

Minutes of the Meeting
of the
Oakland University Board of Trustees
June 10, 1992

Present: Chairman Howard F. Sims, Trustees Larry Chunovich,
Andrea Fischer, David Handleman, L. Brooks
Patterson, Stephan Sharf and James A. Sharp, Jr.

Chairman Howard F. Sims called the meeting to order at 3:08 p.m.
in the Gold Rooms of the Oakland Center.

Approval of the Minutes of the Meeting of May 13, 1992

Trustee Phyllis Law Googasian, seconded by Trustee L. Brooks
Patterson, moved approval of the proposed minutes of the meeting
of the Board of Trustees for June 10, 1992. The motion was voted
on and unanimously carried.

Approval of the Minutes of the Closed Meeting of May 13, 1992

Trustee Googasian, seconded by Trustee Patterson, moved approval
of the proposed minutes of the closed meeting of the Board of
Trustees for June 10, 1992. The motion was voted on and unani-
mously carried.

Introduction of Dr. Sandra Packard

Chairman Howard F. Sims noted the presence at the meeting of Dr.
Sandra Packard who will assume the office of President of Oakland
University on Monday, June 15, 1992.

Dr. Packard received a round of applause. She stated that it is
a pleasure to be at Oakland, and she and her husband have been
made to feel very welcome by the University community.

Presentation of Alfred G. and Matilda R. Wilson Awards and Human
Relations Award

Ms. Wilma Ray-Bledsoe, Vice President for Student Affairs, stated
that it is always a pleasure to present the recipients of the
Wilson Awards and the Human Relations Award to the Board.

Ms. Ray-Bledsoe then read the first resolution:

WHEREAS, Mr. Reginald J. McCloud entered Oakland
University in the Fall of 1990 from Highland Park
Community College, Highland Park, Michigan; and

WHEREAS, Mr. McCloud distinguished himself as a leader committed to increasing unity and understanding between diverse groups of faculty, students and staff; and

WHEREAS, Mr. McCloud has demonstrated leadership capabilities and commitment to the University by his participation in a variety of campus functions, including his work as a writer and managing editor of UMOJA, a newsletter designed to present the African-American perspective on relevant issues to the University community. Through quiet and unassuming interventions, he has brought many individuals with different viewpoints together. Mr. McCloud has served as a literacy volunteer and has served as an officer in the Freemasonry Society in the community. In addition, Mr. McCloud has served as the Artistic Director for a Detroit City Summer Youth Program which included an interracial group of actors and musicians and which toured 21 Detroit Public Libraries; and

WHEREAS, Mr. McCloud has been selected by Interim President John De Carlo as the 1992 recipient of the Human Relations Award given annually to a graduating senior who has made an outstanding contribution to intergroup understanding and conflict resolution in the Oakland University community; now, therefore, be it

RESOLVED, that the Board of Trustees expresses its appreciation to Mr. Reginald J. McCloud for his commitment to campus life at Oakland University; and, be it further

RESOLVED, that the Board of Trustees commends Mr. Reginald J. McCloud for the quality of his leadership.

Chairman Sims then presented a parchment resolution to Mr. McCloud, and there was a round of applause.

Ms. Ray-Bledsoe then read the following resolution:

WHEREAS, Mr. David E. Nykanen entered Oakland University in the Fall of 1988 from Royal Oak Kimball High School, Royal Oak, Michigan; and

WHEREAS, Mr. Nykanen was an Honors College student who completed a major in Political Science and a minor in German, with a grade point average of 3.80, in the College of Arts and Sciences; and

WHEREAS, Mr. Nykanen has demonstrated superior leadership capabilities and commitment to the University by his participation in a variety of campus functions, including the University Student Congress, where he served as an elected congress member and as the Student Services Director. Mr. Nykanen served as the co-chairperson for the 1989 Black Awareness Month activities and as a student representative on the Honors College Council. Mr. Nykanen assisted fellow students within the Academic Skills Center where he tutored in the areas of political science, economics, chemistry and German, and Mr. Nykanen served as a Peer Study Leader for the Enhanced Studies Program, a program designed to academically assist under-represented students; and

WHEREAS, Mr. Nykanen's academic excellence and University service have been recognized by the Michigan Association of Governing Boards through the 1992 Outstanding Student Award; and

WHEREAS, Mr. Nykanen has been selected as the 1992 recipient of the Alfred G. Wilson Award given annually to a senior man who has maintained high academic standards and who has demonstrated extraordinary leadership capabilities and social concern through involvement in the Oakland University community; now, therefore, be it

RESOLVED, that the Board of Trustees expresses its appreciation to Mr. David E. Nykanen for his commitment to campus life at Oakland University; and, be it further

RESOLVED, that the Board of Trustees commends Mr. David E. Nykanen for the quality of his leadership and scholarship.

Chairman Sims then presented Mr. Nykanen with a parchment resolution, and Mr. Nykanen also received a round of applause.

Ms. Ray-Bledsoe then read the following resolution:

WHEREAS, Ms. Lynn M. Waroway entered Oakland University in the fall of 1987 as a freshman from Ferndale High School, Ferndale, Michigan; and

WHEREAS, Ms. Waroway demonstrated academic excellence by maintaining a 3.50 grade point average while completing a double major in Accounting and Economics within the School of Business Administration; and

WHEREAS, Ms. Waroway has demonstrated superior leadership capabilities and commitment to the University through her participation in a variety of campus functions, including the Oakland Accounting Students Information Society (OASIS) where she worked to increase overall membership by 10 percent during the 1991-92 academic year. Ms. Waroway's involvement with OASIS led to her participation with the Volunteer Income Tax Assistance Program, in which low-income persons receive no-cost assistance in completing their tax forms. Ms. Waroway has also been active in her community with the Special Olympics program. Ms. Waroway holds membership in the Golden Key National Honor Society, Beta Alpha Psi, Beta Gamma Sigma, Omicron Delta Epsilon, the Economics and Finance Society and the American Marketing Society; and

WHEREAS, Ms. Waroway has been selected as the 1992 recipient of the Matilda R. Wilson Award given annually to a senior woman who has maintained high academic standards, who has demonstrated extraordinary leadership capabilities and involvement in the Oakland University community and who has expressed social concern; now, therefore, be it

RESOLVED, that the Board of Trustees expresses its appreciation to Ms. Lynn M. Waroway for her commitment to campus life at Oakland University; and, be it further

RESOLVED, that the Board of Trustees commends Ms. Lynn M. Waroway for the quality of her leadership and scholarship.

Chairman Sims presented a parchment resolution to Ms. Waroway who also received a round of applause.

Trustee James A. Sharp, Jr., seconded by Trustee Patterson, moved approval of the resolutions. The motion was voted on and unani-
mously carried.

Report on Gifts and Grants to Oakland University for the period of
April 1, 1992, through April 30, 1992, and to the Oakland Univer-
sity Foundation for the same period.

Mr. Paul Osterhout, Director of Development, reported that gifts and grants to Oakland University for the month of April, 1992, totaled \$1,169,989.99. He noted a \$10,000 gift for the purpose of scholarships from the Oakland University-Macomb County Scholarship

Committee and a gift of \$15,000 to the School of Nursing represent-
ing Crittenton Hospital's annual support of the Nightingale Award
Dinner. Mr. Osterhout also reported that gifts and grants to the
Oakland University Foundation totaled \$123,237.15.

Trustee Larry Chunovich, supported by Trustee Googasian, moved
acceptance of the gifts to Oakland University with gratitude. The
motion was voted on and unanimously carried.

Faculty Personnel Actions

Mr. Keith Kleckner, Senior Vice President for Academic Affairs and
Provost, made the following recommendations:

Appointment

Brown, Stephen Lawrence, Adjunct Assistant Professor of
Medical Physics, effective August 15, 1991, through
August 14, 1994 (new appointment to an honorary position)

Rosen, Helene M., Clinical Instructor in Physical Thera-
py, effective January 1, 1992, through August 14, 1994
(new appointment to an honorary position)

Change of Status

Mascitelli, David W., from Associate Professor of English
to Associate Professor of English and Acting Chairperson,
Department of English, effective September 1, 1992,
through December 18, 1992

Leaves of Absence

Lau, David L., Assistant Professor of Communication Arts, sabbatical leave from January 4, 1993, through April 28, 1993 (with full pay)

Montenegro, Patricia G., Assistant Professor of Spanish, sabbatical leave from September 1, 1992, through December 18, 1992 (with full pay)

Zohdy, Mohamed A., Associate Professor of Engineering, sabbatical leave from September 1, 1992, through December 18, 1992 (with full pay)

Withdrawal of Acceptance

Chen, Hubert J., Professor of Mathematical Sciences with tenure, effective August 15, 1992 [Supersedes previous Board action of March 11, 1992]

Mr. Kleckner reviewed the details regarding the withdrawal of acceptance of Hubert J. Chen.

Trustee Googasian, seconded by Trustee Sharp, moved approval of the recommendations. The motion was voted on and unanimously carried.

Appointment of a Dean of the School of Nursing

Mr. Kleckner reported that a written summary on the status of the appointment of a dean of the School of Nursing was distributed to the Trustees. He stated that all of the conversations with the preferred candidate for the School have concluded, and the candidate was given a deadline date of June 19, 1992, to respond to Oakland's offer.

Mr. Kleckner stated that the next related recommendation to the Board will be to approve the appointment of a new dean or to reopen the search process.

Adoption of Change in Degree Titles from Master of Arts in Teaching to Master of Education in the areas of Curriculum, Instruction and Leadership; Early Childhood; and Special Education

Mr. Kleckner stated that the School of Education and Human Services is requesting an update of degree titles. The Master of Arts in Teaching degree title pertains to a time when most students in the

program did not already hold teaching certification. Presently, almost all of the graduate students in education have teaching certification, and the Master of Education is the most common title used nationally.

Mr. Kleckner then made the following recommendation:

RESOLVED, that the Board of Trustees authorizes the change in degree title from Master of Arts in Teaching to Master of Education in the areas of Curriculum, Instruction and Leadership; Early Childhood; and Special Education.

Trustee Googasian, seconded by Trustee Sharp, moved approval of the recommendation. The motion was voted on and unanimously carried.

Board of Trustees Meeting Dates, 1992-93

Chairman Sims noted that the Trustees have received a recommendation for the establishment of Board meeting dates for the 1992-93 fiscal year. In a recent discussion with Mr. De Carlo and Dr. Packard, it has been determined that there may be no need for a July Board meeting. Also, in view of the practices of other universities, some modifications to the Board meeting schedule will be taken under consideration by the Board at a future date.

In order to provide for some continuity until the Board acts, and to meet the requirements of the law, Chairman Sims made the following recommendation:

WHEREAS, the Michigan Open Meetings Act requires the publication of the Board meeting dates for each calendar or fiscal year, and

WHEREAS, the Board wishes to provide President Sandra Packard with the opportunity to consider the requirements of the administration with respect to the Board meeting dates, and noting that there shall be no regularly scheduled meeting during the month of July; now, therefore, be it

RESOLVED, that the Board of Trustees tentatively approves the following dates for the regular Board meetings for the university fiscal year, 1992-93:

Wednesday, August 12, 1992
Wednesday, September 9, 1992
Wednesday, October 14, 1992
Wednesday, November 11, 1992
Wednesday, December 9, 1992
Wednesday, January 13, 1993
Wednesday, February 10, 1993
Wednesday, March 10, 1993
Wednesday, April 14, 1993
Wednesday, May 12, 1993
Wednesday, June 9, 1993

and, be it further

RESOLVED, that the meetings will be held at the Oakland Center, Oakland University, Rochester, Michigan at 3 p.m. unless otherwise posted; and, be it further

RESOLVED, that this schedule is subject to further amendment.

Trustee Sharp, seconded by Trustee Googasian, moved approval of the recommendation. The motion was voted on and unanimously approved.

Trustee David Handleman arrived at the meeting at this time.

Chairman Sims stated that in view of the fact that the July meeting has been canceled and that Dr. Packard will be reviewing a number of issues at the University, there is a need to confirm the inherent authority granted to the President to carry out the administrative functions of the institution. He recommended that the Board should authorize the President to take any critical personnel actions that are "appropriate and necessary to carry out the function of the University."

Chairman Sims then asked Mr. De Carlo to read the following recommendation:

RESOLVED, that the Board of Trustees recognizes that in view of the fact that there will be no Board meeting during the month of July, 1992, and since President Sandra Packard will be in the process of immediately reviewing many issues at the institution, there is a need to confirm that in accordance with the

inherent authority granted to the President to carry out the administrative functions at the institution, the Board does hereby authorize the President to take those critical personnel actions appropriate and necessary to carry out the functions of the University and to protect its well being. Further, the President shall report to the Board at its next regularly scheduled meeting regarding all such actions of a personnel nature taken under this authority.

Trustee Andrea Fischer raised several questions regarding this recommendation such as the nature of the personnel actions in question and the level of personnel actions that require Board approval. Mr. De Carlo noted that this resolution would "confirm the authority of the President to reassign individuals or to suspend or take appropriate action with respect to matters of a personnel nature." He also noted that the Board generally makes academic or key executive appointments; however, it is not involved in reassignments such as those actions relating to the recent closing and resultant personnel actions in the division of University Extension and Public Service.

Chairman Sims stated that since this authority is vested in the President already, and since Dr. Packard is beginning her term on Monday, June 15, 1992, this is simply a reaffirmation of authority.

Trustee Patterson stated that he concurred in Trustee Fischer's questioning of the recommendation and if the authority is inherent through the Board Bylaws, then it is not necessary that it be reconfirmed by official action of the Board.

Chairman Sims stated that since the Board apparently recognizes the broad authority vested in the President, there is no need for the Board to vote on the proposed recommendation.

Trustee Stephan Sharf referred to a document listing the frequency of Board meetings at other institutions and questioned that if an institution's governing board met only four times a year, its President must have considerable authority. He also questioned the need for the number of meetings scheduled for the University's Board.

Chairman Sims stated that as the Board considers whether or not a different schedule of meetings might be appropriate, Trustee Sharf's concern on the number of meetings will be addressed.

1992-93 Tuition and Fee Schedule

Mr. McGarry noted that the Governor has recommended a zero increase for higher education operating budgets for 1992-93. The budget projections, based upon conservative estimates, excluding tuition and fee increases, indicate a general fund deficit of nearly \$4.3 million. The proposed increase in tuition and fees will reduce the deficit to approximately \$2 million. The reduction measures have been identified to cover the shortfall. He also noted that there was an additional \$680,000 in permanent budget reductions made in 1991-92. Mr. McGarry stated that the recommended tuition and fees reflect an average increase of 8.38 percent for full-time Michigan-resident undergraduates. Other fees recommended for increase in order to cover associated costs and to match competitive charges are the competency exam fee from \$30 to \$41 and the off-campus course differential from \$4 to \$8 for undergraduate students and from \$7 to \$14 for graduate students.

Mr. McGarry then made the following recommendation:

RESOLVED, that the Board of Trustees approve the attached schedule, Exhibit I, of proposed student Tuition and Fee Rates for 1992-93.

EXHIBIT I

Oakland University
 1992-93 Tuition and Fee Schedule
Effective Summer Session 1992

	<u>Current 1991-92 Rate</u>	<u>Changes</u>	<u>1992-93 Rate</u>
1. <u>Tuition per semester credit hour:</u> (a)			
a. Michigan residents:			
Undergraduate: Lower	\$ 70.75	\$ 6.00	\$ 76.75
Undergraduate: Upper	81.00	7.75	88.75
Graduate	135.00	14.00	149.00
b. Non-residents:			
Undergraduate: Lower	213.00	21.00	234.00
Undergraduate: Upper	233.00	24.00	257.00
Graduate	299.00	31.00	330.00
c. Competency credit exam fee:			
Undergraduate: Lower	30.00	11.00	41.00
Undergraduate: Upper	30.00	11.00	41.00
Graduate	30.00	11.00	41.00
All Non-residents	30.00	11.00	41.00

	<u>Current 1991-92 Rate</u>	<u>Changes</u>	<u>1992-93 Rate</u>
d. Off-Campus Differential: (b)			
Undergraduate: Lower	4.00	4.00	8.00
Undergraduate: Upper	4.00	4.00	8.00
Graduate	7.00	7.00	14.00
2. <u>Required fees per semester:</u>			
a. Undergraduates taking 10 credits or more:			
General Service Fee	\$ 83.00	-	\$ 83.00
Student Activities (c)	<u>13.25</u>	<u>-</u>	<u>13.25</u>
Total	\$ 96.25	-	\$ 96.25
b. Undergraduates taking less than 10 credits:			
General Service Fee	\$ 83.00	-	\$ 83.00
Student Activities (c)	<u>12.50</u>	<u>-</u>	<u>12.50</u>
Total	\$ 95.50	-	\$ 95.50
c. Graduates taking 8 credits or more:			
General Service Fee	\$ 83.00	-	\$ 83.00
Student Activities (c)	<u>10.00</u>	<u>-</u>	<u>10.00</u>
Total	\$ 93.00	-	\$ 93.00
d. Graduates taking less than 8 credits:			
General Service Fee	\$ 83.00	-	\$ 83.00
Student Activities (c)	<u>8.00</u>	<u>-</u>	<u>8.00</u>
Total	\$ 91.00	-	\$ 91.00
3. <u>Special course fees per course:</u>			
ED 455	\$ 35.00	-	\$ 35.00
ED 597	50.00	-	50.00
Applied Music:			
Individual Instruction			
2 Credits	85.00	-	85.00
4 Credits	170.00	-	170.00
Group Instruction	25.00	-	25.00
Course Fee (d)	30.00	-	30.00
4. <u>Other Fees:</u>			
Application Fee: Undergraduate	\$ 25.00	-	\$ 25.00
Application Fee: Graduate	30.00	-	30.00
Readmission Fee: Undergraduate	25.00	-	25.00
Readmission Fee: Graduate	30.00	-	30.00
Graduation Service Fee	30.00	-	30.00
Late Registration	35.00	-	35.00 (e)
Late Addition-of-Course (per course added)	10.00	-	10.00

	Current 1991-92 <u>Rate</u>	<u>Changes</u>	1992-93 <u>Rate</u>
Orientation Fees:			
Freshmen	60.00	-	60.00
Transfer Students	35.00	-	35.00
Reissue of Diploma	30.00	-	30.00
Unofficial Transcript Fee	3.00	-	3.00
Transcript Fee	5.00	-	5.00
Same Day Transcript Fee	10.00	-	10.00

Summary comparison of tuition and required fees cost (exclusive of special course fees):

				<u>Percent Increase</u>
a.	Undergraduate Michigan resident student taking a 31 credit hour load for two semesters:			
	1) Lower Division:			
	Tuition	\$2,193.25	\$186.00	\$2,379.25
	Required Fees	192.50	-	192.50
	Total	<u>\$2,385.75</u>	<u>\$186.00</u>	<u>\$2,571.75</u> 7.80%
	2) Upper Division:			
	Tuition	\$2,511.00	\$240.25	\$2,751.25
	Required Fees	192.50	-	192.50
	Total	<u>\$2,703.50</u>	<u>\$240.25</u>	<u>\$2,943.75</u> 8.89%
	Average Resident Undergraduate	<u>\$2,544.63</u>	<u>\$213.12</u>	<u>\$2,757.75</u> 8.38%
b.	Graduate Michigan resident student taking a 24 credit hour load for two semesters:			
	Tuition	\$3,240.00	\$336.00	\$3,576.00
	Required Fees	186.00	-	186.00
	Total	<u>\$3,426.00</u>	<u>\$336.00</u>	<u>\$3,762.00</u> 9.81%
c.	Non-resident undergraduate student taking a 31 credit hour load for two semesters:			
	1) Lower Division:			
	Tuition	\$6,603.00	\$651.00	\$7,254.00
	Required Fees	192.50	-	192.50
	Total	<u>\$6,795.50</u>	<u>\$651.00</u>	<u>\$7,446.50</u> 9.58%
	2) Upper Division:			
	Tuition	\$7,223.00	\$744.00	\$7,967.00
	Required Fees	192.50	-	192.50
	Total	<u>\$7,415.50</u>	<u>\$744.00</u>	<u>\$8,159.50</u> 10.03%
d.	Non-resident graduate student taking a 24 credit hour load for two semesters:			
	Tuition	\$7,176.00	\$744.00	\$7,920.00
	Required Fees	186.00	-	186.00
	Total	<u>\$7,362.00</u>	<u>\$744.00</u>	<u>\$8,106.00</u> 10.11%

NOTES

- (a) Tuition rates are per credit hour and do not vary between fall and winter semesters and spring and summer sessions.
- (b) The off-campus differential is assessed as a course fee in addition to the regular applicable tuition rates.
- (c) Increased spring session 1992. See Exhibit III.
- (d) Course fees are assessed for all courses in business, engineering, computer science, mathematics, chemistry, physics, biology, nursing, and health sciences. The \$30 course fee is for a standard 4 credit hour course. Courses greater than or less than 4 hours will be assessed at \$7.50 per credit hour.
- (e) \$100 if the late registration occurs after the official count date for the term.

Chairman Sims stated that in his eleven years on the Board, this is the first time he has ever received a letter from a student or student organization recognizing and commending the action taken in raising tuition. He asked Mr. De Carlo to read the letter from Mr. Derek Wilczynski, University Student Congress President.

Mr. De Carlo then read the following letter:

Dear Trustee Members: It is my hope that you approve of Mr. De Carlo's recommendation of an 8.3 percent tuition increase for the fall 1992 semester. While no increase would be preferable, compared to our sister institutions, 8.3 percent is acceptable. At the end of the winter semester, it appeared as though we were going to be burdened with a double digit percentage increase. Mr. De Carlo was honest and forthright with student leaders on campus concerning the probability of a large increase. University Congress worked on determining student's views on an increase. Our research was inconclusive. Students have little concept of a university budget and gave generic answers to the fiscal problems of Oakland.

As a student leader at Oakland, I put faith in Mr. De Carlo, Mrs. Bledsoe and others who worked to keep the tuition increase as low as possible. Again, I would like to stress my support for Mr. De Carlo's recommendation. I hope you take my input into consideration when you vote on Wednesday. Thank you.

Mr. De Carlo then stated that the administration struggled with this issue, and it did not wish to put the burden of the zero increase from the state on the students nor the employees. He noted that the administration has tried to make a successful effort of balancing the budget, and unfortunately a tuition increase is necessary. He noted that increases at other institutions range from 6.5 percent to in excess of 14 percent. Some of the universities are using additional methods to obtain funding by implementing fees. The administration has tried to keep the tuition as low as possible, and at this reading Oakland's will be the third lowest percentage increase in the state. Mr. De Carlo stated that he appreciated Mr. Wilczynski's comments, and he believes that the students are receiving a fair return for the money. The students are beginning to recognize that they are getting what U.S. News & World Report indicated was "one of the best buys in the midwest."

Trustee Chunovich concurred with Mr. De Carlo's comments regarding the tuition process. He stated that the Finance and Personnel Committee has spent a considerable amount of time reviewing the budget and the tuition recommendation, and he moved approval of the recommendation. Trustee Handleman seconded the motion.

Trustee Patterson noted that last year at this time he had indicated he would be disinclined to vote for an increase this year unless the administrative reductions have been justified, and he asked for this justification. Mr. McGarry reviewed the related materials in detail and noted the dollar amount of the divisional budget cuts.

Mr. De Carlo stated that the current year will end in a balanced fashion due to the position freeze, the cutting of supplies, services and travel, and lay offs in certain areas. He noted that the entire budget was reviewed, and any further lay offs will be minimal. He also noted that the administration tried to preserve the academic mission and programs at the University. He added that the bulk of the dollars are in the academic area and should remain there. The budget and tuition increase is "fair, reasonable and rational," and he would like to provide President Packard "with an opportunity to review the total academic program so that more informed, rational judgments can be made on a long-term basis."

Trustee Sharf raised concern that tuition is increasing faster than inflation. He requested a "simple" sheet with the budget breakdown for clarification, since he did not understand why the tuition increase must be 8.3 percent. Mr. De Carlo responded that the Board approved contractual terms that exceed the general 3.5 percent inflationary rate, and, in addition, the library costs are higher.

There was discussion regarding the permanent reductions for 1991-92 of \$680,594, and Mr. McGarry provided a breakdown of this figure.

Chairman Sims stated that the point has been well made that there have been significant savings since last year and that additional savings are proposed for 1992-93.

Trustee Handleman, seconded by Trustee Googasian, moved approval of the recommendation. The motion was voted on and unanimously carried.

Trustee Handleman noted that the Finance and Personnel Committee reviewed the tuition and fee recommendation very thoroughly and asked the same questions as have been raised at this meeting. The Committee was satisfied with the recommendation.

Chairman Sims stated that Trustee Sharf's request for additional budget information should be addressed in the recommendation for 1993-94. He also noted the "great deal of work on the part of the administration" in developing the budget and tuition recommendations.

Trustee Patterson stated that the related discussion was important for the audience to understand the Board's actions. Trustee Sharp noted that he would have voted against the tuition recommendation had he not had the opportunity to review the issue in this manner. Mr. De Carlo stated that this type of discussion is warranted, and he encouraged even greater dialogue in the future.

1992-93 General Fund Budget

Mr. McGarry stated that the 1992-93 General Fund Budget recommendation projects an expenditure level of \$67,016,401 which is only 3.8 percent greater than the accrued operating level for 1991-92. The

proposed budget provides for compensation increases, and modest inflationary factors have been included in other expenditure areas. It also includes a second year increase of \$215,000 for the purpose of library acquisitions and provides \$400,000 for deferred maintenance. In order to balance the budget, over \$2 million in expenditures was permanently eliminated.

Mr. McGarry then made the following recommendation:

RESOLVED, that the Board of Trustees approve the 1992-93 General Fund budget at an expenditure level of \$67,016,401.

Trustee Fischer, seconded by Trustee Chunovich, moved approval of the recommendation.

There was a brief discussion regarding the reporting method within the budget regarding the Ken Morris Labor Studies Center.

The motion was voted on and unanimously carried.

Resolution Recommending Michigan Liquor Control Commission Approval of a Class C License with Entertainment Permit for Olympia Arenas, Inc.

Mr. Robert Bunger, Assistant General Counsel, stated that at the May 13, 1992, Board meeting, the Trustees approved a request for a liquor license for Olympia Arenas, Inc. Unfortunately, the language which had been submitted to Oakland by the Michigan Liquor Control Commission did not include a critical phrase, "with entertainment permit," and he made the following recommendation which included the previously omitted phrase:

RESOLVED, that the request from Olympia Arenas, Inc. for a new full year Class C license with entertainment permit to be located at Meadow Brook Music Festival, Oakland University, Rochester Hills, Michigan, 48309, Oakland County, be considered for approval. It is the consensus of this legislative body that the application be recommended for issuance; and, be it further

RESOLVED, that this approval is subject to the contractual limitations required by Oakland University in its agreement with Olympia Arenas, Inc. and Brass Ring Productions, Inc.

Trustee Fischer, seconded by Trustee Sharp, moved approval of the recommendation. The motion was voted on and unanimously carried.

Meadow Brook Music Festival Operator Agreement

Mr. Robert Bunger stated that the administration has prepared a proposed three-month lease agreement between Oakland University and Olympia Arenas, Inc. He stated that there has been substantial pressure for an agreement to be in place, since the Festival is scheduled to open on Friday, June 12, 1992. Also, the Liquor Control Commission licensing is contingent upon an executed agreement.

Mr. Bunger made the following recommendation:

RESOLVED, that the Vice President for Finance and Administration is authorized to enter into the three-month lease agreement with Olympia Arenas, Inc. dated June 10, 1992 and submitted to the Board.

Trustee Sharf raised concern regarding the possibility that without a list of items pending, new issues may be raised at the end of the three-month agreement and a formal contract may not be reached.

Trustee Fischer stated that in the context of this contract she disagrees with Trustee Sharf's concerns. She noted that it is to Oakland's benefit as well as to Olympia Arenas, Inc., to continue the lease agreement through August 15, since the season will not be over at that time, and a new agreement must be in place.

Chairman Sims stated that the Board has granted authorization to the administration to "negotiate within the limits established by the Board." He stated that the Board presumes that nothing is being negotiated outside those terms. Mr. De Carlo stated that the presumption is correct, and the administration will not take any action until it has been approved by the Board.

Trustee Sharp asked what the legal relationship was between Olympia Arenas, Inc., and Brass Ring Productions, Inc.

Mr. Michael Novak, General Counsel to Brass Ring, stated that if there was not a show starting Friday, June 12, 1992, the three-month agreement would not be an issue; however, as a practical matter, in order to grant a liquor license, the state has requested a written, executed copy of the lease. He noted that Brass Ring has been removed as a signatory, because it had not been cleared for liquor licensure at the time that Olympia Arena was approved. He also stated that in negotiating the long-term agreement, "none of the terms held in abeyance are substantive, and the basic parameters are representative of the past resolution." He advised within the next week, the long-term agreement will be ready for signature.

In response to Trustee Sharp's question, Mr. Novak stated that Olympia Arenas, Inc. and Brass Ring are in a partnership arrangement and have been for 15 years.

Mr. De Carlo stated that the development of an agreement in this situation represents a very complicated arrangement between a public and a private entity dealing with a variety of liability and liquor issues which are complicated by the fact that the institution has operated the Festival since 1964.

Trustee Fischer, seconded by Trustee Handleman, moved approval of the recommendation. The motion was voted on and unanimously carried.

Reroofing of O'Dowd Hall and Meadow Brook Theatre

Mr. McGarry stated that the reroofing item was presented to the Board at its May meeting, and a question was raised regarding the roof warranty. The specifications have since been revised to call for a ten-year warranty on the roof. He stated that since there is no July Board meeting, he requested approval of the following recommendation:

RESOLVED, that the Vice President for Finance and Administration be authorized to solicit bids for reroofing O'Dowd Hall and Meadow Brook Theatre and award a negotiated contract with the lowest qualified bidder; and, be it further

RESOLVED, that the total project cost including engineering fees may not exceed \$230,000; and, be it further

RESOLVED, that the contract will be reviewed by legal counsel; and, be it further

RESOLVED, that a tabulation of bids and the contractors and award amount will be reported to the Board of Trustees at the next meeting following the award.

Trustee Googasian, seconded by Trustee Handleman, moved approval of the recommendation.

Trustee Sharp recommended a change in the first paragraph of the recommendation. Discussion ensued and the first paragraph of the resolution was revised to read as follows:

RESOLVED, that the Vice President for Finance and Administration be authorized to solicit bids for reroofing O'Dowd Hall and Meadow Brook Theatre and negotiate the award of a contract with the lowest qualified bidder; and, be it further . . .

The resolution as amended was voted on and approved.

Meadow Brook Theatre Operating Budget for 1992-93

Ms. Margo King, Assistant Vice President for University Relations, presented the 1992-93 Meadow Brook Theatre operating budget. She stated that it was a conservative budget which reflects considerable lowering of expenses, holds revenues constant and includes modestly adjusted anticipated gift revenues.

RESOLVED, that the Board of Trustees accept the Meadow Brook Theatre budget for the year ending June 30, 1993 with a budgeted net income of \$171.00.

Trustee Chunovich, seconded by Trustee Handleman, moved approval of the recommendation. The motion was voted on and unanimously carried.

(The Meadow Brook Theatre budget is on file in the Office of the Board of Trustees.)

Authority to Accept Offer for the Purchase of 2509 Munster Property

Mr. McGarry stated that the 2509 Munster Property was listed for sale and was seen by seven interested parties. An offer was received on June 9, 1992, of \$260,000 which was countered at \$265,000 by the University and was accepted.

Mr. McGarry made the following recommendation:

RESOLVED, that the Vice President for Finance and Administration be authorized to enter into a purchase agreement with Tracy E. and Isabel Ann Johnson for the property at 2509 Munster, Rochester Hills, Michigan (Lot #89 in the Meadow Brook Valley Subdivision #2) at a price of \$265,000; and, be it further

RESOLVED, that such purchase agreement will be reviewed by legal counsel.

Trustee Patterson, seconded by Trustee Fischer, moved approval of the recommendation.

Trustee Fischer asked why only \$1,000 was required in earnest money, and she suggested that the earnest money figure should be increased in order to protect the institution. Mr. De Carlo concurred in this suggestion and asked that Mr. McGarry increase the figure and make it a condition in the agreement. Mr. McGarry responded that he will find a figure that is reasonable. Trustee

Fischer suggested that he use his judgment in making the final determination without jeopardizing the sale.

The motion was voted on and unanimously carried.

Meadow Brook Subdivision Financing Guarantee

Mr. McGarry reported that on June 1, 1992, the Board was guarantor on 40 mortgages in the Meadow Brook Subdivision with balances totalling \$1,423,080.59. On April 27, 1992, the University guaranteed payment on a promissory note for \$53,000 which is a 15-year adjustable rate mortgage with an initial interest rate of 6.365 percent. The loan is with the Michigan State University Federal Credit Union. On April 28, 1992, the University guaranteed payment on a promissory note in the amount of \$48,000 which is also a 15-year adjustable rate mortgage with an initial interest rate of 6.375 percent at the MSU Federal Credit Union.

Trustee Sims asked for the rationale on the University's practice of guarantying mortgages in the faculty subdivision aside from the fact that the subdivision was developed to assist faculty and staff with housing. Mr. McGarry responded that the leasehold arrangement makes it difficult for the homeowners to acquire financing.

Mr. De Carlo stated that the operation of the subdivision is a long-range issue that must be addressed by the Board in the future.

Approval of Retirement Policy Exception for Robert Shoemaker

Mr. McGarry stated that Mr. Robert Shoemaker is a member of the UAW/CT Union, and Oakland's contract with this union requires 15 years of service and the attainment of age 62 in order to be eligible to receive retirement benefits. Mr. Shoemaker has reached the age of requirement, but he is seven months short of achieving 15 years of service. Mr. Shoemaker would like to retire on July 31, 1992, but cannot afford to do so without medical coverage. The administration is requesting approval of an exception to the policy to allow Mr. Shoemaker to retire seven months prior to the required 15-year period and to receive medical benefits. Mr. McGarry noted that Mr. Shoemaker's position will not be refilled.

Mr. McGarry then made the following recommendation:

RESOLVED, that the Board of Trustees approves a retirement policy exception for Mr. Robert Shoemaker as specified in the "Agreement between Oakland University and Robert Shoemaker," and with Mr. Shoemaker's retirement to be effective at 5:00 p.m., July 31, 1992.

Mr. De Carlo stated that this recommendation is presented on the basis of cost saving and was considered as part of the budget balancing process.

Trustee Chunovich, seconded by Trustee Sharp, moved approval of the recommendation. The motion was voted on and unanimously carried.

Central Stores Office Supplies

Mr. McGarry stated that the office supply segment of the Central Stores operation has annual sales of \$276,000. An administrative study was conducted to consider alternative services for office supplies, and it was noted that substantial savings could be achieved by the privatization of the operation. Bids were solicited, and the two low bidders were interviewed. Silver's was selected because of its fiscal and service advantages. Mr. McGarry stated that the arrangement would provide for daily delivery of supplies to University departments and the billing process would be consolidated. He noted that the savings on the reduced cost of supplies would exceed \$30,000, and the overall savings to the institution could exceed \$90,000.

Mr. McGarry also noted that the former Manager of University Services has retired, and the position will be eliminated which will result in a General Fund savings.

Mr. De Carlo stated that the administration communicated broadly with the University community in order to make certain that the academic mission of the institution would not be impeded by the recommended arrangement.

Mr. McGarry made the following recommendation:

RESOLVED, that the Vice President for Finance and Administration be authorized to enter into a five-year contract with Silver's for purposes of meeting the University's office supply needs as determined by departmental users; and, be it further

RESOLVED, that the contract will be reviewed by legal counsel.

Trustee Patterson, seconded by Trustee Fischer, moved approval of the recommendation. The motion was voted on and unanimously carried.

Bookcenter Lease Agreement

Ms. Ray-Bledsoe stated that Oakland University has operated its own bookstore for a considerable period of time. She emphasized that it is a well-run and effective bookstore. In light of the current financial difficulties the University faces, a study was undertaken to determine if leasing the Bookcenter could provide additional income while maintaining high quality service to faculty and students. There has been wide consultation with the University community through the University Senate, academic department chairs, University Student Congress leaders and students. Ms. Ray-Bledsoe stated that five companies were given the opportunity to submit proposals. Each of the companies that responded had significant experience in bookstore operations. She noted that there are 14 college and university bookstores in Michigan operating under a lease agreement. Ms. Ray Bledsoe stated that the administration concluded that the Barnes and Noble arrangement was financially superior to the others which were received, and she made the following recommendation:

WHEREAS, a review of national trends revealed that leasing of campus bookstores has become a well accepted practice; and

WHEREAS, a review of proposals from qualified companies verified the applicability of leasing to Oakland University's situation; and

WHEREAS, significant financial and program benefits will accrue to the University; now, therefore, be it

RESOLVED, that the Vice President for Finance and Administration is authorized to enter into an agreement to lease the University Bookcenter effective July 1, 1992, or as soon thereafter as the parties agree on the terms and conditions, to Barnes & Noble, Inc., based upon the general terms and conditions set forth in the agendum dated June 10, 1992, and as set forth in their communications dated April 23, April 29, and May 7, 1992. The proposed contract terms will be reviewed by the University's Office of the General Counsel.

Ms. Ray-Bledsoe noted that representatives of Barnes and Noble were present if the Trustees had any specific questions.

Trustee Sharp asked who would retain the employees. Ms. Ray-Bledsoe responded that they would become employees of Barnes and Noble and were guaranteed employment for at least one year.

Ms. Ray-Bledsoe noted that the manager of the Bookcenter, Mr. David Bixby, is held in esteem by the National Association of College Bookstores which gave \$1,000 to the institution in recognition of Mr. Bixby's service as a trustee of that organization.

Trustee Fischer asked that Mr. Bixby be recognized, and he received a round of applause.

Ms. Ray Bledsoe responded to questions of Trustee Sharf regarding salary for the current employees. She stated that their salary will be at least the same or higher with Barnes and Noble, and the benefits are comparable. She also responded to Trustee Googasian's question regarding textbook prices stating that the pricing will remain competitive.

Trustee Fischer noted that the buying power of Barnes and Noble may result in a reduction of some prices at the Bookcenter.

In response to a previous request of Trustee Googasian, Mr. De Carlo stated that President David Adamany of Wayne State University, when asked about the privatization of the WSU bookstore, stated that it was "the best thing we ever did."

Ms. Ray-Bledsoe stated that the administration conducted a survey of other institutions and found a high level of satisfaction with the lessors.

Trustee Handleman, seconded by Trustee Sharp, moved approval of the recommendation. The motion was voted on and unanimously carried.

Personnel Status of Mr. John De Carlo after termination of Interim Presidency on June 15, 1992

Trustee Chunovich made the following statement:

The June 10, 1992, Board meeting will be the last regularly scheduled meeting at which Mr. John De Carlo will be present as Interim President. Mr. De Carlo has served as Interim President since June 5, 1991, and it should be noted he continued to carry out, in a limited fashion, his functions as Vice President for Governmental Affairs, General Counsel and Secretary to the Board of Trustees.

The past year at Oakland has been one of significant change and improvement and was significantly eventful. Not only did we successfully carry out a presidential search process which was made easier by Mr. De Carlo's efforts as Interim President, but we also struggled with and overcame a substantial general fund deficit. The Board notes that Mr. De Carlo will conclude both his term of office and our fiscal year with a balanced General Fund budget. Of equal significance is the fact that controls have been initiated with the auxiliary budgets and plans for the resolution of the deficits in the auxiliary fund have been established. An additional major accomplishment has been made in turning the Meadow Brook Festival from a serious fiscal drain to the university to one with a guaranteed positive cash flow.

Mr. De Carlo has been conscientious in preserving and enhancing the academic and research mission of the institution. He has stressed this effort in all of his actions. He has been a champion for resolution and the enemy of laissez faire by making some critical administrative decisions which have reduced costs and provided for more efficient administrative processes. He has sought to open lines of communication to all members of the University community by meeting with faculty, staff and students.

In recognition of Mr. De Carlo's past service and in recognition of the importance of his current duties, the Finance and Personnel Committee, with the input of the entire Board, wishes to make the following resolution:

RESOLVED, that in accordance with the Board's understanding and agreement, Mr. John De Carlo shall be entitled to return to his position of Vice President for Governmental Affairs, General Counsel and Secretary to the Board; and, be it further

RESOLVED, that in recognition of his service to the University and in recognition of the responsibilities of his office, it is recommended that Mr. John De Carlo be appointed Senior Vice President; and, be it further

RESOLVED, that in view of the fact that there have been compensation adjustments implemented at the University since his term of office as Interim President, and in recognition of his service to the University, Mr. De Carlo's salary as Senior Vice President shall be at the annual rate of \$121,000, effective June 15, 1992.

Trustee Sharp, seconded by Trustee Handleman, moved approval of the recommendation with gratitude. The motion was voted on and unanimously carried. The Trustees rose and applauded Mr. De Carlo.

Mr. De Carlo then made the following comments:

I want to thank you and the University community for your support and confidence during this past twelve months and ten days. While it is to the future we must now look, the future will be affected by the past. In that regard, let me just briefly note that with the support of many people, including the Board, we accomplished much this past year and the University is fiscally sound. Of perhaps even greater importance, we have developed a more open campus environment with greater community involvement with an emphasis on our primary missions--teaching and research.

My greatest regret over the many years that I have been at this institution is that it has never reached its potential. The tragedy of this condition was revealed to me most dramatically during my term as president. This experience, however, also revealed to me that we can do something about this matter. I firmly believe that this objective of making Oakland a truly academically outstanding national university is possible if we begin to work together in the University's interest and not for our personal concern or gratification. There needs to be a greater spirit of cooperation, interaction and a commonality of purpose with definite institutional goals in mind at all times. We need to reduce the level of internal conflict, friction, bickering and criticism and focus these energies on our external opponents and detractors, and they are many.

I urge you to support your new president, Dr. Sandra Packard, in this effort. The future is bright and exciting for you and Dr. Packard.

Thank you for giving me the opportunity to serve this fine institution. My greatest pleasure at Oakland has been the association with dedicated faculty, staff, students and, of course, the Board.

Other Items

Recommendation for Approval of Degree Candidates

Mr. Kleckner presented the degree candidates list dated April 25, 1992. Trustee Fischer, seconded by Trustees Handleman and Sharp, moved acceptance of the list. The motion was voted on and unani-
mously carried.

University Identification Signs

Mr. De Carlo stated that subject to Dr. Packard's approval, the administration is working on University signage, since the institu-
tion has been unidentified on the corners of Adams Road and Walton Boulevard and Squirrel Road and Walton Boulevard. Mr. De Carlo presented the recommended signage made of fieldstone and indicated that the current brick wall at the main entrance to the University will be replaced with a fieldstone sign after the Squirrel Road development project is completed.

This was an information item and the Board will be advised of developments in this matter.

Introduction of Ms. Mildred Jeffrey, visiting member of the Wayne State University Board of Governors

Trustee Sharp introduced Ms. Mildred Jeffrey who "has been a champion for many years of women's rights and who sits on the Michigan Women's Foundation and many other organizations and is a member of the Wayne State University Board of Governors."

Chairman Sims noted that Ms. Jeffrey had also been cited for out-
standing service to the Association of Governing Boards of Colleges and Universities.

Ms. Jeffrey was recognized by the Board and welcomed to the meet-
ing.

Purchase of a Spectrometer

Mr. De Carlo stated that the administration is anticipating suc-
cessful closure on the acquisition of a used spectrometer from

Henry Ford Hospital. He noted that the spectrometer will assist the science faculty in its research activities. The cost of the equipment is approximately \$198,000. The upgrading of the equipment and operational costs for two years will require a total budget of approximately \$260,000. Final approval from the Oakland University Foundation is anticipated next week for a grant of \$80,000 in support of this project. There is also gift support from an estate in an equal amount and a graduate of the University has offered to raise \$100,000 for this purpose. The spectrometer will be funded entirely with gift money.

Mr. De Carlo stated that he anticipated a final recommendation for the purchase of the equipment to be presented to the Board at its August meeting.

Trustee Sharf asked the cost of a new spectrometer, and the response was approximately \$600,000.

Nominating Committee for Selection of Board Chairman and Vice Chairman

Chairman Sims stated that it has been the practice at the September meeting to elect new officers for the Board of Trustees. He asked Trustee Handleman to chair a nominating committee and return with a recommendation for action at the August meeting. The new officers would assume office at the September meeting.

Trustee Handleman stated that he would be very pleased to chair the nominating committee.

Authorization of a Closed Session

Mr. De Carlo stated that approval of a closed meeting is sought for the purpose of reviewing the opinion of legal counsel with respect to litigation and the negotiation of collective bargaining agreements. The Open Meetings Act permits that a public body may meet in a closed session for these purposes. Mr. De Carlo asked that the Trustees recess for the closed session and return to the Board meeting should any formal action be required.

Trustee Handleman, seconded by Trustee Sharp, moved approval to recess for a closed session. The motion was voted on and unanimously carried.

Mr. De Carlo then called the roll call vote. All Trustees responded affirmatively and left the meeting at 5:08 p.m. for the purpose of a closed session.

The Trustees returned to the meeting at 6:20 p.m., Trustees Handleman and Sharp were not present.

Mr. De Carlo made the following recommendation:

RESOLVED, that the Board of Trustees authorize settlement authority in the matter of Gross v Board of Control of Oakland University and Brad Geffen in the amount indicated in the related confidential memorandum from Mr. Robert Bunger, Assistant General Counsel.

Trustee Fischer, seconded by Trustee Chunovich, moved approval of the recommendation which was voted on and unanimously carried.

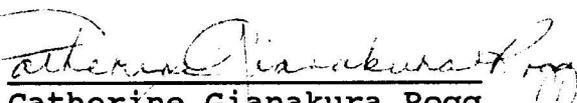
Mr. De Carlo then made the following recommendation:

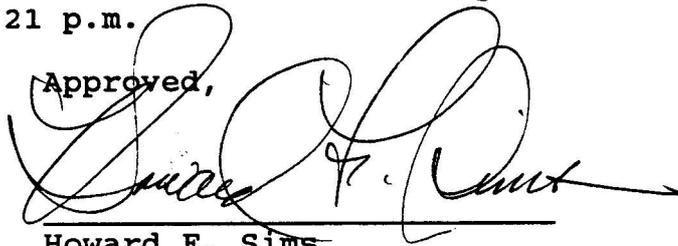
RESOLVED, that the Board of Trustees authorizes an increase for vice presidents, deans, administrative/professionals, academic administrators and excluded clerical/technicals amounting to a salary pool of 3.75 percent of the compensation base for these employees to be implemented through a merit recommendation process.

Trustee Chunovich, seconded by Trustee Fischer, moved approval of the recommendation which was voted on and unanimously carried.

Trustee Fischer, seconded by Trustee Googasian, moved adjournment of the meeting. The motion was voted on and unanimously carried. The meeting was adjourned at 6:21 p.m.

Submitted,


Catherine Gianakura Rogg
Administrative Assistant
Board of Trustees

Approved,

Howard F. Sims
Chairman
Board of Trustees