

Minutes of the Meeting
of the
Oakland University Board of Trustees
May 6, 1993

Present: Chairman James A. Sharp, Jr.; Trustees Andrea L. Fischer, David T. Fischer, Rex E. Schlaybaugh, Jr., and Stephan Sharf

Absent: Trustees Larry Chunovich, David Handleman and Howard F. Sims

Chairman James A. Sharp, Jr., called the meeting to order at 3:25 p.m. in the gymnasium of the Lepley Sports Center.

Approval of the Minutes of the Meeting of April 1, 1993

Trustee Rex E. Schlaybaugh, Jr., seconded by Trustee David T. Fischer, moved approval of the minutes of the meeting of April 1, 1993. The motion was voted on and unanimously carried.

President's Report

President Sandra Packard began her report by introducing Ms. Amy Rickstad, newly elected President of the Oakland University Student Congress. President Packard stated that this past year has been a very good one for Student Congress, and she anticipates another successful year under Ms. Rickstad's leadership.

President Packard stated that she is pleased to announce that Oakland University has been elected to membership in the National Association of State Universities and Land-Grant Colleges (NASULGC). NASULGC is a prestigious, 100-year old organization which represents the interests of public higher education to the nation. Over the years, the association has forged powerful partnerships, cooperated with higher education coalitions, and led the way in the creation of such landmark legislation as the National Science Foundation, the Higher Education Act of 1965 and the Reauthorization of the Higher Education Act in 1992. Oakland is one of six new members accepted to membership. NASULGC has 167 members of over 3,000 higher education institutions in the country. Oakland's selection for membership recognizes the university's growing national stature. Oakland's selection was based on its scholarship, quality, and program scope, recognizing particularly our accomplishments in the post-graduate and doctoral areas, the excellence of our research, and our efforts this year in achieving national prominence in higher education circles.

The President stated that membership in this important organization enhances Oakland University's opportunities and status. She

stated that Oakland's inclusion recognizes our current excellence and continues our movement toward prominence, not only in the state, but in the region and the nation. She added that she is "sure that the university community shares my pride in this achievement and the recognition of Oakland's historical quality."

The President then reported that a few Trustees recently toured the Lepley Sports Center to see what Oakland is able to offer to students in the way of recreational and educational opportunities in athletics. She then asked Vice President for Student Affairs Wilma Ray-Bledsoe to report on the recreational facilities of other campuses and the condition of Oakland's facility.

Ms. Ray-Bledsoe noted that the improvement of Oakland's recreational facilities has been identified among its goals for 1992-94. She stated that a team of university administrators has visited a number of facilities in Michigan and two in northern Ohio over the past year. The team has concluded that such facilities contribute to the quality of campus life and enhance the sense of community which is another goal for Oakland. In the last decade, at least seven new facilities have been built in Michigan. All of the directors of the visited buildings have noted how the facilities have played an important part in their institutions remaining competitive in the recruitment market. She stated that she hopes that the visual presentation will document the intensity of Oakland's needs in this area and dramatize the inferiority of its facility.

Ms. Ray-Bledsoe narrated several slides of the facilities which were visited, noting that Western Michigan University's new facility is currently under construction at the cost of \$37.5 million. She reviewed slides of the Central Michigan University addition, constructed in 1990 for \$16 million, entirely paid for by student fees. It is 179,000 square feet and serves a student body of 17,600. She noted that openness is characteristic of the newer facilities and handicapper accessibility is critical. Central has received significant national visibility because of this new building which was featured prominently in the recent U.S. News and World Report special issue on higher education.

Ms. Ray-Bledsoe then discussed a slide of the competitive swimming pool at The University of Michigan facility, noting Oakland's very strong intercollegiate swimming program. She stated that Oakland's facility is in need of repair, and the estimates for the repairs are substantial. The filtration system needs repair, the grouting needs to be replaced, and new legislation will soon require a pool of additional depth. Unless

Oakland is able to comply with the new legislation, its pool could not be used for competition.

She noted that the Eastern Michigan University facility was constructed in 1982 for a cost of \$16.25 million. It is 188,000 square feet and was supported entirely by the fees of 28,000 students who pay \$47 a term for the use of this facility. She noted the open, field house concept in the facility, offering multiple uses for the space.

The Saginaw Valley State University facility was constructed in 1989 at a cost of \$18 million with 222,000 square feet for 6,800 students. It is in proximity to the intercollegiate athletic facility, and the construction of the building is credited with improving intergroup relations on campus. She noted that several of the schools have separate pools for recreational and competitive purposes. This facility was constructed with state appropriations.

Bowling Green University is one of the older facilities visited with a new field house addition. The main structure was built in 1979 at a cost of \$10 million and is 185,000 square feet. She noted that the team was impressed with the high quality of maintenance of this building and the fact that football and baseball can be practiced indoors. This facility was totally financed with student fees from 17,000 students which are assessed on a sliding scale based on the number of credit hours in which students are enrolled. She noted that in an annual survey, for the last 15 years at Bowling Green, the recreation center has been ranked as one of the top three reasons for choosing the institution, above cost, quality of academic programs and location.

The University of Toledo facility was constructed in 1990 at a cost of \$17.25 million. It has 151,000 square feet and is also entirely paid for and supported by student fees. There are 24,700 students. She noted the glass walls housing squash courts, handball and computerized golf, illustrating the complete openness of the facility and the multiple purpose floor surfacing which allows for several types of sports to be played on one playing floor. The natatorium includes a conversation pool, a swimming pool and a diving well. The swimming pool is large enough to accommodate competitive and recreational use simultaneously.

Ms. Ray-Bledsoe then reviewed the history of the Lepley Sports Center noting that it was constructed in 1963 at a cost of \$1.5 million and is 74,000 square feet. At the time of its construc-

tion, there was an enrollment of 2,000 students and no intercollegiate athletic program. At present, Oakland takes pride in its championship swimming program and the need to improve access for handicappers and the general university community is apparent. Ms. Ray-Bledsoe stated that Oakland must explore the expansion of its women's athletics in order to insure compliance with Title IX. She noted that the bond market is currently favorable as is Oakland's level of indebtedness. She stated that she believes it is important to acquire professional assistance in the preparation of a comprehensive needs assessment for a modified or new facility at Oakland. A complete review of the related fiscal implications is also necessary. Ms. Ray-Bledsoe stated that she felt it was important to establish a broadly based committee to assist in the planning process.

Chairman Sharp thanked Ms. Ray-Bledsoe and Dr. Paul Hartman and his staff for the "fine tour of Lepley" prior to the meeting. He stated that it is obvious to him that considerable work goes into maintaining the building which is greatly appreciated by the Board. He commended the institution for "making do with a facility that clearly needs major overhauling."

Appointment of a Vice President for Finance and Administration

President Packard stated that following the retirement of Mr. Robert J. McGarry as Vice President for Finance and Administration and Treasurer to the Board of Trustees, an extensive nationwide search to fill the position was conducted by a search committee chaired by Mr. John De Carlo, Senior Vice President, General Counsel and Secretary to the Board of Trustees. The search committee was composed of members of the faculty and staff and a member of the Board, Trustee Stephan Sharf. Seven semifinalists were selected from 240 candidates and were interviewed on campus, with three finalists chosen for extensive campus visits and meetings with several administrators and staff persons. The President stated that based on the committee's recommendation and her review, she is pleased to recommend the appointment of Mr. Paul E. Bissonnette as Oakland's next Vice President for Finance and Administration.

Mr. Bissonnette is currently Executive Assistant to the President for Administration and Physical Development at California State University, Fresno. He is a collaborative leader who recognizes the importance of strategic planning. He has served as the Associate Vice President for Administration and External Relations and the Director of Business Affairs among other related positions in his 20-year tenure at California State University, Fresno. One of Mr. Bissonnette's areas of expertise was develop-

ing unique funding strategies through the use of bonds and private donors to augment the university's state capital outlay resources. He was instrumental in acquiring funding for a \$7 million football stadium and a \$13.9 million expansion to the stadium, a \$3 million baseball stadium, a \$2.3 million business center, a humanities building and a Central Chiller Plant Conversion. He also orchestrated the commercial development and lease of 69 acres of university land and a State Parks and Recreation grant for a state agricultural museum on campus.

Other accomplishments of Mr. Bissonnette include the creation of the first 501(c)(3) Athletic Corporation in the state university system in California and a fine teaching record. He holds a tenured faculty position at Cal-State, Fresno and teaches in the area of Governance and Political Perspectives in Educational Leadership. He has chaired the City and County Fresno Privatization Task Force. He has overseen the areas of development, physical development, planning, public safety, environmental health and safety, procurement, shipping and receiving, print shop operations, parking and division budget planning and control. Mr. Bissonnette has also managed the areas of computer services, auxiliary services, alumni relations, public information and university development. He has also served as the designated liaison with state legislators and city and county officials.

The President stated that Mr. Bissonnette will be a knowledgeable, highly experienced addition to the Oakland University family. She stated that she is pleased to make the following recommendation:

RESOLVED, that the Board of Trustees authorizes President Sandra Packard to appoint Mr. Paul E. Bissonnette to the position of Vice President for Finance and Administration effective July 19, 1993, or earlier, in accordance with the terms and conditions of Mr. Bissonnette's appointment which are set forth in the Agreement between Mr. Paul E. Bissonnette and Oakland University, dated April 28, 1993.

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

The President then made the following recommendation:

RESOLVED, that Mr. Paul E. Bissonnette be named Treasurer of the Board of Trustees on the effective

date of his appointment as Vice President for Finance and Administration, replacing Mr. Ray T. Harris in that position on that date.

Trustee Andrea Fischer, seconded by Trustee Schlaybaugh, moved approval of this recommendation which was voted on and unanimously carried.

The President then recognized the "wonderful work" of Mr. Ray T. Harris as Acting Vice President for Finance and Administration and Acting Treasurer to the Board of Trustees. She noted that he has done an "exemplary job this year" serving in both positions in addition to performing his original responsibilities. There was a round of applause for Mr. Harris.

Chairman Sharp expressed his personal appreciation for the work of Mr. Harris. He noted that he has been fortunate to work with Mr. Harris on some matters, and he has always been impressed with his attention and devotion to detail.

Improvements to Meadow Brook Music Festival Grounds

Mr. Harris reported that last year the Board leased the Meadow Brook Music Festival grounds to Olympia Arenas, Inc., (OAI) for a three-year period, with an option for OAI to renew for an additional five years. The lease agreement provides that OAI must obtain university approval for any capital improvements. At the April 1, 1993, meeting, the Board authorized OAI to begin improvements to the south restrooms subject to approval of the revised plans by the University Affairs Advisory Committee which occurred earlier this week.

He noted that OAI representatives are present to review and report on the improvements they wish to address prior to the 1993 season which include paving of the Adams Road entrance to the main parking lot, construction of an additional concession window at Trumbull Terrace, American's with Disabilities Act (ADA) paving and handrails near the south restrooms, installation of menu boards on the concession building at Trumbull Terrace, additional lawn lighting from the pavilion canopy, and the paving of a cart path from Trumbull Terrace to the main lawn. He noted that these requests were reviewed by the University Affairs Advisory Committee earlier in the day. He then introduced Messrs. Steve Facione and Stuart Mayer of Olympia Arenas, Inc.

Mr. Facione, Vice President for OAI and General Manager of the Fox Theatre, stated that OAI has begun its improvements on the south restrooms after receiving approval of the revised plans

from the University Affairs Advisory Committee. He then reviewed in detail the improvements Mr. Harris had highlighted. He thanked the university staff who assisted OAI in this matter.

The report was accepted.

Approval for Change in Purchasing Policy

Mr. Harris stated that the current purchasing policy adopted by the Board in 1982 requires at least three competitive quotations for orders which exceed \$1,000. Coopers and Lybrand, Oakland's CPA audit firm, recommended that Oakland raise the requirement for bidding to a higher level, possibly \$5,000. The median amount of the nine Michigan state universities with policies requiring competitive quotations in excess of a specified amount was \$2,500. He noted that the raising of the bidding requirement from \$1,000 to \$5,000 would provide greater administrative efficiencies by allowing the Purchasing Department to focus on large dollar purchase orders and afford greater latitude in establishing mutually beneficial working relationships with minority-owned firms.

Mr. Harris then made the following recommendation:

RESOLVED, that the Board of Trustees change its purchasing policy from a requirement of at least three competitive quotations for all orders which exceed \$1,000 to a requirement of at least three competitive quotations for all orders which exceed \$5,000.

Trustee Andrea Fischer, seconded by Trustee David Fischer, moved approval of the recommendation for discussion. Trustee David Fischer then stated that he believed that a \$5,000 cap was rather high, and he moved to amend the recommendation indicating that at least three competitive quotations should be required for all orders over \$2,500. Trustee Andrea Fischer supported the amendment which was voted on and unanimously carried.

Trustee David Fischer, seconded by Trustee Andrea Fischer, then moved approval of the amended recommendation which reads as follows:

RESOLVED, that the Board of Trustees change its purchasing policy from a requirement of at least three competitive quotations for all orders which exceed \$1,000 to a requirement of at least three competitive quotations for all orders which exceed \$2,500.

The motion was voted on and unanimously carried.

Early Redemption of Oakland Center Building Addition Bonds

Mr. Harris reported that the trend toward lower interest rates presents the university with an opportunity to early retire outstanding Oakland Center Building Addition Bonds of 1969 and save approximately \$34,000. The outstanding bonds carry tax exempt interest rates of 5.7 percent and 5.8 percent. The current amount outstanding is \$955,000. On June 30, 1993, the university is scheduled to make a payment of \$75,000 towards principal and interest. The bond issue has a Debt Service Reserve with a market value as of December 31, 1992, of \$205,300. After netting the \$75,000 payment and the market value of the reserve, the administration believes that the maximum new financing needed will not exceed \$710,000.

Mr. Harris stated that assuming an estimated 5 percent rate on university internal funds, the university can save \$34,000 over the scheduled remaining life of the bond issue in interest and trustee fees by retiring the bond issue on June 30, 1993. The university would fund the early redemption of the Oakland Center Building Addition Bonds of 1969 with university pooled cash and would establish a schedule whereby the university's pooled cash would be repaid over an estimated five-year period at the interest rates earned by the university on short-term investments.

Mr. Harris stated that at the November, 1992, meeting, the Board took similar action on the 1970 housing bonds and several years previous, the Board early retired other housing bonds on the same basis. He then made the following recommendation:

RESOLVED, that the Acting Vice President for Finance and Administration be authorized to instruct Society Bank, Trustee for the Oakland Center Building Addition Bonds, to give notice of call for redemption of all outstanding bonds as of June 30, 1993; and, be it further

RESOLVED, that the Acting Vice President for Finance and Administration be authorized to use pooled cash to fund the redemption of the Oakland Center Building Addition Bonds, estimated at \$710,000 after application of funds in the Debt Service Reserve; and, be it further

RESOLVED, that an internal amortization schedule be adopted whereby the university's fees will repay the

university pooled cash for the early redemption of the Oakland Center Building Addition Bonds over a period of approximately five years using the average interest rate the university would have earned on short-term investments in the preceding six-month period.

President Packard stated that this is a very reasonable action given the institution's current short-term pooled cash policy. Trustee Schlaybaugh stated that the Investment Advisory Committee has requested that Mr. Harris evaluate short-term investment options for the institution, and he raised several questions regarding the issue of whether a revised short-term investment policy might afford greater savings than the proposed action. Mr. Harris stated that he believes that there would not be that great a difference in savings, noting that there was probably no investment option that would become available over the remaining maturity of the bonds that would earn more than the net savings from the early redemption.

Trustee Sharf recommended that the short-term pooled cash be placed in The Common Fund for investment purposes. Mr. Harris stated that operating money is not ordinarily invested in equities because of the risk factor, and he noted that the early redemption recommendation is risk free.

In response to a question by Trustee David Fischer, Mr. Harris noted that the subject bonds were the institution's only remaining outstanding bonds.

Trustee Schlaybaugh, seconded by Trustee Andrea Fischer, moved approval of the recommendation. The motion was voted on. Trustees Andrea Fischer, David Fischer, Rex Schlaybaugh and James Sharp voted affirmatively. Trustee Sharf voted against the motion. The motion failed due to the lack of a majority vote.

(Please see page 89 where a second vote was taken, and the recommendation was approved by the Board.)

Ratification of new Constitution for the School of Engineering and Computer Science

Dr. Ronald M. Horwitz, Acting Vice President for Academic Affairs, stated that the faculty of each major academic unit has governance structure defined by a constitution. The constitution of the School of Engineering and Computer Science was last revised and approved in 1981, since that time there have been

several changes including the change in the name of the School as well as changes in the faculty collective bargaining agreement. The changes have been made and reviewed by the Office of the General Counsel, approved by the Assembly of the School of Engineering and Computer Science, approved by the University Senate and recommended for approval by the University Affairs Advisory Committee.

He then made the following recommendation:

WHEREAS, the Constitution of the University Senate as authorized by the Board of Trustees provides for certain functions to be assigned to the organized faculties of the Schools and the College of Arts and Sciences; and

WHEREAS, the Board of Trustees has acted to approve internal constitutions in order to obtain the input and recommendations of faculty, staff, and students on matters relating to the programs of the university, but has retained unto itself the full authority granted to it by law; be it

RESOLVED, that notwithstanding any provision of the proposed constitution the Board of Trustees reaffirms its legal authority to grant, modify and rescind internal constitutions when the Board determines such action to be in the interest of the institution or required to comply with its legal obligations; and, be it further

RESOLVED, that the Board of Trustees under the conditions set forth above authorizes the implementation of the new constitution entitled Constitution of the School of Engineering and Computer Science.

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

Early Redemption of Oakland Center Building Addition Bonds

Trustee Sharf stated that he is willing to reconsider his vote on the early redemption of the Oakland Center Building Addition bonds. He noted that there are several methods for investing money, and he anticipates the institution's full review of the investment of short-term pooled cash.

Trustee Sharf moved to reconsider the Board's previous action regarding early redemption of Oakland Center Building Addition Bonds. Trustee David Fischer seconded the motion to reconsider which was voted on and unanimously approved.

Trustee David Fischer, seconded by Trustee Schlaybaugh, moved approval of the motion as stated above by Mr. Harris. The motion was voted on and unanimously carried.

President Packard assured the Board that Mr. Harris has already begun the process of reexamining Oakland's short-term pooled cash flow which will be addressed at the next Investment Advisory Committee meeting.

Reappointment of Library Dean

President Packard introduced Dean Suzanne Frankie of the Kresge Library. She noted that Dean Frankie has served for two five-year terms as Dean of the Library. The reappointment process was conducted by Associate Vice President George Dahlgren which involved consultation with Library faculty and other members of the university community including herself and Dr. Horwitz. She noted that Dean Frankie's evaluation was very positive and resulted in a recommendation for the reappointment of Dean Frankie for a third five-year term as Dean of the Library.

The President stated that Dean Frankie has not only been instrumental in making the Library accessible and workable for students and faculty, but she has been vital in moving the Library forward into the technological age of information science and in seeking funds for the Library endowment. Dean Frankie has also agreed to assume the coordination of the steering committee of the Strategic Planning Process. Her role has been and will continue to be exemplified by her significant leadership.

President Packard then made the following recommendation:

RESOLVED, that the Board approve the appointment of Suzanne Frankie as Dean of the Library for a third five-year term, commencing August 15, 1993.

Trustee Andrea Fischer, seconded by Trustee Schlaybaugh, moved approval of the recommendation which was voted on and unanimously carried. There was a round of applause for Dean Frankie.

Faculty and Administrative Personnel Actions

Dr. Horwitz made the following recommendations:

Emeritus Appointments

Michaud, Paul M., Associate Professor Emeritus of History, effective April 1, 1993 [Supersedes previous Board action of April 1, 1993, which erroneously granted Professor Emeritus of History status]

Sick Leaves

Appleton, Sheldon L., Professor of Political Science and Associate Vice President for Undergraduate Studies, sick leave from February 17, 1993, through April 26, 1993 (with full pay) [Supersedes previous Board action taken on March 4, 1993, which placed him on sick leave from February 17, 1993, through April 11, 1993]

Marney, John, Associate Professor of Chinese, sick leave from March 22, 1993, through May 1, 1993 (with full pay)

Leave with no pay

Turett, J. Barry, Professor of Mathematical Sciences, part-time (50 percent) leave from January 3, 1994, through April 27, 1994 (with prorated pay)

Special Salary Adjustment

David, Indra M., Associate Professor, University Library, and Associate Dean, increase of \$2,700 per annum retroactive to July 1, 1992

Trustee David Fischer, seconded by Trustee Andrea Fischer, moved approval of the recommendations. The motion was voted on and unanimously carried.

Approval of Retirement Policy and Longevity Payment Exception for Mr. Ronald Kevern

Mr. Harris reported that Mr. Ronald Kevern, currently serving as Assistant Vice President for Student Affairs, has been employed at Oakland University in an administrative-professional capacity since August 19, 1968. On June 14, 1993, Mr. Kevern will reach age sixty. He would achieve

twenty-five years of service on August 19, 1993, and would then be eligible to be an official university retiree, which requires either twenty-five years service at any age, or at least fifteen years of service at age sixty-two or older. Mr. Kevern notified Vice President Wilma Ray-Bledsoe and the university of his intention to retire on October 1, 1993. By retiring on this date, he would be eligible for a full longevity payment for the period of October 1, 1992, to October 1, 1993. With continuous service of twenty-two to twenty-six years, he would receive 6 percent of the \$15,000 base figure, which equals \$900 for the full twelve-month period.

Mr. Harris stated that the Vice President for Student Affairs wishes to accelerate salary savings from Mr. Kevern's position and is planning an administrative restructuring in that division to be effective July 1, 1993--the beginning of the 1993-94 fiscal year. Since Mr. Kevern will not be replaced and his responsibilities will be assigned to others, for budgetary reasons, and substantial salary savings may be realized when he retires. If he were to retire on June 30, 1993, rather than October, 1993, three additional months of salary savings, or \$18,027, can be achieved. An additional savings in benefits costs exceeds \$4,000.

Mr. Harris stated that Mr. Kevern is willing to move his retirement to June 30, 1993, if his longevity payment for the period of October 1, 1992, to October 1, 1993, would remain the same as if he retired on his originally announced date of October 1, 1993, and if the Board grants an exception to the policy such that one month and nineteen days of the twenty-five years of service requirement would be waived.

Mr. Harris noted that Mr. Kevern was recently elected by his colleagues as Administrative/Professional Employee of the Year.

Mr. Harris then made the following recommendation:

RESOLVED, that in order to realize substantial salary savings and an earlier opportunity for administrative streamlining, the Board of Trustees approves a retirement policy and longevity payment policy exception for Mr. Ronald Kevern, such that Mr. Kevern's retirement will be effective at the end of the working day on June 30, 1993, one month and nineteen days prior to attainment of twenty-

five years of continuous service; and Mr. Kevern will receive the full longevity payment he would have received had he left employment on October 1, 1993.

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

Gifts and Grants to Oakland University for the period of March 1 through March 31, 1993

Dr. Margo King, Assistant Vice President for University Relations, reported that in March, 1993, gifts of \$139,317.95 were received, and grants and contracts totaled \$615,885 which represents external support for March of \$755,202.95.

Trustee Andrea Fischer, seconded by Trustee David Fischer, moved acceptance of the gifts to Oakland University. The motion was voted on and unanimously carried.

Approval to Invest Land Sale Proceeds with The Common Fund

Mr. Harris stated that the Investment Advisory Committee has reviewed the issue of investing the land sale proceeds of \$3,307,975 from the 1992 sale of Squirrel Road property to the City of Auburn Hills. He stated that these funds and the proceeds from the sale of land to Chrysler Corporation in 1985 of \$465,098 were invested in short-term securities. The total value of these net proceeds plus interest earned through December 31, 1992, is \$4,173,645.

Mr. Harris stated the designation for the use of these funds must be made by the Board. Their use has been under study and previous discussions with the Board have suggested that they be endowed for scholarship purposes. If the funds were to be endowed, they would be invested with The Common Fund which currently manages the university's endowment fund. By Board policy, university funds can only be invested in securities with maturities not longer than one year unless they are designated endowed funds or unless the Board specifically approves their investment in equities and/or long-term securities. He noted that the university is losing considerable investment and market appreciation income by keeping the land sale proceeds invested in short-term securities. There is no immediate operational need for these funds and the probability is that they will ultimately be

declared quasi-endowed funds and be invested with the university's endowed and quasi-endowed funds.

Mr. Harris then made the following recommendation:

RESOLVED, that the land sale proceeds including interest earned, totalling \$4,173,645 as of December 31, 1992, be invested with The Common Fund in accordance with the Board of Trustees policy for the investment of endowment funds.

Trustee Andrea Fischer, seconded by Trustee Sharf, moved approval of the recommendation.

There was discussion regarding the future use of the funds and the difference between endowed funds and quasi-endowed funds. President Packard stated that the endowed funds are specifically designated funds based on the wishes of the donors, and the quasi-endowed funds can be used for any purpose determined by the Board. In the absence of any designation by the Board at this time for these funds, they will be placed in quasi-endowment.

Trustee Schlaybaugh moved to amend the recommendation to add the following sentence: The use of these funds shall be determined by Board action. Trustee Andrea Fischer seconded the motion to amend the language of the resolution.

The amended resolution reads as follows:

RESOLVED, that the land sale proceeds including interest earned, totalling \$4,173,645 as of December 31, 1992, be invested with The Common Fund in accordance with the Board of Trustees policy for the investment of endowment funds. The use of these funds shall be determined by Board action.

The motion to amend was voted on and unanimously carried, and the original amended recommendation was then voted on and unanimously carried.

Other Items

Chairman Sharp requested a motion to change the time of the June 3, 1993, Board meeting from 3 p.m. to 1 p.m. Trustee Schlaybaugh, seconded by Trustee Andrea Fischer, moved that

the June 3, 1993, Board meeting be scheduled for 1 p.m. The motion was voted on and unanimously carried.

Chairman Sharp instructed the University Affairs Advisory Committee to make arrangements for meeting on June 3, based on the new time of the Board meeting.

Approval of a Closed Session

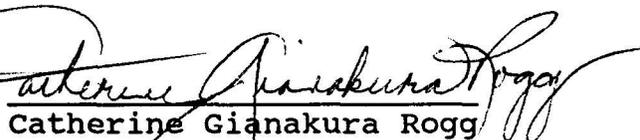
Trustee David Fischer, seconded by Trustee Andrea Fischer, moved approval of a roll-call vote for the purpose of a closed session to discuss collective bargaining strategy. The motion was voted on and unanimously carried. Mr. John De Carlo, Senior Vice President, General Counsel and Secretary to the Board of Trustees, called the roll of the Board for a closed session, which was unanimously approved.

Trustee Andrea Fischer asked that those who set up the Board meeting furnishings and sound system in the gymnasium be recognized. In addition, President Packard asked the Athletics Department staff to stand and identify themselves. Those staff members who were present were Dr. Paul Hartman, Director of Athletics; Mr. Greg Kampe, Head Basketball Coach; Mr. Eric Stephen, Men's Assistant Basketball Coach; Mr. Peter Hovland, Men's Swim Coach; and Mr. Ron Forbes, Business Manager. Mr. Dan Niezurawski, Director of Plant Maintenance, was also recognized, since staff members within his division prepared the gymnasium for the meeting.

The meeting was adjourned at 4:40 p.m., and the Trustees convened in closed session.

Submitted,

Approved,


Catherine Gianakura Rogg
Administrative Assistant
Board of Trustees

James A. Sharp, Jr.
Chairman
Board of Trustees