

Minutes of the Meeting  
of the  
Oakland University  
Board of Trustees  
March 21, 1979

The meeting was called to order by President Donald O'Dowd at 7:45 p.m. in Lounge II of the Oakland Center.

Present: Vice Chairman Headlee, Trustees Adams, Katke, Saltzman and Schwartz

(Trustee Saltzman arrived at the time indicated in the minutes.)

Absent: Chairman Lewis, Trustees Mair and Morris

Mr. O'Dowd announced that while there was not a quorum of the Board present, Mr. Saltzman was expected. He recommended that the Board proceed with the discussion of the agenda items and act on them after Mr. Saltzman's arrival.

Information Items

Mr. O'Dowd gave a brief report on the following items of interest:

Kenneth Coffman - Mr. Kenneth H. Coffman, Vice President for Campus and Student Affairs, is at home recuperating from surgery. He is expected to return to work in approximately two weeks.

Master of Business Administration Degree - The University Senate on March 15, 1979 approved changing the name of the Master of Science in Management program to Master of Business Administration degree. At the February 21, 1979 meeting the Board of Trustees authorized this name change subject to approval by the Senate.

President's Club Lecture Series - Mr. Brian J. L. Berry, noted urban geographer from Harvard University, will conclude the President's Club Lecture Series with addresses on March 29 and 30 in the Gold Room of the Oakland Center. The 1978-79 theme for the lectures is Human Values and the Urban Environment.

Oakland University's Men's Swimming Team - The university's men's swimming team broke four school records and finished second in the NCAA Division II championships held earlier this month at Northern Michigan University. Junior Ian Dittus of Birmingham won a championship in the 200-yard butterfly event and Mark Doyle of Oak Ridge, Tennessee won a national championship in the 100-yard backstroke. California State-Northridge won the team title.

### Minutes of February 21, 1979

Mr. O'Dowd presented the minutes of the February 21, 1979 meeting of the Board of Trustees for comments or corrections. There were no corrections offered by the Board.

### Personnel Actions

Mr. O'Dowd presented the following faculty personnel actions to the Board:

#### Appointments

DiFelice, Clara, full-time Assistant Professor of the Library, effective August 15, 1979

Johnson, Barry, full-time Assistant Professor of the Library, effective August 15, 1979

Reischl, Uwe, full-time Associate Professor of Industrial Health and Safety, effective August 15, 1979

#### Leaves of Absence

Bragg, Louis, Professor of Mathematical Sciences, leave from August 27, 1979 through December 18, 1979

Cafone, Harold, Professor of Education, leave from August 27, 1979 through December 18, 1979

Cheydleur, Benjamin, Professor of Engineering, leave from August 15, 1979 through August 14, 1980

Klawe, Maria, Assistant Professor of Mathematical Sciences, leave from August 15, 1979 through August 14, 1980

Pitts, Jesse, Professor of Sociology, leave from August 27, 1979 through December 18, 1979

There were no questions or comments.

Mr. O'Dowd then presented the following recommendations from the Employment Relations Department:

Academic Affairs

School of Human and Educational Services

Establish budget position #400220, Secretary to the Dean, School of Human and Educational Services, salary grade C-8, in lieu of Secretary to the Dean, School of Education, salary grade C-9.

Source of funds: There is no cost increase associated with this change of classification.

Music Department

Reclassify budget position #300363 from Facilities and Program Coordinator, AP-I, to Program and Facilities Administrator, AP-III.

Source of funds: A transfer of general fund budget allocations within existing approved budget levels. No increase in the total budget allocation.

Business Affairs

Controller's Office/Accounting Unit

Establish budget position #400454, Microfilm Clerk and Operator, salary grade C-3.

Source of funds: A transfer of general fund budget allocations within existing approved budget levels. No increase in the total budget allocation.

Student Accounts

Establish budget position #300332, Supervisor, Student Accounts, AP-III, in lieu of Assistant to the Controller, AP-V.

Source of funds: There is no cost increase associated with this change in classification.

University Services

Establish budget position #400455, Senior Reproduction Machine Operator, salary grade C-7.

Source of funds: The revenue generated by a self-supporting operation which will not commit general fund resources.

Campus and Student AffairsPublic Safety

Establish budget position #300445, Investigator, AP-III.

Source of funds: A transfer of general fund budget allocations within existing approved budget levels. No increase in the total budget allocation.

Public RelationsComputer Services

Establish budget position #300442, Manager, Technical Support, AP-VIII.

Source of funds: A transfer of general fund budget allocations within existing approved budget levels. No increase in the total budget allocation.

Special Projects and Cultural AffairsMeadow Brook Music Festival/Meadow Brook Theatre

Establish budget position #300443, #300444, Production and Marketing Manager, AP-IV.

Source of funds: The revenue generated by a self-supporting operation which will not commit general fund resources.

Career Development LeaveBusiness Affairs

Nicosia, Patrick, Manager of Business Operations, career development leave to be taken intermittently beginning in May 1979 and extending through 1980 and possibly into 1981, accumulating to customary three months.

There were no comments on these recommendations.

Gifts and Grants

Mr. O'Dowd presented the following gifts and grants to the Board:

I.	Gifts in support of the Marshall Page Atkinson Memorial Scholarship Fund:	
	Atkinson, Mr. and Mrs. Thomas H., Rochester	\$ 200.00
	Carpenter, Mr. Clyde A., Farmington Hills	100.00
	Miscellaneous Donors	420.00
	O'Dowd, Mr. and Mrs. Donald, Rochester	100.00
	Osadchuk, Mr. and Mrs. Mitchell M., Ypsilanti	100.00
	United Ministries in Higher Education, Rochester	100.00
II.	Gifts in support of the General Scholarship Fund:	
	Miscellaneous Donors	10.00
III.	Gifts in support of the Eric Pelzner Memorial Student Loan Fund:	
	Miscellaneous Donors	5.00
IV.	Gift in support of the James Morrison Thompson Chemistry Scholarship Fund:	
	Bennett, Ms. Effie M., Birmingham	100.00
V.	Gifts in support of the Jewel L. Wibby Women's Athletic Scholarship Fund:	
	Miscellaneous Donors	77.31
VI.	Gifts in support of the Alumni Association:	
	Chrysler Corporation Fund, Detroit (Matching Gift)	465.00
	Miscellaneous Donors	2,876.50
VII.	Gifts in support of the Athletic Department:	
	Bartl, Mr. Jon, Birmingham	375.00
	Bieleniewicz, Mr. Ted, Utica	400.00
	Bogdziewicz, Mr. William J., Grosse Pointe Woods	375.00
	Brink, Mr. Addison, Jr., Linden	875.00
	Daniels, Mr. Gary, Pontiac	375.00

VII.	Gifts in support of the Athletic Department (Continued):	
	Foell, Mr. Howard G., Birmingham	\$ 500.00
	Forbert, Mr. Robert, Mt. Clemens	400.00
	Ford Motor Company Fund, Dearborn (Matching Gift)	100.00
	Honeywell, Minneapolis, Minnesota (Matching Gift)	375.00
	Jerzykowski, Mr. Jerome, Utica	400.00
	Karas, Mr. Paul, Rochester	100.00
	Kim, Dr. Chris, Rochester	375.00
	Krutko, Mr. Ernest J., Warren	400.00
	Lamson, F. W., Birmingham	375.00
	Major, Mr. and Mrs. Arlie, Rochester	400.00
	Marco Santi Land Development Company, Sterling Heights	375.00
	McMillan, Mr. Allan R., Washington	400.00
	Melia, Mr. Harry J., Troy	400.00
	Miscellaneous Donors	540.00
	Moehlig, Mr. Leonard C., Warren	400.00
	Pawlowski, Mr. August, Rochester	400.00
	Rosett, Mr. George J., Rochester	400.00
	Sinkel, Mr. Robert, Rochester	400.00
	Steigerwald, Mr. and Mrs. Louis, Orchard Lake	375.00
	Stevens, Ms. Christy, Rochester	375.00
	Stieg, Ms. Annette, Bloomfield Hills	100.00
	Topp, Mr. David, Bloomfield Hills	125.00
	Wilmot, Mr. Richard E., Rochester	375.00
	Wojcik, Mr. Edward, Troy	400.00
VIII.	Gifts in support of the Friends of Kresge Library:	
	Miscellaneous Donors	65.00
IX.	Gifts in support of the Gerulaitis/Immerwahr Book Award Fund:	
	Miscellaneous Donors	40.00
X.	Gift in support of the Institute of Biological Sciences - CCRG Program:	
	Kinoshita, Dr. and Mrs. Jin H., Bethesda, Maryland	200.00
XI.	Gifts in support of the Institute of Biological Sciences - the V. Everett Kinsey Memorial Fund:	
	Miscellaneous Donors	50.00

XII.	Gifts in support of Meadow Brook Art Gallery:	
	Frank, Mr. and Mrs. Sam, Birmingham	\$ 100.00
	Miscellaneous Donors	153.85
XIII.	Gifts in support of Meadow Brook Hall - Gilders Development Fund:	
	Estes, Mr. and Mrs. E. M., Bloomfield Hills	562.50*
	Mechanical Design & Engineering Company, Burton	250.00
	Miscellaneous Donors	108.00
XIV.	Gifts in support of Meadow Brook Music Festival:	
	Miscellaneous Donors	50.00
	Saltzman, Mr. and Mrs. Arthur W., Franklin	150.00
XV.	Gifts in support of Meadow Brook Music Festival/ Meadow Brook Theatre:	
	American Motors Corporation, Southfield (Matching Gift)	500.00
	Barclay, Mr. and Mrs. W. Kent, Birmingham	100.00
	Bourke, Mr. William O., Dearborn	200.00
	Chrysler Corporation, Detroit (Matching Gift)	500.00
	Fredericks, Mr. and Mrs. Marshall M., Birmingham	276.63*
	Hofley Manufacturing Company, Warren	250.00
	Martin Foundries Company, Melvindale	250.00
	Miscellaneous Donors	1,075.00
	Scott, Mr. and Mrs. Will, Birmingham	100.00
	Stevens, Mr. and Mrs. Mark C., Grosse Pointe Farms	100.00
	Sutherland, Mr. and Mrs. John B., Bloomfield Hills	100.00
	Yntema, Mr. and Mrs. Theodore O., Bloomfield Hills	100.00
XVI.	Gifts in support of Meadow Brook Theatre:	
	Lundy, Mr. J. E., Dearborn	100.00
	Miscellaneous Donors	120.00
XVII.	Gifts in support of the Music Department - Pontiac/Oakland Symphony:	
	Miscellaneous Donors	50.00

\*Stock Contributions

XVIII. Gifts in support of the O.U. Foundation -  
President's Club:

Brooks, Dr. and Mrs. Richard G., Rochester	\$ 1,000.00
Dewar, Mr. and Mrs. Robert E., Bloomfield Hills	1,037.81*
Foster-Kilby Supply Company, Inc., Pontiac	6,000.00
Gamble, Mr. David L., Harper Woods	1,032.00*
Gergis, Mr. and Mrs. Richard B., West Bloomfield	1,000.00
Kast Heating & Cooling Company, Inc., Pontiac	1,000.00
Scott, Mr. and Mrs. David W., Birmingham	1,000.00
Warmus, Mr. Thomas A., Southfield	1,000.00
Weston, Mr. and Mrs. Norman B., Birmingham	598.25
Weston, Mr. and Mrs. Norman B., Birmingham	1,094.25*
White Tower Industrial Laundry & Cleaners, Detroit	1,000.00
Yntema, Mr. and Mrs. Theodore, Bloomfield Hills	10,093.75*

XIX. Gift in support of the President's Discretionary  
Fund:

Hasegawa, Dr. and Mrs. Carl M., Troy	100.00
--------------------------------------	--------

XX. Gift in support of the School of Economics &  
Management:

Zolad, Mr. Robert J., West Bloomfield	1,190.00*
---------------------------------------	-----------

XXI. Gift in support of the Irene C. Wellock Trust:

Wellock, Irene C., Trust, Detroit	2,466.49
-----------------------------------	----------

XXII. Grants in support of Departments, Staff, Schools  
and Colleges:

American Chemical Society, The Petroleum Research Fund, Washington, D.C., under the direction of Dr. Kenneth M. Harmon of the Chemistry Depart- ment, to be used in support of the program entitled, "Strongly Hydrogen Bonded Complex Anions." Period of Performance: April 1, 1979 to August 31, 1980.	7,400.00
--	----------

Michigan Council for the Arts, Detroit, under the direction of Mr. Kiichi Usui of the Meadow Brook Art Gallery, to be used in support of the program entitled, "Return of Realism, Part Two, Detroit Realists Exhibition." Period of Per- formance: October 1, 1978 to December 31, 1978.	2,000.00
--	----------

\*Stock Contributions

## XXII. Grants in support of Departments, Staff, Schools and Colleges (Continued):

National Institute of Education, Washington, D.C., under the direction of Dr. Jacqueline Scherer of the Sociology/Anthropology Department, to be used in support of the program entitled, "School Community Social Networks: A Decade of Desegregation." Period of Performance: January 1, 1979 to April 30, 1980. \$71,551.00

National Science Foundation, Washington, D.C., under the direction of Dr. Gilbert L. Wedekind of the School of Engineering, to be used in support of the program entitled, "Transient and Unstable Flow Phenomena in Two-Phase Condensing Flow Systems." Period of Performance: January 1, 1979 to December 31, 1980. 75,413.00

Student Competitions on Relevant Engineering, Inc., Cambridge, Massachusetts, under the direction of Dr. Robert Edgerton of the School of Engineering, to be used in support of the program entitled, "Energy Efficient Vehicle Competition." Period of Performance: March 31, 1978 to November 30, 1979. 300.00

United States Department of Energy, Argonne, Illinois, under the direction of Dr. Michael D. Sevilla of the Chemistry Department, to be used in support of the program entitled, "Mechanisms for Radiation Damage in DNA." Period of Performance: November 1, 1978 to October 31, 1979. 18,522.00

United States Navy, Office of Naval Research, Arlington, Virginia, under the direction of Dr. A. J. Durelli of the School of Engineering, to be used in support of the program entitled, "Development and Application of Methods of Experimental Mechanics." Period of Performance: December 1, 1978 to November 30, 1979. 26,800.00

United States Office of Education, Washington, D.C., under the direction of Mr. George L. Gardiner of the Kresge Library, to be used in support of the program entitled, "Title II - College Library Resource Program." Period of Performance: October 1, 1978 to September 30, 1979. 3,906.00

Total Gifts and Grants \$256,499.34

REPORT ON STOCK TRANSACTIONS

	<u>Value</u> <u>Date of Gift</u>	<u>Sale Price</u>	<u>Comm. &amp;</u> <u>Taxes</u>	<u>Net</u> <u>Proceeds</u>
Mr. and Mrs. Robert Dewar K mart Corporation 45 Shares Date of Gift 12/08/78 \$1,037.81 Date of Sale 12/20/78		\$1,046.25	\$ 23.44	\$1,022.81
Mr. and Mrs. E.M.Estes General Motors Corporation 10 Shares Date of Gift 12/13/78 \$ 562.50 Date of Sale 12/21/78		\$ 540.00	\$ 20.52	\$ 519.48
Mr. and Mrs. Marshall M. Fredericks International Business Machines 1 Share Date of Gift 12/11/78 \$ 276.63 Date of Sale 01/16/79		\$ 314.63	\$ 20.07	\$ 294.56
Mr. David L. Gamble Procter & Gamble Company 12 Shares Date of Gift 12/18/78 \$1,032.00 Date of Sale 01/03/79		\$1,063.50	\$ 25.64	\$1,037.86
Mr. and Mrs. Norman B. Weston International Business Machines 4 Shares Date of Gift 12/04/78 \$1,094.25 Date of Sale 01/03/79		\$1,223.50	\$ 25.25	\$1,198.25
Mr. and Mrs. Theodore Yntema Ford Motor Company 200 Shares of 250 sold Date of Gift 12/22/78 \$8,764.00 Date of Sale 01/16.79		\$8,600.00	\$146.29	\$8,453.71
Mr. Robert J. Zolad Storage Technology Corporation 40 Shares Date of Gift 12/21/78 \$1,190.00 Date of Sale 12/21/78		\$1,175.00	\$ 36.84	\$1,138.16

Mr. O'Dowd expressed his appreciation for Mr. and Mrs. Arthur Saltzman's gift to the Meadow Brook Music Festival. He also called the Board's attention to the substantial gifts from Professor and Mrs. Theodore Yntema and Mr. Robert Zolad. He then asked Mr. Frederick Obear, Vice President for Academic Affairs and Provost, to comment on some of the grants.

Mr. Obear noted that there were continuation research grants to Drs. Gilbert Wedekind and A. J. Durelli of the School of Engineering and Dr. Kenneth Harmon of the Chemistry Department. He also directed the Board's attention to the sizable start-up grant to Dr. Jacqueline Scherer of the Sociology/Anthropology Department for the "School Community Social Networks: A Decade of Desegregation" program. He stated that the program probably will run for two years.

Mr. O'Dowd inquired about the "Energy Efficient Vehicle Competition" grant.

Mr. Jack Wilson, Dean, Student Life, responded that S.A.E. sponsored an annual competition and that this year's event would be held at Oakland University in August. Approximately 250 competitors are expected to participate. Oakland University won the award three years ago with a windmill. This year the students will be working on a car. Ford Motor Company has donated a Pinto for the experiment.

There were no further questions or comments.

#### Proposal for 1979-80 Board and Room Rates

Mr. O'Dowd stated that each March the recommendation for the following year's room and board rates for residence halls is presented to the Board. Action at the March meeting enables the university to inform the students of upcoming dormitory contract costs. The proposal for 1979-80 board and room rates is as follows:

It is recommended that the Board of Trustees approve the following increase in residence halls board and room rates:

1. Regular academic year current board and room rate is \$1,625.  
Recommended increase \$95.

Total rate for 1979-80 academic year is \$1,720.

2. Regular academic year current room only rate is \$1,015.  
Recommended increase \$59.

Total rate for 1979-80 academic year is \$1,074.

3. Regular semester current single room premium is \$175.  
Recommended increase \$25.

Total rate each semester for 1979-80 is \$200.

4. Current spring or summer session board and room rate is \$439.  
Recommended increase \$20.

Total rate for summer 1979 or spring 1980 sessions is \$459.

5. Current spring or summer session room only rate is \$272.  
Recommended increase \$10.

Total rate for summer 1979 or spring 1980 sessions is \$282.

6. Current spring or summer session single room is \$89.  
Recommended increase \$11.

Total rate for summer 1979 or spring 1980 sessions is \$100.

Mr. O'Dowd explained that the base increase is 5.85 percent which appears to be the smallest amount approved by any of the State universities.

There were no further comments or questions.

#### Tuition Refund Policy

Mr. O'Dowd advised the Board that the current approved tuition refund policy limits full refunds to those students who withdraw or drop courses before the university starts its courses each term. Frequently students cannot change their registrations

without personally visiting one or more offices for counseling. Faculty advisers often schedule time off during the period prior to the start of classes and student services staffing in both academic and administrative offices is also limited at this same time. Therefore, students are unable to obtain needed counseling and advising prior to the close of the full refund period. Mr. O'Dowd presented the following recommendation to correct this problem:

That the university's tuition refund policy be modified to provide a full refund of tuition and general service fees to all students whose withdrawal notification is received prior to the close of business on the first full day of classes each term.

Mr. O'Dowd noted that because of the problems with the present policy the university was in the practice of extending the refund period to the close of the first day of classes. The recommended action will make practice consistent with policy.

There were no questions or comments.

#### Lease Document for Classroom Office Building No. 2

Mr. O'Dowd requested that Mr. De Carlo brief the Board on the Classroom Office Building No. 2 issue.

Mr. John De Carlo stated that the State Building Authority requested approval of the resolution and revised lease submitted to the Board of Trustees. As background information, Mr. De Carlo stated that on January 10, 1979 the Oakland University Board of Trustees approved in "form" a State Building Authority lease on the Classroom Office Building No. 2. Subsequent to the Board's action, the State Building Authority determined that it had some unresolved issues and could not sell the bonds. In addition, the Authority has recalculated the costs of the projects. Therefore, the amount of the bond sales for each institution has been refigured and Oakland's bonds will be increased by approximately \$170,000. A revised lease has been submitted which includes the revised costs and two other contract provisions. An exculpation clause which absolves Board members from personal liability and a subrogation clause clarifying the rights of parties with regard to insurance are now contained in the lease document. Mr. De Carlo then presented the following recommendation:

In view of the fact that State funding is necessary for Classroom Office Building No. 2 and that every issue has been raised to protect the rights of the university, it is recommended that the following resolution submitted by the State Building Authority be approved:

RESOLUTION OF OAKLAND UNIVERSITY  
APPROVING LEASE

---

A RESOLUTION of the Board of Trustees of the Oakland University authorizing a lease between the State Building Authority and the State of Michigan and Oakland University for the purpose of acquiring and leasing to the State and the University a Classroom Office Building and to provide matters relating thereto.

WHEREAS, the State Building Authority (the "Authority") has been incorporated under and in pursuance of the provisions of Act 183, Public Acts of Michigan, 1964, as amended ("Act 183"), for the purpose of acquiring, constructing, furnishing, equipping, owning, improving, enlarging, operating, mortgaging and maintaining buildings, necessary parking structures or lots and facilities and sites therefor, for the use of the State of Michigan (the "State"), including institutions of higher education created pursuant to Sections 5, 6 and 7 of Article VIII of the Michigan Constitution of 1963, or any of its agencies; and

WHEREAS, the Oakland University (the "University") has been created and is maintained pursuant to Section 6 of Article VIII of the Michigan Constitution of 1963; and

WHEREAS, the State and the University desire that the Authority acquire a Classroom Office Building (the "Facilities") and lease the same to the State and the University, and the Authority is willing to acquire the Facilities and lease the same to the State and the University; and

WHEREAS, the Authority, by resolution adopted June 21, 1978, did determine, subject to the conditions set forth in such resolution, to acquire the Facilities and to lease them to the State and the University; and

WHEREAS, the site of the Facilities (the "Site") is presently owned by the University and the Facilities are now under construction by the University and the University may designate the State through the Department of Management and Budget of the State as construction agent of the University (the "Agent") and it is intended that the Site be conveyed to the Authority by the University and the Facilities be conveyed by the University and/or the Agent to the Authority as acquired; and

WHEREAS, the acquisition of the Facilities by the Authority for use by and lease to the University and the State is necessary in order for the State and the University to carry out necessary governmental functions and to provide necessary services to the people of the State, as mandated or permitted by Constitution and law, and the use of Act 183 to accomplish such acquisition represents the most practical means to that end at the lowest cost to the State and the University; and

WHEREAS, a new form of lease between the Authority and the State and the University providing for the acquisition of the Site and the Facilities by the Authority and the lease of the Site and the Facilities to the State and the University has been prepared in substantially final form and is attached hereto as Exhibit A (the "Lease"); and

WHEREAS, Section 7 of Act 183 provides that the Lease shall be approved by the State Administrative Board of the State and by concurrent resolution of the Legislature of the State concurred in by a majority of the members elected to and serving in each house and if the Lease is for an institution of higher education existing or created pursuant to Sections 5, 6 and 7 of Article VIII of the State Constitution, then in addition the Lease shall be authorized by the institution of higher education and signed by its authorized officers and, accordingly, it is necessary that the Board of Trustees of the University authorize and approve the Lease; and

WHEREAS, the Board of Trustees of the University by resolution adopted on January 10, 1979 authorized and approved a form of lease containing a true rental which now has been revised and which lease has been further revised to better achieve the best interests of the University and it is now appropriate to rescind the resolution approving the form of lease adopted January 10, 1979; and

WHEREAS, the Authority shall finance a part of the cost of the Facilities through the issuance of its revenue bonds as authorized in Act 183 which together with other funds legally available therefor will be sufficient to finance the cost of the facilities, and it is necessary for authorized officers of the University to approve of the description of the Facilities and the inclusion of certain financial statements of the University for use

\*Exhibit A (the "Lease") is on file in the Office of the Secretary to the Board of Trustees.

in the official statement (the "Official Statement") to be distributed by the Authority in connection with the sale of its revenue bonds;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE UNIVERSITY THAT:

1. The Board of Trustees of the University hereby authorizes and approves the Lease in substantially the form attached as Exhibit A and the President and Vice President for Business Affairs of the University are hereby authorized and directed to execute and deliver the Lease in substantially the form attached as Exhibit A for and on behalf of the University at such time as shall be agreeable to the State, the Authority and such University officers and such officers are hereby designated as authorized officers of the University for purposes of Section 7 of Act 183; provided such officers are not hereby authorized to approve of a change in the Lease with respect to the rental, the description of the Facilities or the material financial obligations of the University contained in the Lease approved herein.

2. The plans for the Facilities, as filed with the University, are hereby approved and the proposed designation of the Agent for construction management services is hereby approved.

3. The conveyance of the Site and the Facilities, as heretofore and hereafter constructed and acquired, to the Authority as provided in the Lease is hereby approved and the President and Vice President for Business Affairs of the University are hereby authorized and directed to execute deeds and bills of sale to accomplish such conveyance in such form as may be from time to time approved by counsel for the University,

4. The President and Vice President for Business Affairs are hereby authorized and directed to approve the description of the Facilities and the inclusion of such financial statements of the University as may be required for use in the Official Statement to be distributed by the Authority in connection with the sale of its revenue bonds.

5. The University further confirms its obligations to pay the rent and perform the other duties and obligations specified in the Lease and acknowledges that such obligations do not depend upon the passage of the title to the Facilities to the University or the State without consideration and the University hereby represents that it would have executed and delivered the Lease even though the title to the Facilities would not pass upon the termination of the Lease.

6. The resolution of the Board approving a form of lease and adopted on January 10, 1979 is hereby rescinded. All ordinances, resolutions and order or parts thereof in conflict with the provision of this resolution are, to the extent of such conflict, hereby repealed.

Trustee Headlee asked Mr. De Carlo if the university was recommending Board approval.

Mr. De Carlo replied that he had previously advised the Board of his concerns regarding title to the Classroom Office Building No. 2 site. He noted that these concerns were presented to the State Building Authority and members of the Legislature. The legislators are of the opinion that they can maintain sufficient control over the Authority to protect the interests of both the State and the university. All of the other universities have indicated that they will accept the lease. Therefore, Mr. De Carlo said he is recommending that the Board approve the resolution and the lease.

Mr. Katke asked the reason for the approximate \$170,000 increase in the bond issue.

Mr. De Carlo responded that each bond issue of each institution increased because of expanded costs related to capitalized interest, trustees fees and other expenses.

Mr. Katke inquired as to the reason for the delay in the sale of bonds.

Mr. De Carlo replied that apparently the coordination of issues between the Legislature, administration, bond counsel and investment counsel is taking more time than originally contemplated by the Authority.

There were no further questions or comments.

Auditors for the Year Ended June 30, 1979

Mr. O'Dowd presented the following recommendation for the Board's consideration:

The reappointment of Ernst & Ernst to conduct the audit for the year ended June 30, 1979.

Mr. O'Dowd requested that Mr. Robert Swanson, Vice President for Business Affairs, comment on this recommendation.

Mr. Swanson stated that in accordance with Board policy governing the rotation of auditors, the firm of Ernst & Ernst was appointed to conduct the audit for the year ended June 1978. Since Board procedure calls for an annual appointment of the audit firm, he was recommending the reappointment of the Ernst & Ernst firm for a second year with a proposed audit fee of \$26,500. The fee for the current audit year is \$24,000. The increase reflects inflationary costs and is also the result of a more thorough analysis of the audit needs as a result of the experience gained during the past year.

Mr. Headlee noted that this fee represents an increase of approximately 10 percent and he questioned whether this was within President Jimmy Carter's wage and price guidelines. He added that it would be appropriate to check Ernst & Ernst on this matter:

Mr. Swanson stated that the fee is negotiable. However, when Ernst & Ernst accepted the audit a year ago, it was at the same fee charged by the previous CPA firm. Ernst & Ernst reported that their initial year's investment at Oakland was costly and they committed more staff resources than anticipated. They were willing to live within their original agreement and increase their fee in accordance with realistic costs. Mr. Swanson added that in comparison with audit fees at other State universities this fee seems quite reasonable.

Mr. Headlee said he was merely questioning the principle of following the guidelines.

Mr. Schwartz stated that it was appropriate to inquire if the fee was within the guidelines. He added that since the firm does so much government work, the fee in all probability was appropriate. He recommended the fee be approved on the basis that it complied with the guidelines. If this is not the case, then the issue should be brought back to the Board.

Mr. Swanson indicated he would proceed on this basis.

There were no further comments or questions.

Participation in the "Common Fund for Short-Term Investments"

Mr. O'Dowd presented the following recommendation for the Board's consideration:

RESOLVED, That the Treasurer of the Board of Trustees of Oakland University is authorized to enter into a trust agreement with the Philadelphia National Bank for the purpose of arranging for the management of a portion of Oakland University's funds which are normally invested in short-term securities. The Treasurer or the Assistant Vice President for Business Affairs and Controller may from time to time deposit such funds with the Philadelphia National Bank, with the understanding that the bank will invest these funds in the Common Fund for Short-Term Investments.

The Treasurer or the Assistant Vice President for Business Affairs and Controller may give instructions and effect transaction with the bank, subject to the understanding that their authorization to withdraw funds from the bank is limited to instructions to remit such withdrawals to another bank to deposit to the credit of Oakland University in that bank.

Mr. O'Dowd requested that Mr. Swanson give a brief explanation of the rationale for this recommendation.

Mr. Swanson stated that the proposal to participate in the Common Fund for Short-Term Investments would provide Oakland's administrators with another option not now available for placing funds in short-term investments of a demand nature. He noted that this arrangement would permit the investment of money with maximum interest income and still have the funds available on one-day notice. Previously Oakland had an arrangement with National Bank of Detroit involving trust demand notes which yielded more interest than commercial paper and standard daily interest accounts. The National Bank of Detroit is no longer offering trust demand notes. Mr. Swanson added that 5-to-15 day commercial paper yields about 9 percent interest whereas participation in the Common Fund for Short-Term Investments would yield about 9-1/2 percent.

Mr. Headlee asked about the size of the university's account balance.

Mr. Swanson responded that there would be about one-half million dollars involved. He also noted that the administration was requesting approval for this agreement subject to review by legal counsel and a review of the investment policies of the common fund to determine the quality of the program.

Mr. Headlee suggested that all investment options be carefully weighed. He noted that there was daily commercial paper available with Michigan banks.

There were no further comments or questions.

#### Supplemental Non-General Fund Allotments from the Designated Fund

Mr. O'Dowd stated that there were a number of priority needs for which no provision could be made in the general fund budget. He added that as a result of the sale of the university-owned property on the corner of Walton Boulevard and Adams Road and investment income in the Designated Fund, some non-general fund resources are now available to respond to the most urgent needs. Mr. O'Dowd then presented the following recommendation to the Board for consideration:

That approval be granted to allocate \$223,000 from the Designated Fund for the funding of the projects and items listed below:

Library acquisitions		\$30,000
Equipment:		
Energy conservation system	\$30,000	
Emergency alarm-Phase III	10,000	
Physical plant and grounds equipment	<u>35,000</u>	75,000
Maintenance and Repair projects		25,000
Alterations and Improvements:		
Early Childhood Center	\$18,000	
Wilson Hall	15,000	
Sports and Recreation	20,000	
Grounds and landscaping	25,000	
North Foundation Hall	<u>15,000</u>	93,000
		<u>93,000</u>
	Total	\$223,000

Mr. Headlee inquired about the energy conservation item.

Mr. O'Dowd stated that Oakland had initially invested \$100,000 in energy conservation equipment. It was now the intention to go to the next phase which would be the installation of sophisticated temperature and humidity sensors in buildings. Mr. O'Dowd noted that an investment in energy conservation equipment this year would be returned in savings next year.

Mr. Katke inquired if the system provided for time lag.

Mr. O'Dowd responded that the systems were designed to provide for both inside and outside reactions and thus minimize energy use. He added that the plan was to do one building at a time until all buildings would have energy conservation control systems.

Mr. Katke asked if they could adjust the inside controls for 65 degrees in the winter and 80 degrees for the summer.

Mr. O'Dowd replied that this control was anticipated in the system.

There were no further comments or questions.

#### Report of the Ad Hoc Committee on South African Investments

Mr. O'Dowd stated that a report from the Ad Hoc Committee on South African Investments had been submitted to the Board just a few days ago. The committee was formed to involve a broad spectrum of the university community in the South African investment issue and to make a recommendation for the Board's consideration. Mr. O'Dowd introduced Mr. Sheldon Appleton, Professor, Political Science, who chaired the committee.

Mr. Appleton expressed his appreciation to the committee which consisted of the following members:

Johnetta Brazzel (Office of Urban Affairs)

Stephen Day (Vice President and Member, Board of Directors, Oakland Alumni Association)

Gail De George (Student; Resident Assistant, Oakland Residence Halls)

Karl Gregory (School of Economics and Management; African Studies Committee)

Gwendolyn Heard (Vice-President and Member, Board of Directors, Oakland Alumni Association)

Vincent Khapoya (Political Science; African Studies Committee)

Richard Light (Office of Business Affairs)

Marc Ott (Student; Head Resident, Fitzgerald House)

Gayle Partmann (Linguistics and Sociology-Anthropology; African Studies Committee)

Mr. Appleton added that he felt the committee had an excellent learning experience and respected one another's ideas; also, that nine out of ten committee members were in agreement with the final recommendation.

Trustee Alan Schwartz stated that if a quorum develops, the Board should officially receive the report and spend the next few weeks studying the material. He also expressed the hope that the Chairman of the Board of Trustees would appoint a Board committee to independently study the report in order to make a recommendation to the full Board. Mr. Schwartz added that this was such an important question and he felt the full Board should be present to hear the view of the Board committee.

Trustee Headlee agreed with Mr. Schwartz' suggestions. He asked if the committee had considered any other countries that are suppressing minorities such as the Eastern bloc and Iron Curtain nations.

Mr. Appleton replied that their report did cover this issue.

Mr. Headlee inquired whether or not the committee had investigated the investments of the university employee retirement funds.

Mr. Appleton replied that they did not go into this specific issue.

Ms. Gayle Partmann, a member of the committee, stated that the committee did communicate with the Teachers Insurance and Annuity Association of America/College Retirement Equities Fund (TIAA/CREF). A statement on corporate social responsibility from TIAA/CREF is included in the material submitted to the Board.

Mr. Headlee said that in his opinion it was important to be consistent. If there was to be any economic impact, all aspects had to be taken into consideration.

Mr. Katke stated that there was a great deal of material that had been given to the Board and that he was not prepared to comment at this time.

Mr. Robert Williamson, Professor, Physics, added that there were video tapes of speakers on the South African investment subject which would be available to the Board.

There was no further discussion on this item.

Mr. O'Dowd stated that this completed the scheduled agenda items and they would wait for the arrival of another Board member before acting on the items.

#### Report on Activities of the University Congress

Mr. O'Dowd recognized and introduced Ms. Mary Sue Rogers, President of the University Congress, who informed the Board that she wished to give them a brief report on the activities of the University Congress and some of its future plans.

Ms. Rogers reported that the University Congress felt the attrition rate of students was an area that needed attention. Congress recommended that additional resources be committed for more paid advisors to develop freshman orientation programs and to visit local high schools for the recruitment of students. To establish rapport with faculty, a "take a prof to lunch" program is under consideration.

Another important area that interested the Congress was the library. Ms. Rogers said a plan for student donations at registration for the library was being evaluated. In addition, more flexible library hours to better serve student needs is under study. A seminar on the use of the library's facilities was also under consideration. Ms. Rogers said Congress was hopeful of reviving "Oakland Undiapered" which is a publication rating Oakland's professors. The "Oakland Undiapered" publication is geared primarily to freshmen and sophomores.

Ms. Rogers noted that Congress hoped to be involved in a "silent observer" capacity when collective bargaining begins for the faculty. Also, Congress would like to be able to supply some input on issues such as faculty-student ratio, advising, tenure review and faculty office hours.

Trustee Saltzman arrived at this time.

Ms. Rogers stated two important issues that Congress supported were:

1. Divestiture of investments in companies doing business in South Africa. This passed by a close vote. The vote was 9 to 10 with 2 abstentions.
2. National affiliation for sororities and fraternities.

Ms. Rogers reported that an audit of Congress' funds revealed that approximately \$4,000 was available for capital expenditures. Congress is considering ways to spend this money. Some of the suggestions being considered are: more informational booths, a microwave oven in the grille for student use, and another Xerox machine for the Oakland Center.

Ms. Rogers concluded by stating that Congress members were very active and she was looking forward to next year.

Mr. Headlee thanked Ms. Rogers for a very comprehensive and enjoyable report. He noted that he was pleased with her positive and constructive attitude.

Mr. O'Dowd said that he was receiving a variety of opinions regarding fraternities and sororities.

The consensus was that the current University Congress represents a very constructive group.

Mr. O'Dowd stated that with the arrival of Trustee Saltzman a quorum of the Board was present and they could proceed to take official action on the agenda items.

#### Approval of Minutes of February 21, 1979

Mr. O'Dowd recommended approval of the minutes of the meeting of the Board of Trustees for February 21, 1979. Mr. Katke offered a motion for approval of the minutes which was seconded by Mrs. Adams. The motion was voted on and the minutes were unanimously approved as distributed.

#### Approval of Personnel Actions

Mr. O'Dowd recommended approval of the faculty and staff personnel actions. Mr. Headlee moved that the personnel actions be approved. Mr. Katke seconded the motion which was voted on and unanimously approved.

Acceptance of Gifts and Grants

Mr. O'Dowd recommended the Board's acceptance of the gifts and grants. Mrs. Adams moved that the gifts and grants be accepted with gratitude. Mr. Headlee seconded the motion which was voted on and unanimously approved.

Approval of 1979-80 Board and Room Rates

Mr. O'Dowd recommended the Board's approval of the following proposal for 1979-80 board and room rates:

It is recommended that the Board of Trustees approve the following increase in residence halls board and room rates:

1. Regular academic year current board and room rate is \$1,625.  
Recommended increase \$95.

Total rate for 1979-80 academic year is \$1,720.

2. Regular academic year current room only rate is \$1,015.  
Recommended increase \$59.

Total rate for 1979-80 academic year is \$1,074.

3. Regular semester current single room premium is \$175.  
Recommended increase \$25.

Total rate each semester for 1979-80 is \$200.

4. Current spring or summer session board and room rate is \$439.  
Recommended increase \$20.

Total rate for summer 1979 or spring 1980 sessions is \$459.

5. Current spring or summer session room only rate is \$272.  
Recommended increase \$10.

Total rate for summer 1979 or spring 1980 sessions is \$282.

6. Current spring or summer session single room is \$89.  
Recommended increase \$11.

Total rate for summer 1979 or spring 1980 sessions is \$100.

Mr. Schwartz moved to approve the recommendation. Mr. Katke seconded the motion which was voted on and unanimously approved.

#### Approval of Tuition Refund Policy

Mr. O'Dowd recommended the Board's approval of the following recommendation:

That the university's tuition refund policy be modified to provide a full refund of tuition and general service fees to all students whose withdrawal notification is received prior to the close of business on the first full day of classes each term.

Mr. Headlee moved to approve the tuition refund policy which was seconded by Mr. Katke. The motion was voted on and unanimously approved.

#### Approval of Resolution on Lease Document for Classroom Office Building No. 2

Mr. O'Dowd presented the following resolution for the Board's approval:

In view of the fact that State funding is necessary for Classroom Office Building No. 2 and that every issue has been raised to protect the rights of the university, it is recommended that the following resolution submitted by the State Building Authority be approved:

#### RESOLUTION OF OAKLAND UNIVERSITY APPROVING LEASE

A RESOLUTION of the Board of Trustees of the Oakland University authorizing a lease between the State Building Authority and the State of Michigan and Oakland University for the purpose of acquiring and leasing to the State and the University a Classroom Office Building and to provide matters relating thereto.

WHEREAS, the State Building Authority (the "Authority") has been incorporated under and in pursuance of the provisions of Act 183, Public Acts of Michigan, 1964, as amended ("Act 183"), for the purpose of acquiring, constructing, furnishing, equipping, owning, improving, enlarging, operating, mortgaging and maintaining buildings, necessary parking structures or lots and facilities and sites therefor, for the use of the State of Michigan (the "State"), including institutions of higher education created pursuant to Sections 5, 6 and 7 of Article VIII of the Michigan Constitution of 1963, or any of its agencies; and

WHEREAS, the Oakland University (the "University") has been created and is maintained pursuant to Section 6 of Article VIII of the Michigan Constitution of 1963; and

WHEREAS, the State and the University desire that the Authority acquire a Classroom Office Building (the "Facilities") and lease the same to the State and the University, and the Authority is willing to acquire the Facilities and lease the same to the State and the University; and

WHEREAS, the Authority, by resolution adopted June 21, 1978, did determine, subject to the conditions set forth in such resolution, to acquire the Facilities and to lease them to the State and the University; and

WHEREAS, the site of the Facilities (the "Site") is presently owned by the University and the Facilities are now under construction by the University and the University may designate the State through the Department of Management and Budget of the State as construction agent of the University (the "Agent") and it is intended that the Site be conveyed to the Authority by the University and the Facilities be conveyed by the University and/or the Agent to the Authority as acquired; and

WHEREAS, the acquisition of the Facilities by the Authority for use by and lease to the University and the State is necessary in order for the State and the University to carry out necessary governmental functions and to provide necessary services to the people of the State, as mandated or permitted by Constitution and law, and the use of Act 183 to accomplish such acquisition represents the most practical means to that end at the lowest cost to the State and the University; and

WHEREAS, a new form of lease between the Authority and the State and the University providing for the acquisition of the Site and the Facilities by the Authority and the lease of the Site and the Facilities to the State and the University has been prepared in substantially final form and is attached hereto as Exhibit A (the "Lease");\* and

WHEREAS, Section 7 of Act 183 provides that the Lease shall be approved by the State Administrative Board of the State and by concurrent resolution of the Legislature of the State concurred in by a majority of the members elected to and serving in each house and if the Lease is for an institution of higher education existing or created pursuant to Sections 5, 6 and 7 of Article VIII of the State Constitution, then in addition the Lease shall be authorized by the institution of higher education and signed by its authorized officers and, accordingly, it is necessary that the Board of Trustees of the University authorize and approve the Lease; and

WHEREAS, the Board of Trustees of the University by resolution adopted on January 10, 1979 authorized and approved a form of lease containing a true rental which now has been revised and which lease has been further revised to better achieve the best interests of the University and it is now appropriate to rescind the resolution approving the form of lease adopted January 10, 1979; and

WHEREAS, the Authority shall finance a part of the cost of the Facilities through the issuance of its revenue bonds as authorized in Act 183 which together with other funds legally available therefor will be sufficient to finance the cost of the facilities, and it is necessary for authorized officers of the University to approve of the description of the Facilities and the inclusion of certain financial statements of the University for use in the official statement (the "Official Statement") to be distributed by the Authority in connection with the sale of its revenue bonds;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE UNIVERSITY THAT:

1. The Board of Trustees of the University hereby authorizes and approves the Lease in substantially the form attached as Exhibit A and the President and Vice

\*Exhibit A (the "Lease") is on file in the Office of the Secretary to the Board of Trustees.

President for Business Affairs of the University are hereby authorized and directed to execute and deliver the Lease in substantially the form attached as Exhibit A for and on behalf of the University at such time as shall be agreeable to the State, the Authority and such University officers and such officers are hereby designated as authorized officers of the University for purposes of Section 7 of Act 183; provided such officers are not hereby authorized to approve of a change in the Lease with respect to the rental, the description of the Facilities or the material financial obligations of the University contained in the Lease approved herein.

2. The plans for the Facilities, as filed with the University, are hereby approved and the proposed designation of the Agent for construction management services is hereby approved.

3. The conveyance of the Site and the Facilities, as heretofore and hereafter constructed and acquired, to the Authority as provided in the Lease is hereby approved and the President and Vice President for Business Affairs of the University are hereby authorized and directed to execute deeds and bills of sale to accomplish such conveyance in such form as may be from time to time approved by counsel for the University.

4. The President and Vice President for Business Affairs are hereby authorized and directed to approve the description of the facilities and the inclusion of such financial statements of the University as may be required for use in the Official Statement to be distributed by the Authority in connection with the sale of its revenue bonds.

5. The University further confirms its obligations to pay the rent and perform the other duties and obligations specified in the Lease and acknowledges that such obligations do not depend upon the passage of the title to the Facilities to the University or the State without consideration and the University hereby represents that it would have executed and delivered the Lease even though the title to the Facilities would not pass upon the termination of the Lease.

6. The resolution of the Board approving a form of lease and adopted on January 10, 1979 is hereby rescinded. All ordinances, resolutions and order or parts thereof in conflict with the provision of this resolution are, to the extent of such conflict, hereby repealed.

Mrs. Adams moved that the resolution and lease document be approved. Mr. Headlee seconded the motion.

Mr. Schwartz asked if this material had been reviewed by outside counsel.

Mr. De Carlo responded that it was reviewed by Mr. James Howlett.

Mr. Schwartz asked if outside counsel had given an affirmative recommendation.

Mr. De Carlo replied that he had received a memorandum to that effect.

The motion was voted on and unanimously passed.

#### Approval of Appointment of Audit Firm for Year Ended June 30, 1979

Mr. O'Dowd presented the following recommendation for the Board's approval:

That the firm of Ernst & Ernst be reappointed to conduct the audit for the year ended June 30, 1979 subject to a confirmation that the fee increase is within the federal wage and price guidelines.

Mr. Headlee moved to approve the recommendation which was seconded by Mr. Katke. The motion was voted on and unanimously approved.

#### Approval of Participation in the Common Fund for Short-Term Investments

Mr. O'Dowd requested the Board's approval of the following recommendation subject to a review of all pertinent documents by university legal counsel and an analysis of the fiduciary implications by the university Office of Business Affairs:

RESOLVED, That the Treasurer of the Board of Trustees of Oakland University is authorized to enter into a trust agreement with the Philadelphia National Bank for the purpose of arranging for the management of a portion of Oakland University's funds which are normally invested in short-term securities. The Treasurer or the Assistant Vice President for Business Affairs and Controller may from time to time deposit such funds with the Philadelphia National Bank, with the understanding that the bank will invest these funds in the Common Fund for Short-Term Investments.

The Treasurer or the Assistant Vice President for Business Affairs and Controller may give instructions and effect transaction with the bank, subject to the understanding that their authorization to withdraw funds from the bank is limited to instructions to remit such withdrawals to another bank to deposit to the credit of Oakland University in that bank.

Mr. Katke moved that the recommendation be approved. The motion which was seconded by Mr. Schwartz was voted on and unanimously approved.

Approval of Supplemental Non-General Fund Allotments from the General Fund

Mr. O'Dowd requested approval of the following recommendation:

That approval be granted to allocate \$223,000 from the Designated Fund for the funding of the projects and items listed below:

Library acquisitions		\$30,000
Equipment:		
Energy conservation system	\$30,000	
Emergency alarm-Phase III	10,000	
Physical plant and grounds equipment	<u>35,000</u>	
		75,000
Maintenance and Repair projects		25,000

## Alterations and Improvements:

Early Childhood Center	\$18,000	
Wilson Hall	15,000	
Sports and Recreation	20,000	
Grounds and landscaping	25,000	
North Foundation Hall	15,000	
		<u>\$93,000</u>
Total		\$223,000

Mrs. Adams moved for approval of the recommendation which was seconded by Mr. Katke, voted on and unanimously approved.

Report of the Ad Hoc Committee on South African Investments

Mr. O'Dowd asked for the Board's instructions on the report submitted by the Ad Hoc Committee on South African Investments.

Mr. Schwartz moved that the Board receive the report. Mr. Headlee seconded the motion which was voted on and passed unanimously.

Mr. Schwartz then moved that the Chairman of the Board appoint a committee of the Board to consist of not more than four members to study the report and make a recommendation to the full Board. He added that each Board member would independently study the report and hopefully the Board would be able to take action at the next meeting. Mr. Katke seconded the motion, which was voted on and unanimously passed.

Mr. Schwartz added that he would like to have Mr. John De Carlo check with counsel as to how the various Board members might deal with possible "conflict of interest" problems in connection with the issue of companies doing business in South Africa. He said he did not know how many of the Board members would be able to vote on this particular question, and that they would need advice from counsel. He added that this opinion should be provided to all Board members.

Mr. O'Dowd thanked the Ad Hoc Committee and Ms. Rogers for their reports.

Mr. O'Dowd announced that the agenda items were completed and asked if there were any comments from the audience. There were no comments.

The meeting was adjourned at 9 p.m.

Approved,

John De Carlo, Secretary  
Board of Trustees

David B. Lewis, Chairman  
Board of Trustees

Date \_\_\_\_\_