Meeting of the  
University of Medicine and Dentistry of New Jersey  
Board of Trustees  
PUBLIC SESSION  
July 15, 2008**

Child Health Institute  
89 French Street, Suite 3101  
New Brunswick, New Jersey

**Present-UMDNJ Board of Trustees:** Robert Del Tufo, Esq.; Kevin Barry, M.D.(via telephone); James Broach, Ph.D.; Mary Ann Christopher, RN, MSN, FAAN; Kevin Covert, Esq.; Michael Critchley, Esq.; Mary Sue Henifin, J.D., M.P.H; Bradford Hildebrandt; John Hoffman, Esq.; Milton Hollar-Gregory, Esq.; Heather Howard, J.D.; Robert J. Maro, M.D.; Jonathan Orenstein(*via telephone*), D.M.D.; Oliver Quinn, Esq.; Harold Shapiro, Ph.D.; Anita Spivey, Esq.

**Present:** William F. Owen, M.D.

**Excused:** Eric Pennington, Esq.

**Minutes**

Mr. Del Tufo read from the Open Public Meetings Act:

“The notice requirements provided for in the Open Public Meetings Law have been satisfied. Notice of this meeting was properly given in the Annual Notice which was transmitted to the Secretary of State. Notice of this meeting was also sent to various newspapers in the State and posted throughout the University.”

**Approval of Minutes**

- The Board approved the Public Session minutes of its June 17, 2008 meeting.

**President’s Report, provided by Dr. Owen**

*Matter Concerning Emergency Medical Services (EMS)*

Dr. Owen addressed members of the Board and a number of media representatives regarding an incident which involved UMDNJ Emergency Medical Services (EMS) personnel and two student interns from Northeastern University.

Dr. Owen referenced his experiences as a young African-American reared in a southern state as memorable but marred by the racial division presented in our nation during the civil unrest of the 1960's. Dr. Owen added that the EMS incident is reminiscent of the racial undertone of the times of civil unrest in our nation.

Dr. Owen detailed the incident and the subsequent actions of management as follows:

- A photograph was presented to the press depicting two Northeastern student interns dressed in attire associated with Klu Klux Klan. The photograph, taken by UMDNJ was passed on to management by a fellow EMS employee who was disturbed by the incident.
- Management engaged in swift action which included notification of the President of Northeastern University, notification of senior management, a full scale investigation of the incident, notification to members of the Board of Trustees, the local media, and the dismissal of the EMS employees involved. It was noted that one of the primary objectives was to protect those who exposed these wrongful acts.
- Management's next steps will be to address the morale of the EMS Department and to reassure the public that the actions of these employees are not representative of UMDNJ as a whole. Through conducting an environmental scan management will also gauge the climate of diversity within the University family.

Dr. Shapiro commended Dr. Owen for the manner in which the EMS incident was handled. Dr. Shapiro added that he is sure members of the Board share the same sentiment.

Dr. Owen continued his report to the Board:

- A University-wide Faculty Senate will be created. The body, which will be composed of UMDNJ faculty, will function as a shared governance organization focusing on University life and matters such as tenure process improvements.

### *Dean Searches*

- Three outstanding finalists were identified for the position of Dean of SOM. Thomas Cavalieri, D.O. has been selected as the final candidate. Dr. Cavalieri's salary will be brought before the Compensation Committee and members of the Board.
- Three outstanding finalists have been identified for the position of Dean of RWJMS. These finalists include Dr. Peter Amenta. Interviews for this position will continue through next week.
- It is expected that the names of the three final candidates for the position of Dean of NJMS will be presented in September 2008.
- A generous offer was made to the final candidate for the position of Director of CINJ. The University's offer was declined. Members were informed that the package offered to the candidate was extremely competitive. Additionally, the second and third finalists have withdrawn their candidacy. This is a critical time for CINJ as the Institute is working on a competitive grant. A new candidate has been identified for the Directorship and will be interviewed by both Drs. Owen and Rodgers within the next two weeks.
- Members of the Board were informed of the farewell reception for Ms. Darlene Cox to be held on July 24, 2008 at the Oral Health Pavilion on the Newark Campus.

Dr. Owen introduced Mr. Koseff to provide the first of a three-part presentation on campus safety. Mr. Koseff provided an overview of the successes of the Department of Public Safety highlighting safety initiatives that foster personnel and property protection, disaster management, and psychological wellness.

Mr. Keith Vuono, Acting Director of Public Safety was introduced and continued the presentation as follows:

- A number of Public Safety officers representing the northern, central, and southern campuses were introduced. Two officers were publically commended for their exceptional performance.

- An overview of the functions and staff of the Department of Public Safety were provided. Key priorities of the department were highlighted such as safe campuses and effective community policing.
- Referencing the Uniform Crime Report (UCR), a comparison of crime statistics across all campuses was presented.
- Focusing on the Newark Campus, statistics for specific crimes such as robbery, vehicle theft, and assault were compared over the years 2004-2006.
- Members were updated on new initiatives such as the Newark Campus Exterior CCTV System and the Explosive Detection K-9 Program. It was noted that the K-9 was donated to the University as part of a pilot program.
- Short and long term goals of the Department were shared which include the expansion of video surveillance on campuses and integration of banner and access control software.

Dr. Owen introduced a presentation by Dr. Ann Stock. Dr. Owen noted Dr. Stock's success as another example of mission based excellence. Dr. Stock reported the following to the Board:

- An overview was provided on the Center for Advanced Biotechnology and Medicine (CABM). Directed by Dr. Aaron Shatkin, the Centers basic research includes Cancer, Infectious Diseases, and Neurodevelopmental/ Neurogenerative Disorders.
- The work of the CABM is facilitated through an affiliation with Rutgers University and UMDNJ-RWJMS. Faculty of the Center also have affiliations with Cancer Institute of New Jersey, Child Health Institute of New Jersey, and the Howard Hughes Medical Institute.
- Resources of the CABM include a Biological Mass Spectrometry Facility, a Nuclear Magnetic Resonance Spectrometer, and an X-Ray Diffraction Facility.
- Information regarding CABM's staff of lead researchers was provided. Specialties of the lead staff involve work in such areas as HIV and biomimetics drug design, structural genomics, bacterial signaling, and research in both Hepatitis C virus and lysosomal storage diseases.

### *Legislative Update*

Dr. Owen introduced Ms. Miller-Armbrister to provide a legislative update to the Board. Ms. Miller-Armbrister reported the following:

- FY2009 was a challenging budget year and that the key approach to gaining results was management's approach of working with the Deans and units to focus on the critical needs of the University.
- The priorities for UH are both Charity Care and GME funding. The State's new formula for charity care allows UH funding levels to remain relatively stable and University management continues to pursue the State to reconsider the cap on GME funding.
- The overview on funding was provided for CINJ and the Cancer Center in Newark. CINJ received nearly \$5 million less than the previous year and previous funding provided as a line item for the Cancer Center has been reallocated toward a general funding pool for competitive applications is cancer research.
- Funding for several smaller programs such as the Autism Center remained level and funding for the proposed Science Academy at SOM was not approved.
- The University continues to work with the New Jersey Department of Health and Senior Services to identify ways to alleviate funding issues faced by UH. Management also continues to review the University's salary program.

### *Revisions in Organizational Structure*

Dr. Owen reported the following regarding the proposed reorganization:

- The University's current organizational chart along with an expanded chart identifying proposed changes in the position structure was distributed to members of the Board.
- A number of key changes were explained in the revised structure, such as the creation of Chief Development Officer, VP of Human Resources & Administration, Provost, and VP for Communications positions. Revised reporting lines for the Chief Ethics &

Compliance Officer, the President & CEO of UH, and the Department of IST were also presented.

- Proposed changes in the reporting relationships of the CFO were also highlighted, noting that the Office of Patents & Licensing would be placed under this umbrella.

A discussion ensued in which members posed varied questions regarding the methodology behind the proposed new structure. Trustees expressed concern over the possible decentralization of centralized units, issues that may be raised by Middle States regarding the proposed changes, the restructuring of HR, and the conflict that may be presented by the President and CEO of UH reporting to the Dean of NJMS.

Dr. Owen responded that some details of the proposed structure are still being reviewed by management. Dr. Owen shared with the Board that candidates who have interviewed for the position of Dean of NJMS believe the proposed reporting structure with UH in place is both attractive and a requirement. Dr. Owen added that a hospital grows on the drive of its academic units and that there must be a relationship between the Dean and UH. Ms. Christopher stated that the proposed reporting relationship between the Dean and the President and CEO will not affect the UH Bylaws. Ms. Christopher added that the relationship could be viewed as the President and CEO of UH as having diminished authority.

Members engaged in a lengthy discussion, to which Mr. Del Tufo suggested that the topic of organizational restructuring be taken up by the Governance and Ethics Committee and approved at a subsequent meeting of the Board.

*Mr. Del Tufo and Dr. Owen excused themselves from the Board proceedings to meet with representatives of the press to conduct a conference regarding the EMS incident. Mr. Hoffman chaired the meeting until Mr. Del Tufo's return.*

#### Audit Committee, provided by Mr. Hildebrandt

Upon recommendation, the Board accepted the Audit Committee Executive Summary dated July 2, 2008.

#### Compensation Committee, provided by Mr. Critchley

Upon recommendation, the Board accepted the Compensation Committee meeting minutes dated June 9, 2008.

Mr. Critchley submitted to the Board a Resolution approving the appointment of and new compensation levels for four UMDNJ personnel:

**WHEREUPON** the following Resolution was introduced, seconded, and unanimously approved:

**BE IT RESOLVED**, that the University of Medicine and Dentistry of New Jersey Board of Trustees, upon recommendation of the Compensation Committee, accepts, ratifies and approves the appointment of the following individuals to the indicated positions and compensation levels.

- Thomas Cavalieri, D.O., in the position of Dean of the School of Osteopathic Medicine
- Denise Romano in the position of Vice President for Information Services and Technology
- Robin Wittenstein, Ed.D., in the position of Acting President and CEO for University Hospital
- Freda Zackin, Esq. in the position of Acting Vice President for Academic Affairs

UH Board of Directors, provided by Ms. Christopher

Upon recommendation, the Board accepted and approved the UH Board of Directors meeting minutes dated May 7, 2008.

Upon recommendation, the Board approved the recommendations of the UH Board of Directors regarding the following items:

- Acceptance and approval of the Credentials Committee and Medical Executive Committee Action items of May 12 and 27, 2008
- Acceptance and approval of the Complaint and Grievance Policy
- Acceptance and approval of the Credentials Committee Minutes of June 9, 2008
- Acceptance and approval of the Medical Executive Committee Meeting minutes of April 22, 2008

Joint Conference/Planning Committee, provided by Ms. Christopher

At Ms. Christopher's request and pursuant to the requirements of the Joint Commission on the Accreditation of Healthcare Organizations, the Board accepted and approved the minutes of the JCPC meeting of April 15, 2008, the University Behavioral HealthCare Executive Committee Meeting Minutes of March 18 and April 15, 2008 and the UBHC Staff appointments, Reappointments, and Clinical Privileges.

Ms. Christopher informed Trustees that members of the Committee toured the Northern State Prison facilities to have an opportunity to review first hand the mental and physical health services operations that will be administered by the University. Ms. Christopher commended the work being done to assist fragile psychiatric populations.

Diversity Committee, provided by Mr. Hollar-Gregory

Mr. Hollar-Gregory stated that the Diversity Committee did not meet in July and the next report of the Committee will be provided at the Board's September 2008 meeting.

Governance and Ethics Committee, by Mr. Del Tufo

Mr. Del Tufo stated that the Governance and Ethics Committee did not meet in July and does not have a report.

Legal Committee, provided by Mr. Hollar-Gregory

*Mr. Hildebrandt recused himself and left the room prior to the discussion on matters associated with the retention of two law firms, due to conflict of interest. He returned to the room after the discussion on this matter was complete.*

Mr. Hollar-Gregory introduced a Resolution for the appointment of outside counsel.

**WHEREUPON** the following Resolution was introduced, seconded, and unanimously approved:

**BE IT RESOLVED**, that the following law firms, and these specific attorneys, be appointed for the stated purposes and at the stated rates.

- Deborah T. Portiz, Esq. former Chief Justice of the New Jersey Supreme Court to serve as a mediator in the contract dispute between the University and Bard/Phase Two Consulting through the law firm of Drinker Biddle & Reath, LLP, where she serves as Of Counsel, at the rate of \$580.00 per hour to be divided equally between the University and Bard/Phase Two;

- Robert P. Clarke, Esq. partner in the firm of Apruzzese, McDermott, Mastro & Murphy to serve as labor counsel for the University at its regular hourly rate of \$215.00 per hour;

University Affairs/ Research Committee, by Shapiro

Upon recommendation, the Board accepted the UA/RC meeting minutes dated May 7 and May 30, 2008 and the proposed faculty actions.

Dr. Shapiro submitted two Resolutions to the Board for approval:

**WHEREUPON** the following Resolution was introduced, seconded, and unanimously approved:

**BE IT RESOLVED** that the Board of Trustees of the University of Medicine and Dentistry of New Jersey confer upon Dr. Masayori Inouye the title of Distinguished Professor at the University of Medicine and Dentistry of New Jersey-Robert Wood Johnson Medical School.

**WHEREUPON** the following Resolution was introduced, seconded, and unanimously approved:

**BE IT RESOLVED** that the Board of Trustees of the University of Medicine and Dentistry of New Jersey accept and approve the recommendation of the University Affairs/ Research Committee and the UMDNJ-School of Health Related Professions offer a new pre-associate certificate program in Dietary Management under a joint sponsorship with Essex County College with an option of giving the certificate solely by UMDNJ if the core general education has been taken elsewhere.

Mr. Hoffman requested that the Resolution regarding the School of Nursing Bylaws presented to the Board for approval be placed back on the agenda. Dr. Shapiro responded that this item will be brought before the Board at its September 2008 meeting.

Finance, Investment, and Administration Committee Report,  
provided by Mr. Hoffman

Upon recommendation, the Board accepted the Finance, Investment, and Administration Committee Executive Summary dated July 2, 2008.

Mr. Hoffman submitted to the Board a Resolution for the approval of the contract for Allergen Pharmaceuticals.

**WHEREUPON** the following Resolution was introduced, seconded, and unanimously approved:

**BE IT RESOLVED**, that the University of Medicine and Dentistry of New Jersey Board of Trustees, upon recommendation of the Finance, Investment and Administration Committee, accepts, ratifies and approves the aforementioned contract.

Mr. Hoffman introduced Ms. Mulkern to provide an update on the status of the bond documents and proposed refinancing structure.

Ms. Mulkern reported as follows:

- Members were provided with the standard form documents associated with the proposed bond transaction. The expected timetable and dollar value of the transaction was shared previously with members of the Finance Committee. A total of \$300 million has been identified, \$135 million of which is designated to refinance the University's auction rates securities and also change its variable rate debt to that of a fixed rate.
- In the event that management can obtain a net present value savings at a rate of three percent on the remaining \$165 million, authority was requested from the Committee to proceed in obtaining this financial saving.
- Members were informed that the preliminary official statement would be submitted to the Board in the near future once the detailed disclosure and financial information is tentatively anticipated in late August 2008.

In response to the question of whether bond counsel was involved in the restructuring, Ms. Mulkern introduced and noted the work of John Scaly, Esq. of Drinker, Biddle, & Reath LLP.

**WHEREUPON** the following Resolution was introduced, seconded, and unanimously approved:

**BE IT RESOLVED**, that the University of Medicine and Dentistry of New Jersey Board of Trustees, upon recommendation of the Finance, Investment and Administration Committee, accepts, ratifies and approves the proposed refinancing structure.

Mr. Hoffman initiated a discussion on the FY 2009 Budget. Mr. Hoffman stated that members are aware that lower State appropriations have warranted the University to prompt a tuition increase. Mr. Hoffman added that all educational units are on budget with no deficits.

Ms. Mulkern stated that an enterprise based approach was used to determine the FY 2009 budget and to begin to address budget issues both University-wide and at UH. Mr. Hoffman stated that UH is exploring initiatives to relieve the budget but expressed concern that UH has a proposed deficit of \$23 million and owes the University \$90 million. Mr. Hoffman added that the Board cannot continue to approve deficit budgets for UH.

Ms. Wittenstein updated members on the status of UH finances, stating that the payer mix is comparable to previous reports and that with the proposed initiatives, UH's proposed budget is achievable. Ms. Wittenstein continued that the elimination of the \$23 million deficit would require a cut in the workforce and that an analysis is being conducted in areas such as a patient's length of stay. Ms. Wittenstein added that with Mr. Richard Daly starting in his new position of CFO of UH it will add to the compliment of the management staff at UH.

Trustees commented that a plan to balance the budget should be outlined and that management needs to explore alternatives that will promote a balanced budget. Members also agreed on the negative impact that both charity care and patient length of stay have on the UH budget. Dr. Owen added that in the past UH has not had the manpower or the technology on the revenue side to accomplish a balanced budget.

Mr. Hoffman stated that the Board will approve the proposed FY 2009 budget contingent upon a plan being presented to the Board by management on an approach to closing the UH deficit.

**WHEREUPON** the following Resolution was introduced, seconded, and unanimously approved:

**BE IT RESOLVED**, that the University of Medicine and Dentistry of New Jersey Board of Trustees, approves the FY 2009 Operating Budget in the amount of \$1,706,253,000; provided that any subsequent amendments to the budget be approved by the Finance, Investment and Administration Committee and recommended to the Board for approval in the future.

Chair's Report, provided by Mr. Del Tufo

Mr. Del Tufo drew attention to the copies of the *Ethics and Compliance Handbook: a Practical Guide from Leading Organizations* distributed to members. Mr. Del Tufo stated that the handbook is an extraordinary resource for the Board.

Mr. Del Tufo commended Dr. Owen on his one year anniversary as President of UMDNJ. Mr. Del Tufo added that members of the Board truly appreciate Dr. Owen's leadership.

Degree Candidates, provided by Dr. Owen

The Board approved the list of degree candidates submitted by the UMDNJ-Graduate School of Biomedical Sciences.

Mr. Del Tufo recommended that the Board convene in Executive Session:

**WHEREUPON** the following Resolution was introduced, seconded, and unanimously approved:

**BE IT RESOLVED** by the Board of Trustees of UMDNJ that the Board will convene forthwith in Executive session to discuss approval of minutes of the Executive Session meeting conducted on June 17, 2008; pending or anticipated litigation under subsection (7) of N.J.S.A. 10:4-12b; and personnel matters under subsections (3), (7), and (8) of N.J.S.A. 10:4-12b.

**BE IT FURTHER RESOLVED** that each of these matters shall be made public when they have been resolved and/or concluded.

**The Board adjourned to Executive Session at 4:10 p.m.  
Public Session re-opened at 5:15 p.m.**

Legal Committee, provided by Mr. Hollar-Gregory

Following the discussion in Executive Session, the Board approved the recommendations of the Legal Committee regarding the following items:

- Authorized settlement limits for Claim A
- Authorized settlement limits for Claim B

Following the discussion in Executive Session, the Board agreed on the following personnel actions:

- Approval of the Chief of Staff Position within the Office of the President
- Approval of the Hires and Separations Report of July 9, 2008

**There being no further business, the UMDNJ Board of Trustees' meeting was adjourned at 5:20 p.m. The next meeting of the UMDNJ Board of Trustees' will be held at 1:30 p.m. on**



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Graduate School of Biomedical Sciences  
New Jersey Dental School  
New Jersey Medical School  
Robert Wood Johnson Medical School  
School of Health Related Professions  
School of Nursing  
School of Osteopathic Medicine  
School of Public Health

Board of Trustees

**Tuesday, September 16, 2008, at Stanley S. Bergen Building, 65 Bergen Street, Board Room, Newark, New Jersey.**