Minutes of the Meeting
of the
Oakland University
Board of Trustees
January 19, 1983

The meeting was called to order at 7:35 p.m. by Chairman Ken Morris in Lounge II of the Oakland Center.

Present: Chairman Ken Morris, Trustees David Handleman, Alex C. Mair, Arthur W. Saltzman and Howard F. Sims

Absent: Trustees Patricia B. Hartmann, Richard H. Headlee and Wallace D. Riley

Chairman Morris announced that President Joseph E. Champagne had disk surgery prior to the holidays. During his recovery period, some pain developed which required his return to Crittenton Hospital where he is undergoing some medical evaluations in order to alleviate the problem. Chairman Morris added that the prognosis was encouraging and that President Champagne wished to convey his regrets in not attending the meeting. Mr. Keith R. Kleckner, Senior Vice President for University Affairs and Provost, was present to give a report on University matters at this evening's meeting.

Approval of Agenda for Meeting of January 19, 1983

Chairman Morris presented the following agenda for the Board's approval:

1. Approval of minutes of December 15, 1982
2. Acceptance of gifts and grants
3. Report on security transactions
4. Approval of faculty personnel actions
5. Approval of reappointment of Dean Mohammed S. Ghausi
6. Approval of name change for the School of Engineering
7. Approval of 1982-83 general fund budget
8. Provost's report

Mr. Sims offered a motion for acceptance of the agenda which was seconded by Mr. Saltzman. A vote was taken and the agenda was accepted.

Approval of Minutes of December 15, 1982

Chairman Morris requested approval of the minutes of the Board meeting of December 15, 1982 as submitted.

Mr. Handleman offered a motion for approval of the minutes. Mr. Saltzman seconded the motion which was voted on and approved by all of the Trustees present.

Acceptance of Gifts and Grants

Chairman Morris requested the Board's acceptance of the gifts and grants totaling $368,202.48. (A copy of the complete list of gifts and grants is on file in the Office of the Secretary to the Board of Trustees and the Office of the Vice President for Developmental Affairs.) Chairman Morris asked Mr. Robert W. Swanson, Vice President for Developmental Affairs, to comment on this month's gifts and grants.

Mr. Swanson called the Board's attention to the Meadow Brook Hall Annual Christmas Walk/Patrons Dinner which was extended this year to 12 days rather than the 5 days of previous years. This change was made in an effort to reduce some of the crowd congestion at the Hall. This year's event far exceeded expectations with approximately 30,000 people attending as compared to 20,000 a year ago. The event was financially successful.

Mr. Swanson also noted the extensive list of gifts in support of the President's Club which reflects the great effort on the part of hard-working members of the Steering Committee under the direction of Mr. Ralph Norvell. During the month of December, 34 new members were added to the President's Club. Mr. Swanson stated that there are "512 members, representing a financial portfolio in excess of $5,000,000".

Mr. Swanson informed the Trustees that the University is the recipient of a $90,000 grant from the Michigan Council for the Arts in support of the Meadow Brook Theatre/Meadow Brook Music Festival program.

He also called the Board's attention to the fact that the Oakland University Foundation received a donation from Irene and Glenn Rogers of Florida of a 33-acre parcel of undeveloped land in Independence Township, about 3/4 of a mile south of Clarkston. While there are no immediate plans for development, this property could become a "fairly valuable tract, perhaps worth upwards of $200,000, at some future time". In the meantime it will be used for educational purposes as a field study site. Mr. Swanson then suggested that Mr. Kleckner might wish to comment on some of the grants to the academic areas.

Mr. Kleckner noted that the School of Engineering had receive approximately $90,000 in grants for continuation of research under the direction of Professors John J. Metzner and Nan K. Loh.

Mr. Mair moved that the gifts and grants be accepted with gratitude. Mr. Sims seconded the motion which was voted on and approved by all of the Trustees present.

Report on Security Transactions

Chairman Morris requested that Mr. Robert J. McGarry, Vice President for Finance and Administration and Treasurer to the Board of Trustees, comment on the Security Transactions Report.

Mr. McGarry noted that the document submitted to the Trustees set forth the various stock transactions completed in the last month. (A copy of the Security Transactions Report is on file in the Office of the Secretary to the Board of Trustees and in the Office of the Vice President for Finance and Administration.) He commented that this was a very routine report and asked the Trustees if in the future they would prefer the information as a separate item or as a part of the gifts and grants list as in the past.

Chairman Morris stated that for the time being the report should be separate in order to highlight the transactions.

The report as submitted was accepted by all of the Trustees present.

Approval of Faculty Personnel

Chairman Morris requested approval of the following faculty personnel actions:

Appointments

Baran, Robert W., Adjunct Instructor in Biological Sciences, effective January 1, 1983, through August 14, 1983

Wells, James R., Adjunct Professor of Biological Sciences, effective August 15, 1982, through August 14, 1983

Changes of Status

Reddan, John R., from Professor of Biological Sciences to Professor of Biological Sciences and Adjunct Professor of Biomedical Sciences, effective January 1, 1983, through August 14, 1983

Unakar, Nalin J., from Professor of Biological Sciences and Chair, Department of Biological Sciences to Professor of Biological Sciences; Chair, Department of Biological Sciences; and Adjunct Professor of Biomedical Sciences, effective January 1, 1983, through August 14, 1983

Leaves of Absence

Beckwith, Karen L., Assistant Professor of Political Science, sick leave from January 3, 1983, through April 23, 1983

Christina, Robert J., Associate Professor of Education, sabbatical leave from August 30, 1983, through December 17, 1983

Engram, Alice, Special Instructor in Music, sick leave from November 17, 1982, through April 23, 1983

Hetenyi, Laszlo J., Professor of Performing Arts and Education and Dean, School of Performing Arts, administrative leave from January 1, 1983 through April 23, 1983

Resignation in Advance of Normal Retirement

Hetenyi, Laszlo J., Professor of Performing Arts and Education and Dean, School of Performing Arts, effective July 1, 1983, in accordance with a contract between the University and the employee

In response to Chairman Morris' request for comments, Mr. Kleckner stated that the personnel actions were routine except for the early resignation for retirement of Dean Hetenyi who has served at Oakland University for 23 years, first as the Dean of Education, later called Human and Educational Services, and then as Dean of the School of Performing Arts. He also acted in a variety of other roles such as the Executive Secretary for the Presidential Search

Committee prior to President Champagne's selection. Mr. Kleckner noted that Dean Hetenyi and the University have negotiated an agreement which will become effective June 30, 1983.

Mr. Handleman moved that the faculty personnel actions be approved. Mr. Mair seconded the motion which was voted on and approved by all of the Trustees present.

Approval of Reappointment of Dean Mohammed S. Ghausi

Chairman Morris called upon Mr. Kleckner to present the item on the reappointment of Dean Ghausi.

Mr. Kleckner stated that it has been Oakland University's practice to appoint academic deans for terms of five years, and at the conclusion of a term to conduct a thorough review of each deanship. He added that Dean Ghausi was appointed in January 1978, and in the year just ended a review was conducted according to the terms and conditions of the constitution of the School of Engineering. The outcome of this review was the recommendation to reappoint Dean Ghausi. Mr. Kleckner presented the following resolution for Board approval:

> It is recommended that the Board of Trustees appoint Mohammed S. Ghausi to a second five-year term, commencing January 1, 1983, as Dean of the School of Engineering.

Mr. Kleckner added that the leadership of the School of Engineering has never been better. The School has prospered, enrollments have grown, and morale is high. He "enthusiastically" recommended Dean Ghausi.

Mr. Mair moved that the reappointment of Dean Ghausi be approved. Mr. Handleman seconded the motion which was voted on and approved by all of the Trustees present.

Dean Ghausi thanked the Provost and the Trustees for their confidence. He noted that the success of the School of Engineering is mainly due to the excellence of its faculty and support from the administration. Dean Ghausi said he was looking forward with enthusiasm to his second term.

Chairman Morris congratulated Dean Ghausi on his reappointment.

Approval of the Name Change for the School of Engineering

Chairman Morris requested that Mr. Kleckner present the item on the name change for the School of Engineering to the Board.

Mr. Kleckner stated that since 1972 programs in computer science have been under the administration of the School of Engineering, and have grown rapidly. Currently there are more than 600 students majoring in computer science and about 1,000 students majoring in engineering. He noted that the computer science programs represent an expanding field which will be with us for a long time, and there is a sizable alumni. The University administration is of the opinion that it was appropriate to recognize these activities. Therefore, Mr. Kleckner requested the Board's approval of the following recommendation:

> RESOLVED, That the Board of Trustees approve a change of name for the School of Engineering to the School of Engineering and Computer Science.

Mr. Sims moved that the recommendation be approved. Mr. Saltzman seconded the motion which was voted on and approved by all of the Trustees present.

Approval of 1982-83 General Fund Budget

Chairman Morris requested that Mr. McGarry present the 1982-83 general fund budget to the Board for its approval.

Mr. McGarry stated that the University has been operating on a 1981-82 continuation budget which was authorized by the Board in June 1982 because of the uncertainty of the State appropriation. The legislative appropriation bill for higher education for the 1982-83 fiscal year was passed in September 1982. It amounts to $21,322,000 on the State's fiscal year which converts to $20,055,429 for Oakland's fiscal year. On September 15, 1982, Executive Order 1982-13 reduced the University's 1981-82 appropriation (State fiscal year: October - September) by $1,011,724. In order to protect most of the universities from actually experiencing a loss of revenue in their fiscal year (July - June), the payment of the 1982-83 appropriation (State fiscal year) includes an "accelerated" payment in June 1983 in an amount comparable to Executive Order 1982-13: $1,011,724 for Oakland University. However, the monthly payments for July - September 1983 will be reduced in total by an amount equal to the June "accelerated" payment. Therefore, on a cash-received basis, the State of Michigan and the universities are theoretically able to balance their books for their respective fiscal years with no actual change in appropriation. The basic fact is, however, that the total appropriation for higher education was actually reduced $32,000,000 by Executive Order 1982-13 and that no new funds have been appropriated for restoration; therefore, after discussion with the University's public auditors and financial officers at other State institutions, it was decided not to recognize this accelerated payment as earned revenue in the 1982-83 budget for Oakland University. The $20,055,429 appropriation shown above excludes the accelerated payment which for Oakland is to be $1,015,100. The new appropriation of $20,055,429 is $716,497 or 3.7 percent more than received in Oakland's 1981-82 fiscal year. However, this is before any Executive Orders that may be issued this year which could make the 1982-83 appropriation only equal to or possibly less than that for 1981-82.

Mr. McGarry noted that the tuition increase this year resulted in about $1,600,000 of additional revenue or approximately 13.8 percent over last year's actual. The total estimated revenue for 1982-83 is $35,000,000 which is about $2,000,000 greater than last year. The expenditures are $36,000,000 which is about $3,700,000 more than last year. The difference, excess of expenditures over revenue, is covered by a "carry forward" from last year's operations which was planned in anticipation of the dire State fiscal situation which now exists. The Fiscal Year Equated Student (FYES) estimate for this year is about 130 less than last year. Mr. McGarry said that support from the State has been declining and tuition fees have been raised to offset the loss. Mr. McGarry then presented the following recommendation for the Board's approval:

> It is recommended that the Board of Trustees approve the general fund budget for 1982-83, with estimated revenues of $35,094,429 and estimated expenses of $36,261,150 with the shortfall of $1,166,721 to be covered by the previous year's carryforward.

Mr. Mair moved that the general fund budget recommendation be approved. Mr. Handleman seconded the motion which was voted on and approved by all of the Trustees present.

<u>Provost's Report</u>

Chairman Morris called upon Mr. Kleckner to present the Provost's report.

Mr. Kleckner noted that the President's report usually consisted of "bad news" from Lansing each month, and that his report this evening was no different. Oakland University as well as other public institutions of higher education, community colleges, local school districts, and units of local government received a communication from Governor James Blanchard that State allocations for January and February have been deferred so that the State can resolve its enormous cash flow problems. Oakland University's deferred payments amounted to about $3,500,000. There has been no statement as to when or if these payments will be made by the State. Mr. Kleckner noted that the State has enormous cash flow and fiscal problems. There have been discussions of cutbacks and tax increases. The best guess is that eventually, perhaps this spring or summer, there will emerge some combination of Executive Order cuts and tax increases. Mr. Kleckner said it was probably safe to conclude that it was not likely that the institution would receive all of this year's appropriation. Mr. Kleckner added that Mr. John De Carlo, Secretary to the Board of Trustees and Vice President for Governmental Affairs and General Counsel, was monitoring the situation daily with State officials. Mr. Kleckner stated that there were no immediate dire consequences to the institution since it had a good winter registration, and the University had no cash flow problem at the moment due to registration and tuition income. However, if the State defers the January and February allotments until after the University's fiscal year ending, there could be a problem for the University. Mr. Kleckner assured the Board that the situation would be closely watched.

Mr. Kleckner said not all of the news was bad. There was a minor bright spot in that this year as part of the legislative budget $25,000 of capital outlay funds have been assigned to the University to study a phased construction program for the Library addition project. Mr. Kleckner reminded the Board that there was an approved project in 1975 to construct a wrap-around addition to the Library projected to cost in excess of $9,000,000. Since that time there has been some escalation of construction costs. More importantly, the State's economic dilemma has postponed further action on the project. Therefore, the University advised the State that the Library needs are critical, since the facility was constructed for a student body one-third its current size. Mr. Kleckner stated that the Library desperately needs additional space. He said the University was willing to consider a modified design, perhaps a phased design, which would add some space now, and more space later. Mr. Kleckner commented that the architect was reviewing the original plan to see if it could be modified to permit some construction at this time and yet allow the addition of more space at some future date when more funds were available. This study is now under way with Rossetti Associates, the original architects on the Library addition. Mr. Kleckner said the University expected to take a proposal back to Lansing for something less than the original cost.

Mr. Kleckner continued by stating that the administration was very seriously looking at enrollment projections for the institution; where students were going within the institution; which curricula they were selecting; the institution's faculty and staffing needs; and the University's ability to staff areas where demand was on the increase and move resources from areas where demand was decreasing. The University would have to take some action in certain areas to control the number of new students, that is, not admit as many students as are currently admissible in the engineering, computer science and management programs. Mr. Kleckner stated that the University could not add resources of faculty, or computer and laboratory facilities as quickly as new students apply for these programs. Therefore, it was necessary to institute some enrollment controls in certain areas. The administration would have to be more selective in admissions by raising academic standards which might mean a slight decline in overall enrollment at the institution since engineering, computer science and management programs are the growth and demand areas. He said more than half of the entering students wish to enroll in these programs. Mr. Kleckner said the University would try to hold enrollments about where they were now and gradually over the next few years add resources, and make internal shifts. Mr. Kleckner added that the institution would be doing some enrollment capping this year. It was predicted that this would mean an overall enrollment decrease of one and one-half percent per year. There was no other way to resolve the problem since the University cannot shift resources rapidly enough to fill demand.

Chairman Morris thanked Mr. Kleckner for his report. He asked for comments from the Trustees and from the floor. There were none.

Chairman Morris asked what would happen to young people who wished to apply for the computer science programs if they were turned away. "Where can they go? Do they get in line? What are they to do?" He asked if there were other places these students could be directed, for instance, to Oakland Community College?

Mr. Kleckner replied that there are other programs in the area, for instance at the community college level, where the student receives an associate degree. However, if the student was interested in a four-year program, some other universities might have some openings. However, he noted that there was a general tightening of enrollment at all institutions. Mr. Kleckner noted that some individuals would not find places in the public institutions in Michigan if they were interested in engineering, computer science or in some areas of management. He added this phenomenon is not unique to Oakland University; there just are not sufficient resources available to support the demand.

Mr. Handleman inquired if a shortage of staff was the problem.

Mr. Kleckner replied that there was indeed a shortage of faculty, and that it was very difficult to hire instructors when the salaries in industry were very good.

Chairman Morris said he could understand this fact, but he was thinking about the perception from the layman's point of view when the "media was urging everyone to get into computers." Chairman Morris said if the universities in this part of the State did not have the facilities available for these programs, something should be done by the universities jointly to provide the general public with information of the problem including the shortage of faculty and facilities and the problem of restricted admission.

Mr. Sims commented that this situation was not unique to Oakland University nor to Michigan, but was a national problem.

Mr. Handleman said there was such an explosion of interest in these fields that it was not possible to handle all of the needs and interest, and there was not much that could be done about it at this moment.

Chairman Morris reiterated that this knowledge should be made available to the people who may be interested in these courses.

The discussion was concluded.

Mr. Swanson stated that he had neglected to inform the Trustees that David and Kathy Lewis had become President's Club members. Mr. Lewis is an alumnus of Oakland University, and a former charter member and chairman of the Board of Trustees. Another alumna to join the President's Club was Judith Kalpin O'Brien and her husband. Mrs. Wilma Ray-Bledsoe, Vice President for Student Affairs, and her husband also became new members.

Mr. Swanson stated that he wished to call to the Board's attention the receipt of $10,000 from the UAW Region 1-B Leadership Institute for the establishment of two endowment funds. One fund will be supplemented by future contributions from the UAW or from other sources in support of labor education; the other endowment fund was created to assist the University's golf course program and was named after the Board Chairman, Ken Morris. Mr. Swanson said the University was delighted to receive these gifts.

There being no further business, the meeting was adjourned at 8:15 p.m.

Approved,

John De Carlo, Secretary
Board of Trustees

Ken Morris, Chairman
Board of Trustees

Date ____________________