

MINUTES OF THE MEETING
OF THE
OAKLAND UNIVERSITY BOARD OF TRUSTEES
August 14, 1986

Present: Trustees David Handleman, Patricia Hartmann, Alex Mair, Wallace Riley, Howard Sims

Absent: Trustees Donald Bemis, Phyllis Law Googasian, and Ken Morris

Chairman Wallace Riley called the meeting to order at 5:10 p.m. in Lounge II of the Oakland Center. He noted that this meeting was originally scheduled for Wednesday, August 13, 1986, and was rescheduled in order to have a quorum of the Board present. Notices of the change were appropriately posted by the Secretary's office.

Approval of minutes of June 11, 1986

Chairman Riley asked for any additions or corrections to the proposed minutes for the meeting of June 11, 1986. There were no additions or corrections. Mr. Mair, seconded by Mrs. Hartmann, moved to approve the minutes as proposed. The motion was unanimously carried.

Approval of minutes of June 28, 1986

Chairman Riley asked for additions or corrections to the minutes, as presented, of the Special Meeting of June 28, 1986. There were no additions or corrections. Mr. Handleman, seconded by Mr. Mair, moved to accept the minutes as proposed. The motion was unanimously carried.

Approval of recommendation to accept gifts and grants to Oakland University--May 15 through June 14, 1986, and June 15 through July 14, 1986

Mr. David Rodwell, Vice President for External Affairs, drew the Board's attention to the McGregor Fund contribution of \$75,000, which is the first of three annual payments. This gift resulted from the efforts of Mr. Brian Copenhaver, Dean of the College of Arts and Sciences, and Mr. Brian Murphy, Director of the Honors College. The grant will be used for a Distinguished Professorship in the Honors College.

Mr. Rodwell also noted in the August 13, 1986, list the gift of \$200,000 from Mrs. Roger Kyes in behalf of the Kresge Library addition project.

Mr. Rodwell drew attention to gifts to the Meadow Brook Music Festival of \$10,000 from Chrysler Corporation, and \$20,000 from the General Motors Foundation.

Chairman Riley expressed the Board's gratitude for the many generous gifts and in particular the contribution from Mrs. Kyes. President Champagne stated that there will be a special acknowledgment of Mrs. Kyes' gift.

Mr. Keith Kleckner, Provost and Senior Vice President of University Affairs, noted two grants totaling approximately \$110,000 from the Chrysler Corporation supporting work in Engineering and Physics. He also called attention to the continued grants from the National Institutes of Health in support of research in the Department of Biological Sciences and the Oakland University Eye Research Institute.

Mr. Kleckner then introduced Dr. Venkat Reddy, Director of the Eye Research Institute. Dr. Reddy made a brief slide presentation regarding the external grant support received by the Institute. He emphasized "the overall scope of the Institute's efforts and contributions" in obtaining research grants for the University. The slides portrayed that the Institute's staff had the highest average dollar amount of external funding per faculty member for 1984-85 as compared to other University units. The Institute's eight member faculty generated 23 percent of all external research grant funds. Dr. Reddy observed that this funding was accomplished even though the Institute received the lowest level of general fund support per faculty member.

Dr. Reddy concluded by stating that the Institute's success in an "ever increasing competitive national environment is the result of extraordinary commitment, hard work and dedication" on the part of the staff. He concluded by asking for the continued support of the Board of Trustees.

Chairman Riley complimented Dr. Reddy on the Institute's success.

Mrs. Hartmann stated that the gifts and grants lists were considered by the University Affairs Committee and the Committee recommended acceptance with gratitude. The motion was supported by Trustee Mair, and passed unanimously.

Report of gifts and grants to the Oakland University
Foundation--May 15 through June 14, 1986, and June 15 through
July 14, 1986

Mr. Robert W. Swanson, Vice President for Development Affairs, noted that the contributions for the May 15-July 14 period were, without exception, from President's Club members, and included matching gifts from employers or corporate affiliations. On the July 9 report Mr. Swanson noted that, in addition to the total undesignated gifts of \$45,256.67, there were 47 designated gifts totaling \$29,662.50. In the August 13, 1986, report \$46,871.27 is not designated and an additional \$42,638.67 is designated to specific programs.

Chairman Riley asked for questions and comments. There being none, he noted that this is an information item and there was no need for a vote to approve the item.

Approval of reappointment of Deans

Mr. Kleckner reported that there were two individuals being recommended for reappointment as dean. The first recommendation concerns Brian P. Copenhaver, Dean of the College of Arts and Sciences. Since the constitutionally mandated review of the first five years of Dean Copenhaver's tenure has been completed, Mr. Kleckner stated that it was with a "great deal of enthusiasm" that he recommends to the Board that Dean Copenhaver be reappointed for a second five-year term. The College of Arts and Sciences at any university is a complex unit, and the dean must be conversant with many disciplines. He must find ways to work with faculties over a broad range of disciplines. He stated that the University was fortunate to have Dean Copenhaver. Not only has he accomplished his tasks extremely well, but he has also led the college into new areas of endeavor. He has worked with business and industry in a variety of programs, some of which have been presented to the Board within the past year or two, such as the program in training employees on Japanese customs. Dean Copenhaver is a "superb administrator" and has introduced consolidations in the College to help reduce costs, and has brought the faculty together into closer working groups. One of his accomplishments has been the establishment of the Center for the Arts. Mr. Kleckner then made the following recommendation to the Board:

RESOLVED, That Brian P. Copenhaver be appointed to a second five-year term as Dean of the College of Arts and Sciences, commencing August 1, 1986.

Mr. Kleckner then introduced Dean Copenhaver to the Board. Dean Copenhaver expressed appreciation for the confidence in his work. He added that it was a "high honor to be associated with Oakland University and particularly with the College of Arts and Sciences."

Mr. Handleman, seconded by Mr. Sims, moved that the appointment be approved. The motion was unanimously carried.

Mr. Kleckner then recommended Dean Andrea Lindell of the School of Nursing for reappointment as dean. He noted that Dean Lindell "has done remarkable work with the curriculum in Nursing, strengthening the program to the point where our students are now performing near the very top of all the students in the state." In the state licensing examinations, two Oakland students were the first in a long period of time to achieve a perfect score. The University has started a Master's program under Dean Lindell's leadership, which has led to the beginning of some research projects by the nursing faculty. The reputation of the school has grown substantially under Dean Lindell's leadership. Mr. Kleckner made the following recommendation:

RESOLVED, That Andrea R. Lindell be appointed to a second five-year term as Dean of the School of Nursing, commencing August 1, 1986.

Mr. Handleman, seconded by Mr. Mair, moved to approve the recommendation. The motion was carried unanimously.

Mr. John De Carlo then read the following statement from Dean Lindell, who could not be present.

I have asked Mr. De Carlo on my behalf, to convey and express my deep appreciation to the Board of Trustees, to President Joseph E. Champagne, and to Provost Keith Kleckner for the endorsement of my second five-year appointment as Dean of the School of Nursing. It is with regret that I am unable to be present at today's meeting due to a conflict, but I will be in attendance at the September Board meeting.

My past five years as Dean have been challenging and extremely rewarding. The support of the President, Mr. Kleckner and many other administrative personnel has enabled me and the faculty to achieve the goals of the School and meet the challenges of an ever changing

health care focused society. I have the highest regard for the faculty of the School of Nursing and for their accomplishments. I look forward to the next five years and the challenges that await me and the School of Nursing faculty at Oakland University.

Approval of appointment and reappointment of Department Chairs

Mr. Kleckner stated that department chairs are generally appointed for three-year, renewable terms. There is also the possibility of extending a term for one year, with a review only by the dean, rather than a full review involving the dean and every department faculty member as is required for a three-year term. Mr. Kleckner stated that he had three sets of recommendations: two appointments of three-year terms, two recommendations for department chair extensions of one year, and one recommendation for appointment to a one-year term as acting department chair.

Chairman Riley asked what was the difference between a department chair and an acting chair. Mr. Kleckner responded that an acting chair is a person who would be serving for a particular period of time while the University either conducts a search for a permanent chair or when an organizational change is under consideration.

Mr. Kleckner offered the following recommendations:

The following persons are recommended for appointment to three-year terms--August 15, 1986, through August 14, 1989-- as Department Chairs:

<u>Department</u>	<u>Name</u>	<u>Term</u>
Modern Languages and Literatures	W. David Jaymes	2nd
Sociology and Anthropology	Jacqueline Scherer	1st

The following Department Chairs are recommended for a one-year extension of their current terms, effective August 15, 1986:

<u>Department</u>	<u>Name</u>
Biological Sciences	Nalin Unakar
Physics	Norman Tepley

The following individual is recommended for appointment to a one-year term--August 15, 1986, through August 14, 1987--as Acting Department Chair:

<u>Department</u>	<u>Name</u>
Rhetoric, Communications and Journalism	Jane Briggs-Bunting

Chairman Riley asked what would happen if someone was selected to assume the permanent chair role before the one-year acting term expired. Mr. Kleckner responded that he would work with the department and perhaps terminate the acting chair appointment. The need for this course of action was unlikely, however.

Mr. Handleman reported that the Finance and Personnel Committee had considered this matter and he moved approval. Mr. Sims seconded the motion; it was then unanimously approved.

Approval of faculty personnel actions

Mr. Kleckner reported that the beginning of a semester results in a substantial number of appointments. He noted that Professor Gilbert L. Wedekind has agreed to serve as acting dean of Engineering and Computer Science pending the completion of the dean search for the School. Mr. John Metzner, who was acting dean, is leaving the University.

Mr. Kleckner also reported that there are several leaves of absence listed; two persons are accepting distinguished awards earned in national competition. Professor W. Patrick Strauss received a Fulbright Award to lecture in the People's Republic of China. Professor Joseph A. Klaitz will conduct research in Europe as an American Council of Learned Societies Fellow.

Mr. Kleckner sadly noted the deaths of Professor Peter G. Evarts of the Department of English, and Professor William G. Hammerle, a charter member of the faculty from the School of Engineering and Computer Science.

Chairman Riley asked Mr. Kleckner whether the "turnover rate" of faculty is "high, average, or low compared to other universities." Mr. Kleckner answered that he believed it was low.

Mr. Kleckner made the following recommendations:

Appointment

Blache, Klaus M., Clinical Assistant Professor of Industrial Health and Safety, effective January 1, 1986, through August 14, 1987

Bleil, Carl E., Adjunct Professor of Physics, effective August 15, 1986, through August 14, 1988

Boortz-Marx, Richard L., Instructor in Nursing, effective August 15, 1986 (\$25,000)

Boruta, Peter M., Clinical Assistant Professor of Physical Therapy, effective January 1, 1986, through August 14, 1987

Cleary, Frank M., Clinical Instructor in Industrial Health and Safety, effective January 1, 1986, through August 14, 1987

Connellan, William W., Adjunct Assistant Professor of Journalism, effective August 15, 1985, through August 14, 1987

Eddy, Mary Elizabeth, Assistant Professor of Nursing, effective August 15, 1986 (\$29,000)

Eisenhower, Laurie N., Assistant Professor of Dance, effective August 15, 1986 (\$23,500)

Emrich, Kathleen A., Assistant Professor of Nursing, effective August 15, 1986 (\$27,000)

Ganesan, Subramanian, Associate Professor of Engineering, effective August 15, 1986 (\$43,800)

Jenkins, Barbara J., Clinical Associate Professor of Medical Laboratory Sciences, effective January 1, 1986, through August 14, 1987

Kazmierski, John F., Clinical Assistant Professor of Exercise Science, effective January 1, 1986, through August 14, 1987

Kiwicz, Barbara T., Assistant Professor of Accounting, effective August 15, 1986 (\$30,500)

Kleiman, Robert T., Assistant Professor of Finance, effective June 3, 1986 (\$36,000)

Krieger, Robin, Instructor in Nursing, effective August 15, 1986 (\$24,000)

Kulig, Kornelia, Assistant Professor of Physical Therapy, effective August 15, 1986 (\$30,800)

Lubetsky, Michael R., Clinical Assistant Professor of Physical Therapy, effective August 15, 1986, through August 14, 1988

Mingela, Sarunas S., Clinical Instructor in Industrial Health and Safety, effective January 1, 1986, through August 14, 1987

Muir, Mary Sharon, Associate Professor of Education with tenure, effective August 15, 1986 (\$35,000)

Nathan, Ruth G., Adjunct Assistant Professor of Psychology, effective August 15, 1986, through August 14, 1988. [Supersedes previous Board action of June 11, 1986, which, due to a typographical error, appointed Ms. Nathan as an Adjunct Professor of Psychology]

Pieper, David R., Clinical Associate Professor of Health Sciences, effective January 1, 1986, through August 14, 1987

Rapin, Ronald F., Assistant Professor of Spanish, effective August 15, 1986 (\$23,000). [Supersedes previous Board action of June 11, 1986, which appointed Mr. Rapin as an Instructor in Spanish; this action is being taken because Mr. Rapin has received his Doctor of Philosophy degree.]

Raymond, Marilyn J., Special Instructor in Physical Therapy, effective August 15, 1986 (\$27,750)

Salancy, Joyce A., Clinical Instructor in Medical Laboratory Sciences, effective January 1, 1986, through August 14, 1987

Yates, Jon A., Assistant Professor of Biological Sciences, effective August 15, 1986 (\$22,500)

Appointment Withdrawn

Hubbard, Karen W., Instructor in Dance, effective August 15, 1986 (\$23,609). [Supersedes previous Board action of June 11, 1986, to approve appointment. Ms. Hubbard withdrew her previous written acceptance of the position.]

Change of Appointment

Maor, Eli J., Associate Professor of Mathematical Sciences, to extend the normal three-year probationary appointment, August 15, 1984, through August 14, 1987, by one year to August 14, 1988. (This extension will result in Mr. Maor being reviewed for tenure during the Winter, 1987, semester and is based on a new feature, Paragraph 38f., of the 1985-88 Faculty Agreement permitting such extensions when Oakland concurs that circumstances warrant.)

Change of Status

Scherer, Jacqueline R., from Professor of Sociology to Professor of Sociology and Acting Chair, Department of Sociology and Anthropology, effective June 30, 1986, through August 21, 1986

Singer, Philip, from Professor of Anthropology and Behavioral Sciences to Professor of Health Behavioral Sciences and Anthropology, effective August 15, 1986

Sudol, Ronald A., from Associate Professor of Rhetoric to Associate Professor of Rhetoric and Acting Chair, Department of Rhetoric, Communications, and Journalism, effective June 30, 1986, through August 21, 1986

Wagner, Christian C., from Assistant Professor of Engineering to Assistant Professor of Engineering and Acting Chair, Department of Computer Science and Engineering, effective June 30, 1986, through August 21, 1986

Wedekind, Gilbert L., from Professor of Engineering to Professor of Engineering and Acting Dean, School of Engineering and Computer Science, effective August 1, 1986 (\$5850.00 per month)

Leave of Absence

DeMent, Joseph W., Professor of English, sabbatical leave from January 5, 1987, through April 25, 1987 (with full pay). (To prepare to teach and do scholarship in the general area of Shakespeare on film and videocassettes through research at the University of Michigan Library and the Wayne State University Library.)

Frankie, Suzanne O., Professor, University Library and Dean, University Library, sick leave from May 19, 1986, through June 30, 1986 (with full pay)

Grossman, Jerrold W., Associate Professor of Mathematical Sciences, sabbatical leave from January 5, 1987, through April 25, 1987 (with full pay). (To complete a textbook in discrete mathematics that would be suitable for sophomore level courses. Also, to write articles on graph theory, number theory, and computer science.)

Holladay, Marvin D., Special Instructor in Music, sabbatical leave from January 5, 1987, through April 25, 1987 (with full pay). (To travel to Japan to study the Shakuhachi, the classical flute of traditional Japan. Also, to research approaches and philosophies of jazz schools and instructional programs in Japan.)

Kingstrom, Paul O., Associate Professor of Management, leave from August 26, 1986, through April 25, 1987 (with no pay). (To develop administrative skills via managerial assignments in private industry.)

Klalts, Joseph A., Associate Professor of History, leave from January 5, 1987, through April 25, 1987 (with no pay). (To conduct full-time research in France, West Germany, and Washington, D.C., concerning the culture and society in Alsace, 1648-1789, as an American Council of Learned Societies Fellow.)

Kurzman, Margaret L., Special Instructor in Rhetoric, sabbatical leave from August 26, 1986, through April 25, 1987 (with half pay). (To complete a review and summary of recent developments in cognitive science, and their impacts on teaching and learning.)

Lilliston, Lawrence G., Associate Professor of Psychology, sabbatical leave from January 5, 1987, through April 25, 1987 (with full pay). (To complete research reports about children of the Hare Krishna movement and to begin research on college student values and their attitudes toward education.)

Merz, Mildred, Associate Professor, University Library, sabbatical leave from February 1, 1987, through June 25, 1987 (with full pay). (To update the bibliography for the quarterly journal "Christianity & Literature." Also, to study prior-years' Oakland University book purchase lists to determine characteristics of used and unused books. Finally, to enroll in courses at the University of Michigan's School of Library Science concerning collection development.)

Ozinga, James R., Professor of Political Science, sabbatical leave from January 5, 1987, through April 25, 1987 (with full

pay). (To continue research and writing on religion and revolution by highlighting the theology of liberation in Latin American and Shi'i fundamentalism in Iran.)

Strauss, W. Patrick, Professor of History, leave from January 5, 1987, through April 25, 1987 (with no pay). (To accept a Fulbright Award to lecture in the People's Republic of China.)

Tombouliau, Paul, Professor of Chemistry and Chair, Department of Chemistry, sabbatical leave from January 5, 1987, through April 25, 1987 (with full pay). (To engage in a program of research, self-education, and writing in chemical toxicology and hazardous materials management. Also, to plan a book on household hazardous substances.)

Resignation (Information Item)

De Vol, Edward B., Instructor in Mathematical Sciences, effective August 14, 1986

Metzner, John J., Professor of Engineering and Acting Dean, School of Engineering and Computer Science, effective July 31, 1986

Roy, Katrina D., Instructor in Nursing, effective August 14, 1986

Death (Information Item)

Evarts, Peter G., Professor of English, June 15, 1986

Hammerle, William G., Professor of Engineering, July 8, 1986

Chairman Riley asked if the Board members had any questions on the faculty personnel actions, which had been reviewed by the Finance and Personnel Committee. Mr. Handleman, seconded by Mr. Mair, moved to approve the faculty personnel actions as presented. The motion was unanimously approved.

Approval of faculty reemployment and promotion actions (tenure or job security)

Mr. Kleckner reported that this item concerns recommendations which carry tenure status if approved. These faculty members have been reviewed by their departments, their school or college, and administratively, according to the provisions of the Faculty Agreement.

Mr. Kleckner made the following recommendation.

RESOLVED, That the Board of Trustees approve the following personnel actions which have been formulated by the Provost with the advice of the deans and faculty colleague review bodies in accordance with the specified tenure review process.

1. Assistant Professors eligible for reemployment and promotion to the rank of associate professor with tenure, effective August 15, 1987:

Arts and Sciences

Moore, Kathleen H.	Chemistry	Reemploy and Promote
--------------------	-----------	----------------------

Business Administration

Barclay, Lizabeth A.	Management	Reemploy and Promote
----------------------	------------	----------------------

Cross, Theresa M.	Mangement	Do not reemploy*
-------------------	-----------	------------------

Human and Educational Services

Housel, David C.		Reemploy and Promote
------------------	--	----------------------

Jaworski, Anne E.		Reemploy and Promote
-------------------	--	----------------------

2. Assistant Professors recommended for early promotion to the rank of associate professor with tenure, effective August 15, 1986:

Arts and Sciences

Lee, Hai-Wong	Physics	Reemploy and Promote
---------------	---------	----------------------

Malinski, Tadeusz	Chemistry	Reemploy and Promote
-------------------	-----------	----------------------

Schimmelman, Janice G.	Art and Art History	Reemploy and Promote
------------------------	---------------------	----------------------

* Termination effective August 14, 1987.

1. Instructors eligible for reemployment and promotion to the rank of assistant professor, effective August 15, 1986:

Nursing

Gallagher, Rita M. Reemploy and Promote

Kloosterman, Norman D. Reemploy and Promote

2. Assistant Professors eligible for reemployment to second, two-year probationary terms as assistant professor, effective August 15, 1987:

Arts and Sciences

Coffey, Mary P. Mathematical Sciences Reemploy

Severson, Mark W. Chemistry Reemploy

Steel, Brent S. Political Science Reemploy

Walia, Satish K. Biological Sciences Reemploy

Walton, A. Whitney History Reemploy

White, John Paul Music Reemploy

Business Administration

Moon, Soo-Young Management Reemploy

Murphy, J. Austin Management Reemploy

Engineering and Computer Science

Cheok, Ka Reemploy

Library

Salomon, Kristine S. Reemploy

Human and Educational Services

Borders, Leslie DiAnne Reemploy

3. Assistant Professors eligible for reemployment to final, two-year probationary terms as assistant professor, effective August 15, 1987:

Arts and Sciences

Feingold, Marcia	Mathematical Sciences	Reemploy
Kanost, Richard F.	Political Science	Reemploy

Business Administration

Hotelling, Harold	Economics	Reemploy
Post, Gerald V.	Economics	Reemploy

Health Sciences

Rozek, Richard J.	Industrial Health and Safety	Reemploy
-------------------	---------------------------------	----------

Nursing

Cass, Penny S.		Reemploy
Jackson, Frances C.		Reemploy
Zenas, Carol S.		Reemploy

4. Special Instructor eligible for reemployment to a final, two-year probationary term as a special instructor, effective August 15, 1987:

Henry R. DeLorme	Exercise Science	Reemploy
------------------	------------------	----------

Mr. Handleman stated that this matter was also considered by the Finance and Personnel Committee, and he moved approval of the recommendation. Mrs. Hartmann seconded the motion; it was unanimously approved.

Approval of degree candidate list of April 25, 1986

Chairman Riley observed that the degree candidate list is always approved after the graduates have left the University. The question relating to the time of receipt of the list by the Board has been reviewed. He noted that the list is delayed to assure that the candidates have met all University requirements.

Mr. Kleckner commented that the timing question is continually reviewed. The absence of a Board meeting last month has produced additional delay. He received two days ago the list of the June 25, 1986, graduates, which therefore missed the deadline date for this meeting.

Chairman Riley observed that there did not appear to be any way to expedite the process since action cannot be taken until classes are ended and grades and other requirements can be verified.

(See further discussion on this item on page 134.)

Meadow Brook Subdivision Financing Guarantee -

- a. Report as of June 23, 1986
- b. Report as of July 28, 1986

Mr. Robert McGarry, Vice President for Finance and Administration, stated that as of June 23, 1986, the Board of Trustees was guarantor for 45 mortgages in the University subdivision in amounts totaling \$1,392,389.16. On June 17, 1986, the University guaranteed payment on a promissory note in the amount of \$52,000.00 with an interest rate of 9.75 percent and a maturity date of July 1, 2001. The selling price of the home was \$81,897.00. On June 18, 1986, the University guaranteed payment on a promissory note in the amount of \$71,600.00 with an interest rate of 10.0 percent and a maturity date of July 1, 2001. The selling price of the home was \$89,500.00. In addition, the University has guaranteed payment on promissory notes for four refinancings brought about by the drop in mortgage rates.

The August 13, 1986, report covers guarantees on three additional refinancing transactions.

Chairman Riley asked if employees go to their own financial institution for refinancing, or do we send them to a specific company. Mr. McGarry answered that there are only two institutions that are willing to grant mortgages. They are the MSU Credit Union and Standard Federal Savings. The employees take this action on their own.

Chairman Riley questioned the differences in rates since the University is guaranteeing the loan. Mr. McGarry responded that rates depend on the time of the loan and the market at that time. Several years ago borrowers received a half-point advantage because of the guarantee. The lenders at that time are

no longer interested in subdivision loans. Their ability to sell the loans to other financial institutions is hampered because of the unusual situation where the University as a state entity holds title to the land. Our ownership prohibits the lender from foreclosing on the land. We may come to the point where we have no lending institutions willing to handle the financing, so we cannot do too much bargaining. The Credit Union is astute enough to realize the advantages of the guarantee, and it is encouraging these refinancings.

Mr. Handleman, noting that the Finance and Personnel Committee had reviewed and approved this report, moved that it be accepted. Mr. Mair seconded the motion; it was unanimously approved.

Authorization to apply for federal assistance for construction of family student housing

Mr. McGarry reported that the University currently has 48 married student housing units with a waiting list of over 200 students. There has been some discussion of the possibility of more housing, but with high interest rates it has been prohibitive. We have been advised that the federal Department of Education may be appropriating funds for college housing at interest rates as low as three percent. Funds may be available to a limited number of schools and we were required to make an application before June 30, 1986. The request was for \$3,278,500 for 48 units. The Department of Education requires a resolution from the governing board authorizing such an application. This is the basis for the following recommendation:

RESOLVED, That the Board of Trustees authorizes the filing of the application to the Division of Higher Education Incentive Program College Housing Program of the United States Department of Education for a loan of \$3,278,500 for the construction of 48 additional family housing units, and be it further

RESOLVED, That no final action on the loan or the project will be taken without subsequent Board action and the approval of the Michigan State Legislature.

Mr. McGarry stated that the project is in the "conceptual stage." This action does not commit the Board to the project or to accepting the loan. He added that the chances of receiving an award are low.

Mr. Riley stated that this item had been considered by the University Affairs Committee. Mrs. Hartmann reported that this subject had been discussed at some length, and there were a number of questions. The Committee agreed to proceed with this request with the understanding that this did not commit the University to accept the funds or undertake the project. If we receive a commitment, then at that time the Board can determine if it wishes to proceed. The Committee felt that it was wise, due to the deadline date, to submit the application even though the possibility of funding is not likely.

Chairman Riley stated that he was persuaded by the fact that the George Matthews Court Apartments are fully occupied and have a long waiting list.

Mr. Handleman moved that the Board authorize the application for federal assistance for construction of family student housing. Mr. Mair seconded the motion, and it was unanimously approved.

Approval of degree candidate list of April 25, 1986

Chairman Riley stated that due to the length of the discussion on the approval of degree candidates, he neglected to ask for a motion to approve the degree candidate list. Mrs. Hartmann moved, and Mr. Handleman supported the motion to approve the list of degree candidates. The motion passed unanimously.

Request for increase in project cost level for air conditioning of Shotwell-Gustafson Pavilion

Chairman Riley stated that the proposed request to increase the project cost for the air conditioning system at the Shotwell-Gustafson Pavilion was reviewed by the Finance and Personnel Committee. Mr. Handleman reported for the Committee and stated that it agreed to support the following resolution:

RESOLVED, That the Board of Trustees authorizes a revised project cost for the Shotwell-Gustafson Pavilion air conditioning project of \$270,000.

Chairman Riley called on Mr. McGarry for a report. Mr. McGarry stated that, "unfortunately and obviously we ran over budget." He stated that the project was being "fast-tracked" in an effort to complete it in time for certain programs. He stated by the time all of the contracts were in hand the project was over budget. Some degree of control had been lost. He apologized for the matter.

Mr. McGarry stated that he talked directly with the contractors, and was advised that major areas that were missed in the original estimate caused the overrun. There were additional costs of \$30,000 due to unanticipated structural modifications on the roof related to the girders holding the air conditioning units. In addition, there was an error in the original estimate relating to an electrical switch panel which added \$15,000 to the project. There also was an increase in cost of \$7,000 to expedite the delivery of air conditioning units. These items comprise about \$52,000 of the overrun.

Chairman Riley asked where we obtained the original \$200,000 figure. Mr. McGarry answered that the \$200,000 was based on an estimate from Hoyem-Basso of \$157,000 plus fees and contingencies. The actual costs are higher. Mr. McGarry did not think the cost would reach the \$270,000 authorization requested, however.

Chairman Riley inquired about the amount of the engineering firm's fee. Mr. McGarry said it has agreed to a fee of \$18,000, less than the original amount of \$20,000.

Chairman Riley then asked the Board members if there were any other questions. There were none. He asked Mr. McGarry about the present status of the project. Mr. McGarry answered that the air conditioning units were to be in place by August 15.

President Champagne stated that the project is nearly complete.

Chairman Riley stated that if additional funds are to be authorized, he wanted to know when the project will be completed. Mr. McGarry stated that air conditioning might be operative on August 15.

Mrs. Hartmann asked if the project would be completed by August 22, since there is a large event taking place on that date. Mr. McGarry stated there is a deadline of August 20.

Mr. Handleman, seconded by Mrs. Hartmann, moved approval of the resolution. The motion was unanimously approved.

Approval of workers' compensation redemption

Mr. John De Carlo, Vice President for Governmental Affairs, made the following recommendation:

RESOLVED, That the University's General Counsel is authorized to settle the workers' compensation claim filed by Ms. Frances A. Fritz in accordance with the written recommendation from retained counsel dated June 17, 1986.

Chairman Riley asked if this matter had been considered by the Finance and Personnel Committee. Mr. Handleman reported that the Committee agreed to the recommendation, and he moved its approval. The motion was seconded by Mr. Mair and unanimously carried.

Resolution providing for defense and indemnification of Trustees, Officers, and Employees.

Chairman Riley stated that he would call on Mr. De Carlo for a report on the issue of indemnification for directors, officers and employees. However, since this issue is related to the University's insurance coverage, he first asked Mr. McGarry for his comments. Mr. McGarry stated that the current directors and officers policy expires August 16, 1986. The University's insurance agent has contacted several companies and the University has been rejected for coverage by all but four firms. Those firms have not yet responded.

Chairman Riley suggested that we consider providing our business in the "good" coverage areas to a firm willing to take the less desirable risks. Mr. McGarry stated that we are not alone with this problem. To his knowledge, only three universities have coverage, and one of the school's coverage is so inadequate that the school intends to self-insure. The exclusions in the policies are so broad that there is little protection.

Mr. De Carlo stated that the University still has personal injury, bodily injury, and property damage coverage. What has lapsed is the directors and officers policy which covers all employees and trustees for errors and acts of omission. A resolution is being presented at this meeting to establish a mechanism whereby the Board would review each case requiring defense and/or indemnification in order to determine whether the University will defend and indemnify a director, officer, employee, or volunteer for actions that are within the scope of authority and course of employment and that are not a violation of the law or an act of gross negligence. The proposed resolution would also require the establishment of a self-insurance fund to provide the resources that may be needed to cover the costs of defense and indemnification.

Mr. Sims requested an explanation of the basis for the exclusions referred to by Mr. De Carlo. Mr. De Carlo responded that it is a generally accepted principle that certain actions, such as an intentional violation of a penal statute, fraud, dishonesty, or a grossly negligent act, would not be considered to be within the scope of someone's authority. Generally, these acts are excluded from insurance coverage.

Mr. Sims inquired about the course of action when an act is alleged, but it is uncertain whether the act would fall into an excluded category. Mr. De Carlo stated that in such an instance the party could be provided with a defense, but the decision on indemnification could be delayed. Insurance companies often take this position.

Chairman Riley inquired whether some institutions have established reserves in order to self-fund. Mr. McGarry responded that Michigan State University, University of Michigan, Ferris State College and others have self-funded. The Michigan Council of State College Presidents and other organizations are exploring the possibility of forming "captive" insurance companies. The University of Michigan has formed its own "captive" company.

Mr. De Carlo stated that the proposed resolution was in an abbreviated form. A more detailed resolution will be presented to the Board for consideration at a later date. The more detailed resolution will contain procedural guidelines for the implementation of the policy. It was determined that since there was not adequate time for a full review by the Board of the policy and the procedures, a temporary resolution should be adopted.

The following recommendation was presented for approval:

WHEREAS, The Oakland University Board of Trustees, after deliberation and consultation, has determined that a policy of indemnifying certain officers, employees and trustees against claims and legal actions arising out of such person's service to or on behalf of Oakland University is not only fair and just to those who have diligently and responsibly served the interests of Oakland University, but would further benefit the University by encouraging qualified and responsible persons to seek, accept, or continue appointive office, or employment, with the University;

NOW THEREFORE, In consideration of the foregoing, the Board of Trustees of Oakland University hereby resolves to implement the following program of indemnification:

1. INDEMNIFICATION. In accordance with the procedures and subject to the limitations set forth in this Resolution, and with the prior specific approval of the Board of Trustees of each case, the University shall indemnify any trustee, officer, employee or appointed volunteer (each referred to hereafter as "agent"), who is a party to or is threatened to be made a party to any pending or threatened action, suit, proceeding, or investigation, whether civil, criminal, or administrative (other than an action by or in the right of the University), related to the good faith conduct or inaction of the agent within the agent's Scope of Authority. Such indemnification shall include all expenses (including reasonable attorneys' fees, subject to the engagement of an attorney by the University on the agent's behalf), judgments, fines, and amounts paid in settlement, actually and reasonably incurred by the agent in connection with such action, suit, proceeding, or investigation. There shall be no right to such indemnification if the action, suit, proceeding, or investigation involves allegations or possible allegations related to any matter deemed by the Board of Trustees not to be in the interest of the University. The foregoing shall not be interpreted to limit the power of the University, through the Board of Trustees and at its sole discretion, to elect to indemnify and hold harmless any agent or any other person in any particular circumstance.

"Scope of Authority" shall mean within the duties and responsibilities of the agent, including any areas which the agent believes to be within his or her duties and responsibilities provided there is a reasonable basis for such belief. A willful and knowing violation of federal, state, or local law or the University's ordinances, policies, rules, and regulations is outside of any agent's duties and responsibilities.

2. PRIOR APPROVAL OF INDEMNIFICATION AND PROCEDURES. No indemnification shall be provided pursuant to this Resolution except upon the application of

the individual seeking indemnification in accordance with the procedures to be established, and the determination of the Board of Trustees, as provided herein, that the individual seeking indemnification has met the applicable standard of conduct set forth above and as set forth in any code of ethics adopted and promulgated by the Board of Trustees or the State of Michigan.

3. REVOCATION OF INDEMNIFICATION. Anything contained herein to the contrary notwithstanding, if the agent at any time in the course of the action, suit, proceeding, or investigation shall fail to cooperate with counsel approved by or appointed by the University, or if it shall become clear that the individual does not satisfy the standards for legal representation or indemnification against legal expenses provided in this Resolution, the Board of Trustees, upon the recommendation of the General Counsel, or a designee, may terminate any entitlement to legal representation or indemnification the individual may have or may have acquired under this Resolution, arising by determination of the Board of Trustees.

4. FUNDING OF INDEMNIFICATION. The University may, from time to time, purchase and maintain liability insurance, including directors and officers errors and omissions coverage, to the extent reasonably commercially available, with generally recognized insurers authorized to do business within the State of Michigan, and with such deductible levels as the University shall determine in its sole discretion. In the event that the University shall purchase such coverage, the University shall attempt to assure that each trustee, and employee, is an insured thereunder. In such event, the University shall nevertheless itself continue to indemnify agents to the extent of the deductible limits provided by such insurance. If the University does not purchase such insurance, or shall cancel any such insurance that it may purchase, or if an agent is not covered by such insurance, or if for any other reason such insurance coverage is not available to the agent, the extent of indemnification to an agent shall be limited to One Million Dollars (\$1,000,000.00), plus attorneys' fees. Any other provision hereof notwithstanding, the obligation of the University to provide indemnification under this Resolution, shall in the

aggregate not exceed the sum of Two Million Dollars (\$2,000,000.00) in any single fiscal year of the University for all actions relating to all agents; such aggregate annual sum shall be exclusive of the amount of proceeds of any insurance maintained by the University. In any event, the University shall establish and maintain a self-insurance fund to provide funds for the payment of all expenses described herein, including such insurance deductibles as shall from time to time be effective under policies purchased by the University.

5. PROCEDURAL REGULATION BY GENERAL COUNSEL. The General Counsel shall promulgate, for Board of Trustees consideration and approval, a policy and general procedures for the submission of requests for legal representation or indemnification pursuant to this Resolution. Any such procedure shall be followed by the individuals seeking legal representation or indemnification as a condition to obtaining such coverage.

Mr. Sims, seconded by Mrs. Hartmann, moved approval of the resolution. It was unanimously approved.

Resolution honoring Mildred Jeffrey

Mr. De Carlo stated that Wayne State University is submitting the name of Mildred Jeffrey, a member of its Board of Governors, as a candidate for the National Trustee Award, which is presented by the Association of Governing Boards of Universities and Colleges at its annual meeting. Wayne State University has advised us of this matter and has suggested that nominations in support of Ms. Jeffrey would be appreciated.

The Finance and Personnel Committee recommended that the following resolution should be adopted at the August meeting:

WHEREAS, It has come to the attention of the Oakland University Board of Trustees that the Wayne State University Board of Governors will nominate Ms. Mildred Jeffrey, a member of its Board, for the Association of Governing Boards of Universities and Colleges Distinguished Service Award in Trusteeship; and

WHEREAS, The Oakland University Board of Trustees is well aware of the outstanding public service performed by Ms. Mildred Jeffrey throughout her entire career; and

WHEREAS, She has been actively involved in numerous programs relating to higher education, having served on the Wayne State University Board of Governors since 1974, and having served as the Chair of the Board of Governors in 1979 and 1980; and

WHEREAS, She has provided great service and leadership to the Michigan Association of Governing Boards of Universities and Colleges, having served as the Chair from 1983 to 1986; and

WHEREAS, Mildred Jeffrey, through these efforts, has enhanced the status of higher education, both for Wayne State University and all of the universities and colleges in the State of Michigan;

NOW THEREFORE BE IT RESOLVED, That the Oakland University Board of Trustees enthusiastically supports and endorses the nomination of Mildred Jeffrey for the Association of Governing Boards of Universities and Colleges Distinguished Service Award in Trusteeship; and

BE IT FURTHER RESOLVED, That the Secretary to the Oakland University Board of Trustees shall forward a copy of this Resolution to the Association of Governing Boards, and to Ms. Mildred Jeffrey, and the Wayne State University Governing Board.

Mr. Handleman moved approval, which was seconded by Mrs. Hartmann. The motion passed unanimously.

President's report

President Champagne complimented Mr. Keith Crain, Honorary Chairman of the Concours d'Elegance program, which raised \$161,000 for Meadow Brook Hall in a one-day program, the largest fund-raising event in the University's history.

President Champagne noted that at the June meeting two students, Mr. James A. Doyon and Mr. Randy Swansey, presented some concerns. President Champagne stated that he felt it necessary to respond publicly to the students' comments and asked Mr. Kleckner to make a preliminary report.

Chairman Riley asked if Mr. Swansey submitted a written statement as requested. Mr. De Carlo stated that Mr. Swansey was asked in

writing to submit his written comments but no response had been received. Mr. Kleckner stated that although no written communication was received, perhaps Mr. Swansey felt that he conveyed his information adequately through a meeting with Dean Gerald Pine.

Mr. Kleckner's remarks are paraphrased below.

The students' concerns can be divided into two areas: those relating to the School of Human and Educational Services (SHES) and those having to do with broader University areas. The primary concern with the School is overcrowding of classes, and too many students for faculty and staff. We are aware of this problem, and that is why we are holding enrollment to last year's level, and plan to reduce the total number in the future.

There is great pressure to take education courses because of perceived expanded employment opportunities. Not only are new students requesting admission but previously admitted students are also returning. We are reviewing the possibility of offering duplicate courses and sections. We have added twenty-two more course sections over the last year.

Another problem is the long waiting period to see an advisor. We may add some temporary help. This is a resource problem.

There were some scheduling problems and we are taking steps to assure that these problems do not occur again.

The other issues involve broader University areas and relate to such matters as food service. Specifically, there was concern about the lack of food service after 5:00 p.m. The basic problem is cost. There is not enough consumer volume to warrant full service at night. A study is underway to determine what additions can be provided.

Another objection related to inadequate maintenance of vending machines. This is being addressed.

Another concern was the lack of evening hours for administrative offices. We shall attempt to address

this problem, but there is a cost problem. In the past, the volume of contacts did not warrant hiring more staff for evening hours.

There was a complaint about the "red tape" and "paperwork" required by students. This objection may have merit and we shall audit our procedures since a review of this problem has not been conducted for several years.

Chairman Riley inquired if a question or complaint box should be provided or if an ombudsman should be appointed. Mr. Kleckner stated that there is a question box in the Oakland Center. In addition, the Student Handbook instructs students on what to do and who to contact if there is a problem. Also, a special booklet, "What if a student ...", is provided to help students handle problems.

Mr. Sims stated that since we have a good number of evening and part-time students, the two students who appeared before the Board did us a service. We should take these comments as an opportunity to determine if we are inconveniencing our students and creating problems. Mr. Kleckner stated that he agreed. That was the reason for the audit of forms and paperwork required of students.

Chairman Riley inquired if students were generally satisfied with the University. Mr. Kleckner stated that he could not give an informed answer to that question.

Professor Gerald Pine, Dean of the School of Human and Educational Services, stated that as we make decisions to freeze or reduce enrollment and to control class size, there will be some unhappiness by those not admitted.

Mr. Kleckner stated that he is reviewing the enrollment issue since we have limited resources. Recommendations will be forwarded to the Board on this subject. Academic standards may become the primary basis for controlling enrollment levels.

Mr. Sims observed that he hoped that academic standards would not be the sole basis for admission. Mr. Kleckner responded that we need a representative student body and academic standards would not be the only basis for admission.

Chairman Riley asked why the Oakland Center and Meadow Brook Hall budgets were omitted from the agenda. President Champagne stated that these items are traditionally reviewed by the Finance and Personnel Committee.

Chairman Riley asked if there were any questions or comments from the audience. There being none, he called for a motion to adjourn.

Mrs. Hartmann moved, seconded by Mr. Mair, to adjourn. The motion was approved and the Board adjourned at 6:45 p.m.

Approved,

John De Carlo, Secretary
Board of Trustees

Wallace D. Riley, Chairman
Board of Trustees