

Minutes of the Meeting  
of the  
Oakland University  
Board of Trustees  
October 17, 1979

The meeting was called to order by President Donald O'Dowd at 7:50 p.m. in Lounge II of the Oakland Center.

Present: Chairman Lewis, Trustees Headlee, Katke, Morris, and Saltzman.

Absent: Trustees Adams, Handleman and Mair

Information Items

Mr. O'Dowd gave a brief report on the following campus activities:

Fall Enrollment - 11,729 full-time and part-time students have been enrolled for the fall semester. This is an increase of 509 students over last year's all-time high enrollment.

Oakland County Government Grant - Oakland University received a \$320,000 grant from Oakland County for a fourth year for an internship program. This amount represents a substantial increase over last year's grant. The program has provided internships to a number of students; and in many instances, permanent employment has resulted.

Magda Tagliaferro Performance - Ms. Magda Tagliaferro's recent musical performance at Oakland University was highly acclaimed.

Alumni Telefund Drive - The annual Oakland University Alumni Telefund Drive is now under way and after two days the contributions are approximately 25 percent ahead of last year's level for the same solicitation period. A \$30,000 goal has been set.

International Conference on the Biochemistry of the Eye - For the seventh straight year the Institute of Biological Sciences has served as host for the International Conference on the Biochemistry of the Eye.

Center for Health Studies - The Center for Health Studies sponsored a meeting for Legislators, industrialists and medical personnel at which two leading economists presented information on health care costs.

Meadow Brook Hall - In connection with the celebration of Meadow Brook Hall's 50th year, a national conference was held at the Hall for managers and owners of large homes located throughout the United States. There were 40 representatives from 25 such enterprises. It was Mr. O'Dowd's opinion that the conference at Meadow Brook Hall was the first time such a group had been assembled.

At this point Mr. O'Dowd stated that Chairman David B. Lewis would make some announcements.

#### Announcement by Board of Trustees

Mr. Lewis stated that he wished to discuss the last item on the agenda because he knew there was great interest in the appointment of the interim president for Oakland University. He noted that at the last Board meeting it was announced that the Board intended to announce the appointment of an interim president at this evening's Board meeting. Unfortunately, the Board was unable to take this action since "more time" was needed for review. He added that the Board will call a special meeting as soon as possible for the purpose of making the appointment of the interim president.

#### Board Committees

Mr. Lewis then noted that the first item on the agenda concerned the suggestion of Trustee Ken Morris regarding the establishment of additional Board committees. Mr. Lewis stated that after due consideration, the present plan is to continue the existing standing committees of the Board during the presidential selection period. During the selection period, the interests of the Board members with regard to new committees will be surveyed. Also, there will be an opportunity for university officials to express their comments on possible new committees. At the end of the selection process, the Board will make a decision regarding any new Board committees.

Approval of Minutes of September 19, 1979

Mr. O'Dowd requested approval of the minutes for the meeting of September 19, 1979. Mr. Katke offered a motion for approval of the minutes which was seconded by Mr. Headlee. The motion was voted on and the minutes were unanimously approved.

Approval of Personnel Actions

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

Appointments

Eliezer, Isaac, full-time Professor of Chemistry with tenure and Associate Dean, College of Arts and Sciences, effective July 15, 1979

Fitzsimmons, M. Jane, Adjunct Clinical Instructor in Nursing, effective August 15, 1979, through August 14, 1981

Mohan, Jean, Adjunct Clinical Instructor in Nursing, effective August 15, 1979, through August 14, 1981

Mourant, Wanda J., Adjunct Assistant Professor of Mathematical Sciences, effective August 15, 1979, through August 14, 1981

Nagy, Janet, Adjunct Clinical Instructor in Nursing, effective August 15, 1979, through August 14, 1981

O'Connell, Eileen M., Adjunct Clinical Instructor in Nursing, effective August 15, 1979, through August 14, 1981

Rice, F. Edward, Adjunct Associate Professor of Psychology, effective August 15, 1979, through August 14, 1981

Sidaway, David D., full-time Assistant Professor of Management, effective August 15, 1979

Change of Status

DiChiera, David, from Associate Professor of Music to Adjunct Professor of Music, effective August 15, 1979, through August 14, 1981

Leave of Absence

Reed, Pamela G., Instructor in Nursing, leave from August 15, 1979, through April 28, 1980

Mr. O'Dowd asked Mr. Frederick W. Obear, Vice President for Academic Affairs and Provost, if he had any comments on the recommendations.

Mr. Obear stated that he was pleased to recommend to the Board Mr. Isaac Eliezer as a full-time Professor of Chemistry with tenure and as Associate Dean for the College of Arts and Sciences. Mr. Obear then introduced Professor Eliezer.

Mr. Headlee moved for approval. The motion was seconded by Mr. Saltzman, was voted on and unanimously passed.

Mr. O'Dowd then presented the following recommendations from the Employment Relations Department for the Board's approval:

Campus and Student Affairs

Physical Education and Athletics Department  
Establish budget position #300501 and #300502,  
Soccer Coach, AP-I.

Source of funds: Transfer of general fund budget allocations within existing budget levels, plus revenue generated by self-supporting operations.

Student Affairs  
Establish budget position #300503, Assistant Acting Director, Student Affairs, AP-VII.

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

Public Relations and Information Services

Alumni Relations  
Reclassify budget position #300234, Director, Alumni Relations, from AP-V to AP-VI.

Source of funds: There is no cost increase associated with this reclassification.



Public Relations and Information Services (Continued)Publications

Reclassify budget position #300236, Publications Editor, from AP-V to AP-VI.

Source of funds: There is no cost increase associated with this reclassification.

Mr. O'Dowd noted that for the first time a full-time soccer coach has been requested. He also explained that the position of Assistant Acting Director, Student Affairs, was being established to assist Ms. Patricia Houtz, Acting Director of Student Affairs, who has not only been carrying on her own duties but has also assumed some of Mr. Kenneth Coffman's former responsibilities.

Mr. Headlee moved that the recommendations be approved. This motion was seconded by Mr. Saltzman, voted on and approved unanimously.

Acceptance of Gifts and Grants

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

- I. Gifts in support of the Alumni Association:

Miscellaneous Donors	\$ 401.00
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- II. Gifts in support of the Athletic Department:

Karas, Mr. Paul, Rochester	125.00
Miscellaneous Donors	150.00
Perfection Pattern & Manufacturing Company, Madison Heights	375.00
Sheet Metal Contractors, Troy	375.00
- III. Gifts in support of the Friends of Kresge Library:

Miscellaneous Donors	10.00
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- IV. Gifts in support of the Charlie Gehringer Golf Invitational:

Advanced Computer Management, Troy	200.00
Anderson AMC-Jeep, Inc., Bloomfield Hills	450.00

## IV. Gifts in support of the Charlie Gehringer Golf Invitational (Continued):

Audette, Mr. Frank B., Bloomfield Hills	\$ 250.00
Bachman, W. B., Birmingham	100.00
Bagans, Mr. Eugene A., Clarkston	200.00
Barker, Mr. Edward E., Jr., Davisburg	100.00
Barnett, Mr. David G., Bloomfield Hills	100.00
Barr, H. F., Franklin	100.00
Barr, Terry, Sales Agency, Inc., Southfield	100.00
Bell, Mr. Merton J., Birmingham	100.00
Bileti, Mr. Joseph J., Troy	100.00
Boutell, W. H., Bloomfield Hills	100.00
Boyer, Ms. Rita, Rochester	100.00
Bright, Mr. Rinehart S., Bloomfield Hills	100.00
Brown, Mr. Walter F., Birmingham	150.00
Burton Brothers, Southfield	450.00
Campbell, Mr. James K., Bloomfield Hills	150.00
Colombo, Mr. Frederick, Birmingham	150.00
Community National Bank, Pontiac	450.00
Cook, Mr. Thomas A., Rochester	100.00
Cosner, Mr. Robert, Birmingham	100.00
Cousins, Mr. Harold, Pontiac	2,075.00
Cox, Monta O., Seminole, Florida	100.00
Desautels, Mr. Gene, Flint	100.00
Dewling, Mr. James R., Rochester	100.00
Donald, Mr. Larry, Troy	100.00
Donnelly, Mr. William J., Bloomfield Hills	350.00
Douglas, Mr. Morgan D., Jr., Birmingham	100.00
Doyle, Mr. Vincent T., Birmingham	100.00
Eccles, Mr. Richard B., Scottsdale, Arizona	100.00
Falls, Mr. Joseph F., Clarkston	100.00
Fitzgerald, Mr. Harold A., Pontiac	160.00
Ford, Mr. Russell G., Birmingham	100.00
Fortin, Mr. William J., Deerfield Beach, Florida	100.00
Fox, Bill, Chevrolet, Inc., Rochester	100.00
Franco, Anthony M., Inc., Detroit	100.00
Freidinger, L. M., Bloomfield Hills	150.00
Fulkerson, Mr. George J., Troy	100.00
Gagliardi, Mr. Raymond A., Birmingham	100.00
Gagnier, Mr. Frederick T., Birmingham	100.00
Gail's General Office Supply, Detroit	100.00
Gant, Dr. Thomas J., Mt. Clemens	100.00
Gehringer, Mr. Charles L., Birmingham	200.00
Gehringer, Mr. Norman F., Bloomfield Hills	200.00
Genna, Mr. Nino, Troy	100.00
Geracioti, Mr. Lawrence J., Troy	100.00
Gornick, Mr. Alan L., Bloomfield Hills	200.00
Graham, Mr. G. John, Bloomfield Hills	150.00

## IV. Gifts in support of the Charlie Gehringer Golf Invitational (Continued):

Graham, Mr. Kenneth, Oak Park	\$ 150.00
Gromek, Mr. Steve, Birmingham	100.00
Hartman, Mr. William R., Bloomfield Hills	100.00
Haven, Mr. T. Kenneth, Orchard Lake	100.00
Hector, Mr. Milo, Bloomfield Hills	100.00
Henderson, Mr. Edward L., Birmingham	100.00
Hoddy, Mr. Gerald, Owosso	100.00
Hurd, Mr. Donald D., Bloomfield Hills	100.00
Huttenlochers Kerns Norvell, Inc., Pontiac	450.00
Industrial Fuels Corporation, Troy	400.00
Judy, Mr. William E., Southfield	200.00
Kaegi, Mr. Edward A., Bloomfield Hills	100.00
Kalman, Mr. Andrew, Detroit	200.00
Katke, Mr. Marvin L., Bloomfield Hills	100.00
Keating International Corporation, Bloomfield Hills	100.00
Kerns, Mr. John S., Romeo	100.00
Kerr, Mr. John, Bloomfield Hills	100.00
Kobylarz, Dr. Robert A., Utica	100.00
Kramer, Mr. Worth, Rochester	100.00
Lake Jewelers, Inc., Birmingham	100.00
Larson, Dr. Alvin, Bloomfield Hills	200.00
Leighton, Mr. Stephen E., Southfield	100.00
Lewis, Mr. Walton A., Detroit	100.00
Livingston, Mr. Paul F., Farmington Hills	100.00
Lowell, Mr. James W., Birmingham	250.00
Lundin, Mr. Oscar A., Bloomfield Hills	100.00
MacKenzie, Mr. Louis A., Birmingham	100.00
MacPherson, Mr. Bruce H., Pontiac	100.00
Martin Insurance Agency, Rochester	100.00
McCabe, Mr. John C., Bloomfield Hills	400.00
McCarthy, Mr. Joseph P., Detroit	100.00
McGowan, Mr. Richard F., Rochester	100.00
McIntosh, Mr. Julian G., Palm Beach, Florida	100.00
McMann, Mr. John A., Northville	100.00
Metzger, Mr. Frank J., Royal Oak	200.00
Michigan Bell Telephone Company, Detroit	400.00
Miscellaneous Donors	300.00
Misch, F. W., Rochester	100.00
Mitzelfeld's Inc., Rochester	100.00
Moeller, Jan C., Flint	100.00
Morris, Mr. Ken, Troy	100.00
Murphy, Mr. Daniel T., Sylvan Lake	100.00
Muzzy, Mr. Robert, Bloomfield Hills	100.00

## IV. Gifts in support of the Charlie Gehringer Golf Invitational (Continued):

Nass, Mr. Walter, Bloomfield Hills	\$ 100.00
Noll, Mr. Joseph, Clarkston	100.00
Norvell, Ms. Lillian A., Birmingham	100.00
Oakland Press, Pontiac	100.00
Olympia Stadium, Detroit	100.00
Oscar's, Birmingham	500.00
Parke-Davis, Detroit	200.00
Parker, Mr. F. W., Jr., Grosse Pointe	100.00
Pontiac Motor Division, Pontiac	400.00
Quay, Mr. Joseph C., Bloomfield Hills	100.00
Rice, Mr. Gerald L., Rochester	100.00
Robertson, Mr. Gordon, Birmingham	100.00
Rockwell International, Troy	400.00
Roy, Ross, Inc., Detroit	400.00
Royco Sales, Inc., Birmingham	200.00
Ruth, Mr. Robert, Orchard Lake	100.00
Saint Joseph Mercy Hospital, Pontiac	200.00
Schmieding, R. W., Bloomfield Hills	200.00
Seelhoff, Mr. Ronald K., Owosso	100.00
Shelton Pontiac-Buick Inc., Rochester	100.00
Sigler, Mr. John W., Birmingham	100.00
Smith, Mr. George R., Bloomfield Hills	100.00
Smith, Mr. J. Thomas, Southfield	150.00
Steinberger, Mr. George, Birmingham	100.00
Stoops, Mr. John, Bloomfield Hills	400.00
Strickland, Mr. Richard, Birmingham	100.00
Suburban Motors Company, Inc., Troy	450.00
Ulgenalp, A. O., Pontiac	100.00
VanArmen, Harold, Company, Bloomfield Hills	100.00
Vanderkloot, Mr. Robert, Detroit	200.00
Visual Services, Inc., Birmingham	100.00
WDIV, Detroit	300.00
WXYZ, Inc., Southfield	400.00
Walker, Hiram, Inc., Farmington Hills	100.00
Wanamaker, Mr. Ted D., Rochester	100.00
Webb, Mr. George, Farmington Hills	100.00
Weston, N. B., Birmingham	100.00
Whitmer, Mr. Dana, Pontiac	100.00
Wilson, Mr. C. L., Jr., Bloomfield Hills	100.00
Wilson-Crissman Cadillac, Inc., Birmingham	100.00
Wilson, Mr. Richard S., West Bloomfield	200.00
Wolf, Robert W., & Company, Southfield	100.00

V.	Gifts in support of the Institute of Biological Sciences - the V. Everett Kinsey Memorial:	
	Burns, Drs. Robert and Lynette, Columbia, Missouri	\$ 100.00
	Miscellaneous Donors	150.00
VI.	Gifts in support of the Lecture Series/ Ophthalmic Research Conference:	
	Miscellaneous Donors	50.00
VII.	Gifts in support of Meadow Brook Art Gallery:	
	Miscellaneous Donors	170.00
	Sloan, Mr. Richard, Southfield	100.00
	Sosnick, Mr. Robert, Troy	100.00
VIII.	Gifts in support of Meadow Brook Hall:	
	Muer, C. A., Corporation, Detroit	250.00
	Smith, Hinchman & Grylls Associates, Inc., Detroit	250.00
IX.	Gifts in support of Meadow Brook Hall - Paul Engstrom Tribute Fund:	
	Miscellaneous Donors	50.00
X.	Gifts in support of Meadow Brook Hall - Gilders Development Fund:	
	Miscellaneous Donors	75.00
XI.	Gifts in support of Meadow Brook Music Festival/ Meadow Brook Theatre:	
	American Airlines, Detroit	100.00
	Hudson, J. L., Company, Detroit	7,000.00
	Miscellaneous Donors	100.00
	Wilson, Lula C., Trust, Birmingham	5,000.00
XII.	Gifts in support of the Music Department - the Pontiac/Oakland Symphony:	
	Miscellaneous Donors	75.00

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

Burke Lumber Company, Inc., Drayton Plains	\$ 2,000.00
Jones, Mr. and Mrs. Ernest A., Bloomfield Hills	2,500.00
Moote, Fred W., Electrical, Inc., Pontiac	1,000.00
O'Connor, Mr. Terrence J., Rochester	300.00
Rochester Monument Sales, Rochester	1,000.00

XIV. Gifts in support of the Provost's Discretionary  
Fund:

Miscellaneous Donors	80.00
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XV. Grants in support of Departments, Staff, Schools  
and Colleges:

Iowa, University of, Iowa City, Iowa, under the direction of Dr. Nan K. Loh of the School of Engineering, to be used as a supplement to the original award for the program entitled, "Development, Analysis and Variations of Computer Models for a Class of Vehicle Systems." Period of Performance: June 20, 1979 to June 30, 1980. 25,000.00

National Endowment for the Arts, Washington D.C., under the direction of Mr. Terence Kilburn of the Meadow Brook Theatre, to be used in support of the program entitled, "Artistic Development Large Professional Theatre Companies." Period of Performance: July 1, 1979 to June 30, 1980. 30,000.00

National Institutes of Health, Bethesda, Maryland, under the direction of Dr. Michael Chopp, of the Physics Department, to be used as a supplement to the original award for the program entitled, "Waveform Analysis of Intracranial Pressure." Period of Performance: July 1, 1979 to June 30, 1980. 5,000.00

National Institutes of Health, Bethesda, Maryland, under the direction of Dr. Venkat Reddy of the Institute of Biological Sciences, to be used for indirect cost related to the program entitled, "Intraocular Fluid Dynamics." Period of Performance: September 1, 1979 to August 31, 1980. 23,532.00

## XV. Grants in support of Departments, Staff, Schools and Colleges (Continued):

National Institutes of Health, Bethesda, Maryland, under the direction of Dr. Venkat 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, 1979 to June 30, 1980. \$ 5,268.00

National Institutes of Health, Bethesda, Maryland, under the direction of Dr. Michael V. Riley of the Institute of Biological Sciences, to be used in support of the program entitled, "Control of Corneal Hydration and Transparency." Period of Performance: September 1, 1979 to August 31, 1980. 57,920.00

National Institutes of Health, Bethesda, Maryland, under the direction of Dr. Michael V. Riley of the Institute of Biological Sciences, to be used for indirect cost related to the program entitled, "Control of Corneal Hydration and Transparency." Period of Performance: September 1, 1979 to August 31, 1980. 25,626.00

National Science Foundation, Washington, D.C., under the direction of Dr. Joseph Hovanesian and Dr. Y. Y. Hung of the School of Engineering, to be used in support of the program entitled, "Pulsed Laser for Photo-mechanics Research." Period of Performance: July 15, 1979 to July 31, 1980. 52,400.00

U. S. Department of Health, Education & Welfare, Washington, D.C., under the direction of Dr. Jacqueline Loughheed of the School of Human and Educational Services, to be used as a supplement to the original award for the program entitled, "Teacher Corps Program 78 Second Year." Period of Performance: July 15, 1979 to June 30, 1980. 12,673.00

## XV. Grants in support of Departments, Staff, Schools and Colleges (Continued):

U.S. Navy, Office of Naval Research, Arlington, Virginia, under the direction of Dr. Stanley Pons of the Chemistry Department, to be used in support of the program entitled, "Spectro-electrochemical Investigation of Electrodes." Period of Performance: August 1, 1979 to July 31, 1980. \$ 21,739.00

U.S. Office of Education, Washington, D.C., under the direction of Mr. George Gardiner of Kresge Library, to be used in support of the program entitled, "College Library Resource Program FY '79." Period of Performance: October 1, 1979 to September 30, 1980. 3,963.00

U.S. Office of Education, Washington, D.C., under the direction of Mr. Kiichi Usui of the Meadow Brook Art Gallery, to be used in support of the program entitled, "Institute of Museum Services - General Operating Support." Period of Performance: September 1, 1979 to August 31, 1980. 18,670.00

XVI. A gift to Meadow Brook Hall of a painting, oil on board, titled, "Mountain Landscape," a hand carved African mahogany sculpture, and an old American silver quadruple plate sugar bowl and serving piece from Mr. and Mrs. J. C. Nunneley, Weidman. Appraised value: 1,075.00

Total Gifts and Grants \$327,437.00

Mr. O'Dowd called upon Mr. Obear to comment on any grant items that he wished to particularly note.

Mr. Obear stated that for the most part the grants were continuation, supplemental or indirect cost recovery grants. However, he noted that there were some new projects which he would like to call to the Board's attention: one was to Dr. Stanley Pons of the Chemistry Department from the Office of Naval Research; another was a joint grant to Drs. Joseph Hovanesian and Dr. Y. Y. Hung of the School of Engineering from the National Science Foundation.



It was moved by Mr. Headlee and seconded by Mr. Katke that the gifts and grants be accepted with appreciation. The motion was voted on and approved unanimously.

Approval of Candidates Recommended to Receive Bachelor's and Master's Degrees as of August 18, 1979

Mr. O'Dowd recommended approval of the candidates for bachelor's and master's degrees as of August 18, 1979. (The list of candidates is on file in the Office of the Secretary to the Board of Trustees.)

Mr. Katke moved that the recommended candidates be approved. Mr. Saltzman seconded the motion which was voted on and passed unanimously.

Approval of Collective Bargaining Agreement Between Oakland University and Oakland University Chapter, American Association of University Professors

Mr. O'Dowd stated that negotiations have been completed between the university and the Oakland Chapter, American Association of University Professors (AAUP), for a three-year faculty collective bargaining agreement. Mr. O'Dowd requested the Board's approval of the following recommendation:

It is recommended that the Board approve the contract between the university and Oakland Chapter, AAUP, which has effective dates of July 1, 1979, through August 14, 1982:

RESOLVED, That the Board of Trustees does hereby approve the contract between Oakland University and the Oakland Chapter of the American Association of University Professors and does hereby authorize the President or his representative to execute any and all documents to effectuate this approval.

Mr. Headlee moved that the contract be approved. Mr. Katke seconded the motion.

Mr. O'Dowd added that the contract had been ratified by the AAUP and now needed ratification by the Board.

The motion was voted on and unanimously approved.

Mr. O'Dowd said he was delighted and thanked both parties to the contract. He stated that he was proud of the outcome and the process. He noted that Mr. Robert Bunger guided the university negotiations and Mr. Edward Heubel was responsible for the AAUP negotiations.

Mr. Saltzman extended congratulations to the "teams of both parties."

#### Approval of Married Student Housing Project

Mr. O'Dowd stated that the married student project was before the Board on two previous occasions for project approval and the appointment of the architect. The university recommended the construction on its campus of 48 apartment units to be rented to married students. As the university grows and its curriculum becomes more complex, the availability of housing for married students becomes more crucial to institutional health. Most of the growth for the university over the next few years is projected to be in management and health sciences. Both of these areas will have significantly more graduate students. Finding suitable housing for married graduate students is a top priority for the university at this time. The university's on-campus housing for single students is fully occupied, and the spill over is creating additional pressure on the apartment market in the area. Married students are unable to compete financially with professional people and/or single students who are sharing expenses.

Mr. O'Dowd noted that about three years ago Oakland University had applied to the Federal Housing and Urban Development office (HUD) for a loan of approximately \$1,800,000 for this project. However, inflation has had an enormous impact on cost estimates, and after elaborate study, Mr. George Karas, university engineer, and his staff now estimate that this project will require approximately another \$375,000. Another factor contributing to the increase in cost results from the Board direction that the buildings be aesthetically attractive and of quality construction and "harmonize" with existing buildings. The project to be presented tonight is an effort to meet these standards. Mr. O'Dowd then called upon Mr. Jack Wilson, Dean Student Life, for additional comments.

Mr. Wilson said that Mr. O'Dowd had covered the matter very thoroughly, and he, in turn, introduced Mr. Harry Van Dine of the architectural firm of Straub, Van Dine and Dziurman.

Mr. Van Dine presented for the Board's consideration various architectural renderings showing front and rear elevations, interior floor plans, and site planning. Mr. Van Dine explained that there would be 48 units--46 of which would be two-story, and 2 of which would be single level units for handicapped students. In addition, there would be 2 laundries and 2 buildings to house mechanical equipment. The housing units would have a brick exterior and contain 2 bedrooms, a living room, kitchen and bath.

Mr. Van Dine displayed a model of one of the proposed units.

Mr. Saltzman said it was a very impressive presentation and thanked Mr. Van Dine for his comments. He inquired about the financing of the project.

Mr. O'Dowd called upon Mr. Robert Swanson, Vice President for Business Affairs, to comment on the proposed financing.

Mr. Swanson stated that the finance costs were set forth in the agenda material supplied to the Board members, and that the construction costs had been reviewed with the Audit and Finance Committee. (Mr. Katke is a member of the Audit and Finance Committee.) A project budget of \$2,200,000 permits the construction of 48 architecturally unique units. By combining a HUD loan of \$1,825,000 with a commercial loan of \$375,000, the total project can be financed. (The HUD loan would be at the rate of 3 percent interest for 40 years and the commercial loan would be 7.5 percent interest for 15 years. All revenues to finance the project would be obtained from the rental payments from the units.)

Mr. Swanson stated that the HUD loan is in the form of a reservation--not a guarantee. If HUD is satisfied with the construction elements presented this evening, it will then make a loan of approximately \$1,825,000. Mr. Swanson said he expected to receive approval, but it was not automatic.

Mr. Swanson stated that the recommendation to the Board was as follows:

WHEREAS, it is in the interest of the university to provide married student housing; be it therefore

RESOLVED, That the President is authorized to accept the architectural design for the proposed married student housing units as submitted by Straub, Van Dine and Dziurman; and be it further

RESOLVED, That the President is authorized to obtain bids for the construction of the married student housing project, the total cost of such project not to exceed \$2,200,000; and be it further

RESOLVED, That the President shall submit for consideration and approval to the Board the lowest qualified bidder; and be it further

RESOLVED, That it is the understanding of the Board that a major portion of the funding for this project will be provided by the United States Department of Housing and Urban Development through a low interest loan; and be it further

RESOLVED, That this project and the Board's approval is conditioned upon the approval and receipt of a loan from the United States Department of Housing and Urban Development; and be it further

RESOLVED, That the Board authorizes the President and/or his representative to negotiate for a commercial loan for that amount necessary to pay for the project costs not provided for by the United States Department of Housing and Urban Development loan; and be it further

RESOLVED, That no commitment for any loan shall be made prior to the receipt of all legally required approvals and the formal approval of the Board of Trustees.

Mr. Headlee asked if there would be another opportunity to review this project.

Mr. Swanson responded that the Board would have to approve the construction and financing contracts.

Mr. Headlee moved that the recommendation be approved.

Mr. Katke noted that he believed that Mr. Swanson was trying to obtain funding for the entire amount of the proposed cost at 3 percent instead of \$375,000 at 7.5 percent.

Mr. Swanson confirmed this statement and informed the Board that if the total figure of \$2,200,000 was available from HUD at 3 percent interest, the rental of the units would be \$50 per month less which was in the interests of both the students and

the university. Mr. Swanson said he has reviewed this subject with the regional office of HUD and the HUD staff is reconsidering the university's needs. The Washington office of HUD indicated the possible availability of some reserve funds, but a decision will not be made until the end of October 1979. Mr. Swanson said he would pursue this matter with the HUD office in Washington, D.C. where an appeal could be made at a higher level. He noted that he would make every appeal possible in the interests of the university.

Mr. Katke said that he would second Mr. Headlee's motion with the understanding that Mr. Robert Swanson pursue the possibility of obtaining additional funding beyond the original commitment of \$1,825,000 from the United States Department of Housing and Urban Development and that the matter be appealed to the highest levels in Washington.

The motion with Mr. Katke's condition was voted on and unanimously approved.

Mr. O'Dowd asked for comments from the Trustees and from members of the audience. There were no comments.

The meeting was adjourned at 8:40 p.m.

Approved,

John De Carlo, Secretary  
Board of Trustees

David B. Lewis, Chairman  
Board of Trustees

Date \_\_\_\_\_