Minutes of the Meeting
of the
Oakland University, Rochester, Mich.
Board of Trustees
February 15, 1978

The meeting was called to order by President Donald O'Dowd at 7:40 p.m. in Gold Room C of the Oakland Center.

Present: Vice Chairman Lewis, Trustees Adams, Headlee, Katke, Morris and Saltzman

Absent: Trustees Mair and Schwartz

Mr. O'Dowd stated that before commencing with the regular agenda items he wished to report on the following news items regarding activities at the university:

Grants and Contracts - The university has received more than $2 million in grants and contracts during the first six months of the year. This amount is nearly double that of a year ago. Of this total, $570,000 is for research.

Preschool Program - The preschool program of the Lowry Early Childhood Center has been designated as a model program by the Michigan State Department of Education.

Diplomat in Residence - Oakland University will have a diplomat in residence next year through a program sponsored by the U. S. State Department.

United Way Campaign - More than $21,000 was pledged by university employees and students--an 81.2% increase over last year.

President's Club Membership - The membership of the President's Club now totals 141 which represents a 40% increase over last year's membership.

Oakland University Alumni Fund Drive - $42,000 was raised by the alumni in the 1977 Fund Drive. More than 22% of the alumni contributed to the fund drive which should place Oakland among the top 20 public institutions in the country in terms of percent of alumni giving to an annual fund. Also, for the first time, several alumni have become members of the University Associates, and one has joined the President's Club.

East Campus Water Project - This federally funded project is two-thirds completed with most of the main water lines installed.

Computer Selection - The process to select a new computer is well underway. A total of 13 different combinations have been proposed by vendors. The final bids have been narrowed to three options with the final selection expected within a month.

Winter Enrollment - The headcount for the winter term is 10,205. This is the first time that the winter enrollment has exceeded 10,000.

Residence Hall Occupancy - Winter occupancy of residence halls this year is 1,320 as compared to 1,205 last year.

Classroom Office Building Project - Oakland is ready to let bids on this project and hopefully could break ground in six to nine months.

Radio Program - WPON Radio is broadcasting a weekly Oakland University program. Jerry Dahlmann, Assistant Provost, and Kathy Greenfield, a journalism major, are producing the 30-minute show which is aired on Thursdays at 7 p.m.

Minority Small Businesses Seminar - The Urban Affairs Center, in conjunction with the City of Pontiac and the Oakland Livingston Human Service Agency, has been sponsoring a weekly seminar series on minority small businesses. Approximately 70 persons have been attending each week.

Second Annual Winter Carnival - The Second Annual Winter Carnival was held last week and was very successful.

Oakland University Women's Basketball - A special athletic event is to be held on Tuesday, February 21, when the women's basketball team hosts the Taiwanese National Team.

Winter Sports Activities - The women's basketball team defeated Grand Valley to move into a tie for first place in the GLIAC. The men's team posted its first win over Grand Valley in six years. The women's season record is 13-3; the men's record is 6-18. The men's wrestling team is 6-5 in dual meets. The men's swim team is 4-2 in dual meets; the women's team is 4-6 in dual meets.

Approval of Minutes of November 29, 1977 Board of Trustees Meeting

Mr. O'Dowd requested approval of the minutes for the Board of Trustees meeting of November 29, 1977. Mr. Headlee offered a motion for approval of the minutes. Mrs. Adams seconded the motion, and the minutes were approved by the Board as distributed.

Ratification of Agenda Items Approved at the November 29, 1977 Meeting of the Board of Trustees in the Absence of a Quorum

Mr. O'Dowd recommended ratification of the agenda items approved at the November 29, 1977 Board meeting. Since a quorum was not present at that meeting, Board policy requires that the items acted upon be presented for ratification at the next regularly scheduled meeting at which a quorum is present.

The actions to be ratified are set forth in the minutes of the November 29, 1977 meeting and are as follows:

Approval of minutes of October 26, 1977

Approval of personnel actions:
Faculty Personnel Actions
Recommendations from Employment Relations Department

Acceptance of gifts and grants

Approval of the Constitution of the School of Nursing

Approval of the 1978-79 operating budget request

Mr. Morris moved that the actions be ratified. Mr. Saltzman seconded the motion which carried.

Report from the Department of Philosophy

In continuing the series of reports from various departments, Mr. O'Dowd introduced Mr. Richard J. Burke, Professor and Chairman of the Department of Philosophy, to comment on the written report submitted to the Board of Trustees.

Mr. Burke stated that the Philosophy Department was small, consisting of six faculty members. The department does not have a graduate program and does not anticipate developing a program since there was no need for one at this time. Mr. Burke noted that the Philosophy Department has always placed a greater emphasis on teaching than on research since philosophy did not lend itself to scientific or scholarly research. The department tries to keep classes small in size in order to work individually with students.

Mr. Katke requested an explanation of the "publish or perish" theory as it applied to the Philosophy Department.

Mr. Burke responded that there was no easy explanation. The concept becomes an issue when a faculty member comes up for tenure since some publication is expected of each faculty member.

Mr. Katke then asked who made the final judgment on tenure.

Mr. Burke responded that there were four levels of review--department, two faculty committees, and the administration. Mr. Burke stated that the faculty committees are now expecting a "good deal of professional activity." Mr. Burke noted that the faculty members in the Philosophy Department do research in writing papers which they read to each other. The members of the faculty committee are interested in having the Philosophy Department influence other areas at other universities and are looking for some measurable impact outside the university. Mr. Burke said he felt this was a high standard to require from every member of a department that does not have a graduate program and whose primary focus is teaching.

Mr. Katke inquired if the students received better instruction if a faculty member does or does not publish more than normal.

Mr. Burke said it would be very hard to generalize and he could not say there was any significant correlation between a professor rated as a good teacher and productivity in publications. He commented that he felt there ought to be room for variation.

Mr. Katke noted that the "publish or perish" phrase was practically a household expression and perhaps overdone. He said he felt that the primary concern should be the students.

Mr. O'Dowd commented that this was a very delicate area and that the answers were not easy.

Mr. Headlee asked if Mr. Burke received the support he needed for his department.

Mr. Burke replied that he did. He said their needs were not great; that the department was healthy; that the student enrollments were adequate and increasing. He noted, however, that there was some morale problem among the untenured staff members.

Mr. Frederick W. Obear, Vice President for Academic Affairs, said as a member of the Provost's Personnel Committee he felt he should make some comments on the tenure issue from the administration's point of view. First, Mr. Obear noted, that the standards for tenure have been increasing over the last five years or so--not only at Oakland but in higher education generally. Secondly, that while many feel that teaching and research are separate, occasionally they can be combined so that what is good for one is good for the other. Mr. Obear said the criteria for tenure are teaching, professional activity, recognition and service to the university and community. Beyond publication, there are other ways a faculty member can demonstrate a level of activities in a professional sense. Rather than departmental review, it has been suggested that a greater measure of objectivity could be obtained by having colleagues from other institutions hear or read the scholarly papers prepared by Oakland faculty. In addition, recognition in professional societies, national scholarships or honors, and overseas fellowships and awards could also be accepted.

Mr. Obear said that the administration has written to most members of the faculty that the university requires evidence of activity in the areas of teaching, professional activity and service. In order to obtain positive tenure recognition, the administration expects that a faculty member must demonstrate outstanding performance in two of the three areas and teaching is critical. As a final point, Mr. Obear stated that the administration looks for balance within a department when considering the various criteria for tenure.

Professor Robert Williamson asked for recognition. He stated that the Faculty Review and Promotion Committee was in general agreement with the administration. Mr. Williamson noted the importance of maintaining diversity of thought; however, all agreed that teaching was the critical element at the university.

Since there were no further questions from the Board, Mr. O'Dowd thanked Mr. Burke for his report.

Approval of Personnel Actions

Mr. O'Dowd presented the following faculty personnel actions for the Board's approval:

Appointments

Fitzsimmons, M. Jane, part-time, 10 month Adjunct Clinical Instructor in Nursing, effective December 1, 1977 through November 30, 1979

Russol, Barbara B., full-time, 10 month, Instructor in Nursing, effective August 15, 1978

Shur, Michael, full-time, 10 month Assistant Professor of Engineering, effective August 15, 1978

White, John S., part-time, 10 month Adjunct Professor of Engineering, effective January 5, 1978 through April 27, 1978

Changes of Status

Fullmer, Daniel H., from Associate Professor of Linguistics and English to Associate Professor of Linguistics and English and Acting Chairman, Department of Linguistics, effective January 5, 1978 through April 27, 1978

Hitchingham, Eileen, cancel sabbatical leave from January 1, 1978 through December 31, 1978

Holliday, Christopher R., Assistant Professor of Philosophy, change in salary, effective October 1, 1977

Kinsey, Victor E., Professor of Biological Sciences and Director Emeritus, Institute of Biological Sciences, change in salary, effective August 15, 1977 through August 14, 1978

Michaud, Paul M., from Associate Professor of History and Acting Chairman, Area Studies Program to Associate Professor of History, effective January 5, 1978

Leaves of Absence

Daniels, David, Associate Professor of Music, sabbatical leave from August 28, 1978 through April 27, 1979

Ijewliw, Dmytro, Associate Professor of Russian, leave of absence, from August 28, 1978 through December 19, 1978

Orton, Lawrence D., Assistant Professor of History, sabbatical leave from August 28, 1978 through December 19, 1978

Mr. Headlee moved that the personnel actions be approved. Mr. Saltzman seconded the motion which carried.

Mr. O'Dowd requested the Board's approval of the following recommendations from the Employment Relations Department:

Academic Affairs

School of Engineering
Establish budget position #26, Assistant Laboratory Manager/Engineering, AP-I.

Source of funds for 1977-78: A transfer of general fund budget allocations within existing approved budget levels with no increase in the total budget allocation.

Source of funds for 1978-79: An increase in the general fund budget allocation as supported by student tuition and the State appropriation.

Establish budget position #307, Technical Department Secretary, salary grade C-4.

Source of funds for 1977-78: A transfer of general fund budget allocations within existing approved budget levels with no increase in the total budget allocation.

Source of funds for 1978-79: An increase in the general fund budget allocation as supported by student tuition and the State appropriation.

Graduate Study

Reclassify budget positions #302 and #303 from Departmental Secretary, salary grade C-3, to Graduate Admissions and Records Clerk, salary grade C-4.

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

Kresge Library

Collapse budget position #309, Secretary/Technical Services Division, salary grade C-5. Establish budget position #309, Microforms and Reference Assistant, salary grade C-3.

Source of funds: The establishment of this position will result in no additional cost per annum, and it is probable that significant savings will result from the filling of the position at the lower level.

Political Science

Establish budget position #302, Academic Secretary A, salary grade C-5.

Source of funds for 1977-78: A transfer of general fund budget allocations within existing approved budget levels with no increase in the total budget allocation.

Source of funds for 1978-79: An increase in the general fund budget allocation as supported by student tuition and the State appropriation.

Campus and Student Affairs

Physical Plant

Reclassify budget position #5 from Coordinator of Architectural Services, AP-III to AP-IV.

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

Student Life

Reclassify budget position #5, Coordinator, Information and Services, AP-III, to Assistant Director and Coordinator of Information and Services, AP-IV.

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

Public Relations

Establish budget position #303, Typesetter/Keyliner, salary grade C-4.

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

Mr. Headlee moved that the personnel actions be approved. Mr. Katke seconded the motion which passed.

Acceptance of Gifts and Grants

Mr. O'Dowd requested acceptance of the following gifts and grants:

I. Gift in support of the Jewell Wibby Women's Athletic Scholarship:

Carter, Mr. Robert, Oak Park	$1,412.50*

II. Gifts in support of the Alumni Fund:

Chrysler Corporation Fund, Detroit (Matching gift)	180.00
Miscellaneous Donors	165.00

III. Gifts in support of the Athletic Department:

Miscellaneous Donors	70.00
Sowerwine, Mr. and Mrs. Stanley L., Petoskey	100.00

*Stock Contribution

IV. Gifts in support of the Meadow Brook Art Gallery:

Graham, Mrs. Graham J., Bloomfield Hills	200.00
Hermelin, Mr. and Mrs. David, Birmingham	100.00
Miscellaneous Donors	4,614.00
Nagey, Mr. and Mrs. Tibor F., West Bloomfield	156.00
Phillippi, Mr. and Mrs. O. Ray, Birmingham	100.00
Raskin, Dr. and Mrs. Herbert, Birmingham	128.00
Rollins, Dr. and Mrs. Michael, Grosse Pointe Farms	104.00
Schuster, Mr. Eugene I., Detroit	128.00
Showcase Galleries, Southfield	156.00
Yamasaki, Minoru, & Associates, Inc., Troy	100.00

V. Gifts in support of Meadow Brook Hall:

Miscellaneous Donors	435.00
Roy, Mr. Ross, Detroit	100.00

VI. Gifts in support of Meadow Brook Hall - Paul Engstrom Tribute Fund:

Benson, Mr. Joe G., Southfield	100.00
Handley, Mr. James C. B., Detroit	250.00
Zaffern, Mr. and Mrs. Bernard H., Oak Park	100.00

VII. Gifts in support of Meadow Brook Hall - Gilders Development Fund:

Caldwell, Ms. Fredericka V. L., Detroit	5,000.00
Cline, Ms. Amelia V., Birmingham	900.00
Gossett, Mrs. Elizabeth H., Bloomfield Hills	1,000.00
Lane, Mrs. Anna Baker, Pontiac	100.00
Miscellaneous Donors	50.00
Underwood, Mr. and Mrs. A. F., Rochester	100.00

VIII. Gift in support of the Meadow Brook Music Festival Facilities:

Kresge Foundation (The), Troy	45,000.00

IX. Gifts in support of the Meadow Brook Music Festival/Theatre Fund Drive:

Bright, Mr. and Mrs. Rinehart S., Bloomfield Hills	500.00
Miscellaneous Donors	125.00
Mosher, Mr. W. E. Jr., Birmingham	300.00
Riccardo, Mr. and Mrs. John J., Birmingham	500.00
Roeder, Mr. and Mrs. Richard G., Bloomfield Hills	100.00

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

Aagesen, Mr. and Mrs. Larry K., Rochester	1,000.00
Answering Service, Inc., Southfield	1,000.00
Bachman, Mr. and Mrs. William B., Jr., Bloomfield Hills	1,176.56*
Baylis, Dr. Shelby, Bloomfield Hills	1,000.00
Birmingham Leasing Company, Troy	1,000.00
Bixby, Mr. and Mrs. H. Glenn, Detroit	1,000.00
Colombo, Mr. and Mrs. Frederick, Birmingham	1,000.00
Dewar, Mr. Robert E., Bloomfield Hills	1,204.80*
Duryea, Mr. and Mrs. F. Charles, Jr., West Bloomfield	2,356.00*
Fill, Dr. Leon, Foundation, Detroit	1,000.00
Gamble, Mr. David L., Harper Woods	1,008.00*
George, Mr. and Mrs. Edwin O., Bloomfield Hills	1,000.00
Gerstenberg, Mr. and Mrs. Richard C., Bloomfield Hills	1,000.00
Gerstenberg, Mr. and Mrs. Richard C., Bloomfield Hills	6,300.00*
Girardot, Mr. and Mrs. R. James, Rochester	700.00
Hawkins Equipment Company, Inc., Pontiac	1,000.00
Johnson, Mr. and Mrs. Henry C., Bloomfield Hills	1,040.25*
Katke, Mr. and Mrs. Marvin L., Bloomfield Hills	10,062.50*
McKenney, Mr. and Mrs. Paul M., Bloomfield Hills	1,000.00
Napley, Mr. John, Bloomfield Hills	1,236.25*
Paige, Mr. and Mrs. Bernard P., West Bloomfield	1,000.00
Petersen, Mr. Donald E., Bloomfield Hills	1,000.00
Poole, Mr. Frederick J., Pontiac	1,000.00
Poos, Mr. and Mrs. John A., Bloomfield Hills	1,000.00
Rowston, Mr. Philip E., Bloomfield Hills	250.00
Sandrock, Mr. and Mrs. Henry, Birmingham	5,000.00
Tennyson Chevrolet, Inc., Livonia	1,000.00
Van Lennep, Mr. and Mrs. Frederick L., Lexington, Kentucky	1,500.00
Warner, Mr. and Mrs. Harold G., Bloomfield Hills	1,500.00
West Bloomfield Professional Center, Orchard Lake	1,000.00

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

Roehm, Ms. Lucile W., Bloomfield Hills	1,000.00

XII. Gift in support of the William G. Shaw Charitable Trust:

Shaw, William G., Charitable Trust, Detroit	250.00

*Stock Contribution

XIII. Gifts in support of the School of Economics & Management - "Federal Computer Systems Study":

K-mart Corporation, Troy	500.00
Miscellaneous Donors	50.00
Parke, Davis & Company, Detroit	250.00
Planning Executives Institute, Detroit	500.00

XIV. Gifts in support of the Tribute Fund for 1977:

Fitzgerald, Mr. Harold A., Pontiac	100.00
Miscellaneous Donors	230.00
O'Dowd, Mr. and Mrs. Donald D., Rochester	100.00
Ritchie, Mr. Stark, Washington, D.C.	100.00
Swayze, Mrs. Clare S., Birmingham	100.00

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

Michigan Council for the Arts, Detroit, under the direction of Mr. Terence Kilburn of the Meadow Brook Theatre, to be used in support of the program entitled, "Arts Outreach for Meadow Brook Theatre." Period of Performance: December 1, 1977 to September 30, 1978.	96,000.00
University of Michigan, Ann Arbor, under the direction of Mr. Kiichi Usui of the Meadow Brook Art Gallery, to be used in support of the program entitled, "Through Closed Doors." Period of Performance: October 26, 1976 to March 31, 1978.	2,500.00
National Eye Institute, Bethesda, Maryland, under the direction of Dr. Michael V. Riley of the Institute of Biological Sciences, to be used as a supplement to the original award for the program entitled, "Control of Corneal Hydration and Transparency." Period of Performance: September 1, 1977 to August 31, 1978.	1,400.00
National Science Foundation, Washington, D.C., under the direction of Dr. A. J. Durelli of the School of Engineering, to be used in support of the program entitled, "Development of Optical Methods in Experimental Mechanics." Period of Performance: December 1, 1977 to November 30, 1979.	62,100.00

XV. Grants in support of Departments, Staff, Schools and Colleges--continued:

Public Health Service, Bethesda, Maryland, under the direction of Dr. Venkat N. Reddy of the Institute of Biological Sciences, to be used as a supplement to the original award for the program entitled, "Ophthalmic Physiology and Biochemistry." Period of Performance: July 1, 1977 to June 30, 1978.	2,592.00
U. S. Army Natick Research & Development Command, Natick, Massachusetts, under the direction of Dr. Michael D. Sevilla of the Chemistry Department to be used as a supplement to the original award for the program entitled, "Mechanisms for Radiation Damage in Proteins and Model Compounds." Period of Performance: September 1, 1977 to August 31, 1978.	11,000.00

XVI.	Gift of a painting titled "Lipstick" by Pat Lipsky to the Meadow Brook Art Gallery from Mr. and Mrs. Arnold Aronoff, Birmingham. Estimated value:	6,000.00
XVII.	Gift of dairy products for Meadow Brook Art Gallery - "Picnic on the Grass V" from Borman's Inc., Detroit. Estimated value:	203.17
XVIII.	Gift of a pedestal, prints and paintings to the Meadow Brook Art Gallery from Mr. and Mrs. Melvin Kolbert, Bloomfield Hills. Estimated value:	8,085.00
XIX.	Gift of miscellaneous items to the Meadow Brook Art Gallery - "Picnic on the Grass V" from miscellaneous donors. Estimated value:	103.95
XX.	Gift of wine and liquor to Meadow Brook Hall from Mr. John Riccardo, Detroit. Estimated value:	352.90
XXI.	Gift of prints by Pierre Alechinsky to the Meadow Brook Art Gallery from Mr. Fred Yaffe, Southfield. Estimated value:	3,250.00
	Total Gifts and Grants	$309,474.88

REPORT ON STOCK TRANSACTIONS

	Value Date of Gift	Sale Price	Comm. & Taxes	Net Proceeds
Mr. and Mrs. William B. Bachman, Jr.				
Minnesota Mining & Mfg.				
25 shares, gift 12/5/77	$ 1,176.56			
sold 12/7/77		$ 1,159.38	$ 29.18	$1,130.20
Mr. Robert Carter				
SOS Consolidated, Inc.				
100 shares, gift 11/30/77	1,412.50			
sold 12/07/77		1,337.50	36.74	1,300.76
Mr. Robert E. Dewar				
K-mart Corporation				
40 shares, gift 10/07/77	1,204.80			
sold 11/04/77		1,150.00	29.99	1,120.01
Mr. and Mrs. F. Charles Duryea, Jr.				
Oscar Mayer & Company, Inc.				
100 shares, gift 10/26/77	2,356.00			
sold 11/04/77		2,387.50	49.33	2,338.17
Mr. David L. Gamble				
Procter & Gamble Company				
12 shares, gift 12/22/77	1,008.00			
Mr. and Mrs. Richard C. Gerstenberg				
General Motors Corporation				
100 shares, gift 12/28/77	6,300.00			
Mr. and Mrs. Henry C. Johnson				
One William Street Fund, Inc.				
75 shares, gift 12/29/77	1,040.25			
Mr. and Mrs. Marvin L. Katke				
Ford Motor Company				
230 shares, gift 12/16/77	10,062.50			
sold 12/19/77		10,033.75	164.23	9,869.52
Mr. John Napley				
Patrick Petroleum Company				
115 shares, gift 12/29/77	1,236.25			

Mrs. Adams inquired about the "Arts Outreach for Meadow Brook Theatre" item.

Mr. O'Dowd responded that this grant from the State of Michigan permitted a State-wide tour by the Meadow Brook Theatre group. The Theatre performs in approximately 15 cities around the State. He added that the tour provided a very valuable experience for the actors.

Mr. O'Dowd called the Board's attention to the gift from Mr. and Mrs. Katke and he expressed Oakland's gratitude.

Mr. Lewis moved to accept the gifts and grants with appreciation. Mrs. Adams seconded the motion which passed.

Report on the Police Officers Association Contract

Mr. Robert Swanson, Vice President for Business Affairs, stated that contract negotiations with the Police Officers Association were at an impasse. The university had petitioned the Michigan Employment Relations Commission for a mediator. The mediator had been appointed and a date will be set for the resumption of bargaining. Mr. Swanson expressed hope for a settlement prior to the next Board meeting.

Mr. Lewis inquired if the negotiations had been reviewed by the Board's Personnel Committee.

Mr. Swanson responded that the Committee had reviewed the university's position quite some time ago. He added that the police officers' contract had terminated in June of 1976 and that negotiations have been underway for one-and-one-half years.

Approval of Audited Financial Statements and Audit Reports for the Year Ended June 30, 1977

Mr. O'Dowd presented the following audited financial statements and audit reports for the year ended June 30, 1977 for the Board's approval:

1. Financial Statements as of June 30, 1977 and Supplementary Financial Information - together with Auditors' Report, Arthur Andersen & Co.

2. Oakland University Foundation - Financial Statements as of June 30, 1977 - together with Auditors' Report, Arthur Andersen & Co.

3. Upward Bound Program, Special Services for Disadvantaged Students Program - Statements of Federally-Funded Revenues, Expenditures and Fund Balance - Period from July 1, 1976 through June 30, 1977 - together with Auditors' Report, Arthur Andersen & Co.

4. Residences and Other Facilities with Pledged Income, Special Financial Information Required by Trust Agreements and Indentures as of June 30, 1977 - together with Auditors' Report, Arthur Andersen & Co.

5. Memorandum on Accounting Procedures and Internal Controls, November, 1977, Arthur Andersen & Co.

Mr. O'Dowd requested that Mr. Katke, as a member of the Audit Committee, report on the Committee's findings.

Mr. Katke stated that the Audit Committee of the Board of Trustees was comprised of Mr. Alan Schwartz and himself. A meeting was held with the auditors, Arthur Andersen & Co., and the Committee was satisfied with the reports. Mr. Katke called upon Mr. Robert Swanson, Vice President for Business Affairs, and the representative of the Arthur Andersen & Co. for comments.

Mr. Swanson stated that the affairs of the university were in good order and that there were no problems in terms of financial conditions. He then introduced Mr. Stan Gilbertson from Arthur Andersen & Co. for his statement on the reports.

Mr. Gilbertson stated that he had no specific comments to add. His firm had made a thorough examination of Oakland's financial activities and the results are contained in the reports. He noted that Arthur Andersen & Co. personnel had received good cooperation from the university.

Mr. Katke stated that since Arthur Andersen & Co. had conducted the audits for Oakland for the past seven years, and since Board policy provided for rotation of outside auditors, this report was the final audit of the series. Mr. Katke emphasized that the Audit Committee was very pleased with the performance of Arthur Andersen & Co. over the years.

Mr. Katke moved that the above-noted financial statements and audit reports for the year ended June 30, 1977 be approved. Mr. Saltzman seconded the motion which carried.

Approval of Appointment of CPA Audit Firm for Fiscal Year Ending June 30, 1978

Trustee Marvin L. Katke requested that Mr. John De Carlo, Secretary to the Board of Trustees, read a letter that Mr. Katke had directed to the Board of Trustees concerning the appointment of a CPA audit firm for the fiscal year ending June 30, 1978.

Mr. De Carlo read the following letter:

"January 4, 1978

"Board of Trustees of Oakland University:

The Audit Committee of the Board of Trustees whose members are Trustees Schwartz and Katke met with Messrs. O'Dowd, Swanson, De Carlo, Evans and Light at 8:30 a.m., Friday, December 16.

This meeting was expressly arranged for the purpose of reviewing the details of the selection processes and recommendation of the university for an appointment of an audit firm for the fiscal year ending June 30, 1978.

The Audit Committee was impressed with the depth of review of several candidate firms and the method that led to the final recommendation by the university. Accordingly, Ernst & Ernst was the firm selected for the fiscal year ending June 30, 1978 and the Audit Committee concurs with this recommendation.

I have been asked to report on the Audit Committee's meeting. As I will be out of the State on the date of this Board meeting, I take this means of reporting and urge that the Trustees approve of this selection.

Sincerely,

(Signed) Marvin L. Katke
Member of the Audit Committee"

Mr. Katke then offered the following recommendation:

That Ernst & Ernst be appointed by the Board as auditors for the fiscal year ending June 30, 1978.

Mrs. Adams seconded the motion.

Mr. Headlee inquired about the selection process since the fee proposed by Ernst & Ernst was $2,000 more than Arthur Young. Since other factors than cost were used in the selection, he was of the opinion that this fact should be on the record.

Mr. Swanson replied that a method of evaluating the firms with a numerical point system had been established. After a careful screening of the various presentations and the results from personal interviews, the university Business Office administrators unanimously decided that in spite of the modest deferential in proposed fee between Arthur Young and Ernst & Ernst, the latter firm rated the best score.

Mr. Lewis inquired whether or not the criteria used in the selection process had been reviewed with the Board Audit Committee prior to use.

Mr. Swanson affirmed that a review had been made.

Mr. Headlee observed that the record should note that the review procedure included an analysis of "Management Advisory Services."

Mr. O'Dowd added that this service was a very important item since many times Oakland needed management advice and counsel.

Mr. Lewis stated that he felt the process used in selecting an audit firm came about as close as possible to achieving objectivity. The procedure allows for additional modifications. He expressed the hope that when another audit firm was considered in the future the selection process could be refined even more.

The motion to appoint Ernst & Ernst as auditors for the fiscal year ending June 30, 1978 was voted on and passed.

Approval of Katke-Cousins Golf Course Clubhouse Project

Mr. O'Dowd requested that the Board authorize:

> The construction of a clubhouse at the Oakland University Katke-Cousins Golf Course with a project budget not to exceed $150,000 to be funded from gift income and, if needed, a loan of up to $40,000 from the Oakland University Foundation. The loan and interest payments are to be repaid out of 1978 and future earnings of the golf course or from future individual gifts.

Mr. Headlee moved to approve the project request. Mr. Morris seconded the motion.

Mr. Katke stated that the record should indicate that he would abstain from voting on the proposal.

Mr. Katke noted that Mr. Kenneth Coffman, Vice President for Campus and Student Affairs, had a presentation to make in connection with the proposed clubhouse.

Mr. Coffman reviewed architectural renderings prepared by the firm of Harley Ellington Pierce Yee Associates.

Mr. Katke noted the administration's suggestion that the firm of Harley Ellington Pierce Yee Associates be included in the recommendation for approval of the Katke-Cousins Golf Course clubhouse project.

Mr. O'Dowd stated that the project could not be started until legislative authorization was obtained.

Mr. Lewis inquired about the need for legislative approval since State funds were not involved.

Mr. De Carlo stated that the Board had the legal authority to undertake the project without legislative approval. However, the Michigan Legislature has adopted a policy which requires a review of all self-liquidating projects. The filing of a "Use and Financing Statement" is required in order to assure the State that no general operating funds will be utilized for the construction or operation of the facility. Mr. De Carlo recommended compliance with the legislative policy. He added that the project would be approved.

Mr. Lewis stated that he was excited and pleased with the proposed development which would enhance the university's recreational facilities.

The motion to approve the proposed clubhouse project and the appointment of the firm of Harley Ellington Pierce Yee Associates as architects was voted on and passed. Mr. Katke abstained.

Mr. Morris moved that an expression of appreciation be sent by the Secretary to the Board of Trustees to the original donors of the golf course commending them for their continued interest in improvement of the facilities. Mr. Headlee seconded the motion which passed unanimously.

Mr. Lewis said he would like to discuss what, if any, plans the administration had for the old frame farmhouse.

Mr. O'Dowd responded that some engineering studies were being made on the facility.

Mr. Lewis asked if the home was to be listed as a historic site such as Meadow Brook Hall.

Mr. O'Dowd requested that this subject be placed on a future agenda of the Board at which time the administration would have a firm recommendatio

Approval of Amendment to Oakland University Alumni Association Bylaws

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

> The alumni association board of directors has recommended that Article II of the bylaws of the Oakland University Alumni Association be amended by adding the following at the end of the article:
>
> > In addition to meeting the above qualifications for membership, each member will pay annual membership dues. The amount of dues will be established by a two-thirds majority vote of the board of directors of the alumni association, subject to ratification by the President of Oakland University. Membership dues and the annual contribution to the alumni fund may be waived for honorary members of the alumni association.

Mr. Headlee moved to approve the amendment to the Oakland University Alumni Association bylaws. Mr. Lewis seconded the motion which passed.

Installation of Bank Automated Teller Machine

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

> RESOLVED, That Oakland University be authorized to enter into an agreement with the Community National Bank of Pontiac, Michigan to have an Automated Teller Machine (ATM) installed in a location on campus mutually agreeable to both parties. The agreement will exempt Oakland University from any operating and maintenance costs or liability and will

require a space rental consideration be paid by the bank. It is to be understood that the Community National Bank is to allow other interested financial institutions, as permitted by law, to share the ATM under arrangements that are fair and reasonable. All such arrangements are to be between the Community National Bank and the sharing financial institutions.

RESOLVED, That this action is conditional, requiring approval of the agreement by the university attorney.

Mr. Headlee inquired if other banks had been notified of this proposal since the university could be criticized for excluding other financial institutions.

Mr. Swanson stated that he contacted other banks and there was no interest in the facility.

Mr. Morris raised a question about the propriety of advertising one company.

There was considerable discussion and the Board concluded that at this time the recommendation would not be approved.

Mr. Headlee moved that Mr. Swanson contact all of the banks serving the university service area about their possible interest in participating in this program and that he also obtain more specific information on the proposed equipment and scope of university control over advertising.

Mr. Lewis noted that he recognized the service performed by Community National Bank but he also stated that he understood the Board's concerns.

Mrs. Adams supported Mr. Headlee's motion. The motion was voted on and passed.

Approval of Sale of Property at Walton Blvd. and Adams Road

Mr. O'Dowd noted that 3.57 acres of property at the corner of Walton Blvd. and Adams Road has been offered for sale by Oakland for four or five years. Mr. O'Dowd added that the Board had formulated a policy for disposition of the property in 1973. The university has received a current offer to purchase the property and the following recommendation was presented for the Board's approval:

RESOLVED, That the President and/or the Vice President for Business Affairs of Oakland University be authorized to negotiate the sale of the 3.57 acre piece of property owned by the university and located on the northwest corner of Walton Blvd. and Adams Road for a sum not less than $290,000 in accordance with the terms contained in the proposal of J. P. Properties, and be it further

RESOLVED, That the contract of sale be reviewed and approved by the university attorney prior to final execution.

Mr. Lewis moved to approve the sale. Mr. Headlee seconded the motion.

Mr. Saltzman inquired if there had been a recent appraisal of the property.

Mr. Swanson responded that the appraisals were reaffirmed last summer.

Mr. Lewis inquired about the manner in which the property was offered for sale.

Mr. Swanson replied that the land was not listed with a broker, but was advertised in several newspapers. A sign was also erected on the property. Mr. Swanson commented that three good offers to purchase the property had been currently made. All of the offers contemplated the construction of eating establishments.

Mr. Katke commented that the Budget and Finance Committee had reviewed the offers and the committee was of the opinion that the offer by J. P. Properties would put the land to the best use. In addition, the terms of the transaction by J. P. Properties had fewer contingencies. J. P. Properties offered $290,000 for the property.

Mr. Lewis asked if there was any guarantee that the property would be developed as proposed. He expressed concern about alternative uses.

Mr. Headlee stated that the Board had a responsibility to control the environment. There should be a contract provision assuring the proposed development.

Mr. Swanson expressed some concern over restrictive provisions. Mr. De Carlo stated that the sale could be legally conditioned on the provisions for repurchase and/or approval of alternate uses.

Mr. Kal Jabara, the developer, and Mr. John Carton of Bill Knapps Restaurants were present and proposed that the contract of sale include a provision granting the university the right to approve any alternative development in the event that the Township does not approve the proposed restaurant and eight "high class specialty shops."

The recommendation to sell the property to J. P. Properties was then amended as follows:

> RESOLVED, That the President and/or the Vice President for Business Affairs of Oakland University is authorized to negotiate the sale of the 3.57 acre piece of property owned by the university located on the northwest corner of Walton Blvd. and Adams Road for a sum not less than $290,000 to J. P. Properties; and be it further
>
> RESOLVED, That a provision be included in the contract granting the Board authorization to approve the proposed use and development of the property; and be it further
>
> RESOLVED, That the contract of sale be reviewed and approved by the university attorney prior to final execution.

The motion to sell the property to J. P. Properties in accordance with the amended resolution was voted on and carried.

Mr. De Carlo stated that he would forward to the Board for review the proposed conditions of sale prior to final execution of the agreement.

After the approval of the resolution on the sale of the property at the northwest corner of Walton Blvd. and Adams Road, Mr. O'Dowd proposed that the funds be allocated in the following manner:

$150,000 for instructional equipment

$100,000 toward the purchase of a new computer

$ 40,000 unallocated

Mr. Katke stated that there should be more discussion on the distribution of funds and the university's priority needs, particularly in view of the fact that there are some existing debts in the institution's accounts. He added that the Board should not take action or approve any allocation of funds without a thorough review of the university's needs.

Mr. O'Dowd concurred with Mr. Katke's recommendation and stated that he would review this matter at a later date with the Trustees and that he also had a proposal for reducing the outstanding debt accounts.

Approval of Affiliation with Washington Center for Learning Alternatives

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

> That Oakland University assess each registrant in the Washington Center for Learning Alternatives (WCLA of Washington, D. C.) internship program a special fee in lieu of tuition for twelve credits. The amount of this fee shall be the program fee established by WCLA for the semester of enrollment, and Oakland shall, in turn, remit this program fee to WCLA.

Mr. Headlee moved to approve the recommendation. Mr. Morris seconded the motion.

Mr. Morris said it was his understanding that under the proposed program a student would be placed in an agency in Washington, D. C. He inquired if a similar program could be implemented in this area, like the Peace Corps.

Mr. Frederick Obear stated that there were a variety of current internship activities in various departments, such as psychology, political science, management, and nursing.

Mr. Morris asked if a report has been prepared on the various internship programs and the location of the activities.

Mr. O'Dowd responded that he did not believe a report existed but that one could be prepared. He added that there were about 1,000 students involved in various internship programs.

Mr. Lewis inquired if there were guidelines or standards for establishing internship programs which were reviewed by the University Senate or some other body.

Mr. Obear replied that the programs had similar standards since departmental approval was required. No overall or uniform standards were established since each program was different in nature and content.

Mr. Lewis stated that he was just questioning whether there was a basic standard that all colleges followed since the programs were so diverse. He inquired if there was a review prior to the departmental level by the Provost's Office.

Mr. Obear stated that his office reviewed the programs or another body such as the Dean's Council made a review.

Mr. Lewis also inquired about the financial status of students involved in the Washington, D. C. internship program.

Mr. Obear stated that since such students are registered at the university, they would qualify for financial aid.

The motion on the affiliation with the Washington Center for Learning Alternatives was voted on and passed.

Approval of Bachelor of Science in Physical Therapy Degree in the Center for Health Sciences

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

> That there be established, contingent upon funding by the State, a program of undergraduate studies, located under the authority of the Center for Health Sciences, leading to the degree of Bachelor of Science in Physical Therapy with the following degree requirements:
>
> In order to graduate with the B.S. in Physical Therapy a student must:
>
> 1. Have successfully completed a minimum of 136 credits.
>
> 2. Have successfully completed or met all general undergraduate degree requirements.
>
> 3. Have successfully completed the program of instruction leading to the B.S. in Physical Therapy as prescribed by the Center for Health Sciences with credit distribution as follows:

a. Learning Skills - 0-8 credits

b. Basic Sciences - 55 credits

c. Clinical Sciences - 41 credits

d. General Education - 24 credits with the proviso that no credits in courses in the Basic and Clinical Sciences may be offered to fulfill the General Education requirement.

e. Free electives - 8 credits.

4. Be admitted to degree candidacy by the university and the Center for Health Sciences.

Mr. Headlee moved for approval of the recommendation. Mr. Saltzman congratulated the university on the development of the program and seconded the motion. The motion was voted on and passed.

Mr. O'Dowd commented that this program was very valuable.

Mr. Obear introduced Mr. Robert Church, Assistant Director, Center for Health Sciences, and Professor Alfred Stransky, designer of the program, to the Board.

Mrs. Adams moved that the meeting be adjourned. Mr. Headlee seconded the motion. The meeting was adjourned at 9:35 p.m.

Approved,

John De Carlo, Secretary
Board of Trustees

Alan E. Schwartz, Chairman
Board of Trustees

Date ____________________

JDeC/mp