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Minutes of the Meeting
of the
Oakland University Board of Trustees
February 10, 1988

Present: Trustees Donald Bemis, Phyllis Law Googasian, David Handleman, Ken Morris, Stephan Sharf, and Howard Sims

Absent: Trustees Larry Chunovich and Patricia Hartmann

Chairman Handleman called the meeting to order at 5:00 p.m. in Lounge II of the Oakland Center.

Chairman Handleman stated that the Board was shocked and saddened by the passing of Governor G. Mennen Williams. He called on President Joseph E. Champagne to present a memorial resolution in Governor Williams' honor.

President Champagne read the following resolution:

WHEREAS, Oakland University was most fortunate to have the friendship, counsel and service of Governor G. Mennen Williams, who served as Distinguished University Professor, Honors College, and Special Assistant to the President; and

WHEREAS, As the Governor of the State of Michigan he supported Oakland University at its inception, and was a benefactor to all of higher education; and

WHEREAS, It should be noted that he had a special fondness for Oakland University and contributed a substantial portion of his personal African art collection to the institution, which will be a perpetual memorial and reminder of his interest and generosity to the University; and

WHEREAS, He served as Distinguished University Professor, Honors College, and Special Assistant to the President, sharing his great knowledge with the students, faculty and staff of the University; and

WHEREAS, He served the State of Michigan and the nation as Governor, Ambassador, Assistant Secretary of State, and, most recently, as Chief Justice of the Michigan Supreme Court; and

WHEREAS, The entire University community is saddened by his passing and shares in the loss to the University and the State; now, therefore, be it

RESOLVED, That the Oakland University Board of Trustees does hereby express its deep grief over the passing of G. Mennen Williams, and the Board of Trustees extends its heartfelt sympathy to his wife, Nancy, and to the members of the family of G. Mennen Williams; and, be it further

RESOLVED, That a period of mourning, to extend to February 29, 1988, shall be conducted by the University.

Trustee Morris, seconded by Trustee Sharf, moved acceptance of the resolution. The motion was unanimously carried.

Chairman Handleman requested that Trustees and all present rise and that a moment of silence be observed in honor of Governor Williams.

Minutes of the Meeting of November 11, 1987

Trustee Sims, seconded by Trustee Morris, moved to approve the minutes of the meeting of November 11, 1987. The motion was unanimously carried.

Recommendation to Accept Gifts and Grants to Oakland University

Mr. David Rodwell, Vice President for External Affairs, stated that the gifts and grants to Oakland University for the period of September 30, 1987, through December 31, 1987, totaled \$1,970,742.63. Mr. Rodwell added that December, 1987, was the largest single gift month since the founding of the University as it included a \$1,000,000 grant from the Kresge Foundation for the Kresge Library addition.

Trustee Googasian, seconded by Trustee Morris, moved to accept the gifts and grants to Oakland University with gratitude. The motion was unanimously carried.

Information Report on Gifts and Grants to the Oakland University Foundation

Mr. Robert Swanson, Vice President for Developmental Affairs, stated that the gifts and grants to the Oakland University Foundation totaled \$1,443,548.49.

Trustee Morris, seconded by Trustee Sharf, moved to accept the information report on gifts and grants to the Oakland University Foundation. The motion was unanimously carried.

Faculty Personnel Actions

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

Appointment

Becker, David, Adjunct Associate Professor of Chemistry, effective August 15, 1987, through August 14, 1989 (renewal)

Cleary, Frank M., Clinical Instructor in Industrial Health and Safety, effective August 15, 1987, through August 14, 1989 (renewal)

Erickson, Martin A., Adjunct Professor of Engineering, effective January 1, 1987, through December 31, 1989 (renewal)

Jenkins, Barbara J., Clinical Associate Professor of Medical Laboratory Sciences, effective August 15, 1987, through August 14, 1989 (renewal)

Johnson, Marlene A., Adjunct Instructor in Nursing, effective August 15, 1987, through August 14, 1988 (new appointment to an honorary position)

Larson, Cathy A., Clinical Instructor in Physical Therapy, effective August 15, 1987, through August 14, 1989 (renewal)

Leone, Leonard, Adjunct Professor of Theatre, effective October 14, 1987, through August 14, 1989 (new appointment to an honorary position)

Marcotty, Michael, Adjunct Professor of Engineering, effective January 1, 1987, through December 31, 1989 (renewal)

Mingela, Sarunas S., Clinical Instructor in Industrial Health and Safety, from August 15, 1987, through August 14, 1989 (renewal)

Pelley, William B., Clinical Instructor in Health sciences, effective August 15, 1987, through August 14, 1988 (new appointment to an honorary position)

Ross, Elizabeth F., Clinical Instructor in Physical Therapy, effective August 15, 1987, through August 14, 1989 (renewal)

Salancy, Joyce A., Clinical Instructor in Medical Laboratory Sciences, effective August 15, 1987, through August 14, 1989 (renewal)

Shammamy, Mark, M., Adjunct Professor of Engineering, effective March 1, 1987, through February 29, 1988 (new appointment to an honorary position)

Welch, John H., Assistant Professor of Economics, effective January 1, 1988 (formerly a visitor)

Change of Status

Bricker, David C., from Associate Professor of Philosophy, to Associate Professor of Philosophy and Acting Chair, Department of Philosophy, effective January 4, 1988, through August 19, 1988

Leave of Absence

Cahlon, Baruch, Associate Professor of Mathematical Sciences, sabbatical leave from August 29, 1988, through December 16, 1988 (with half pay)

Chopp, Michael, Associate Professor of Physics, sabbatical leave from August 25, 1987, through April 27, 1988 (with half pay) [Supersedes previous Board action of May 18, 1987, which placed Mr. Chopp on a sabbatical leave for the period from August 25, 1987, through December 18, 1987, with full pay.]

Desmond, Robert M., Professor of Engineering and Dean of the School of Engineering and Computer Science, part-time leave from February 1, 1988, through June 30, 1988 (with 30% pay)

Donald, Robert L., Associate Professor of English, sick leave from October 1, 1987, through March 31, 1988 (with full pay), and leave from April 1, 1988, through August 14, 1988 (with no pay)

Gold, Harry, Associate Professor of Sociology, sabbatical leave from August 29, 1988, through December 16, 1988 (with full pay)

Hilbers, Pamela A., Special Instructor in Physical Therapy, sick leave from October 14, 1987, through November 30, 1987 (with full pay)

Kursman, Nancy S., Assistant Professor of Political Science, leave from August 29, 1988, through April 27, 1989 (with no pay)

Kurzman, Margaret L., Special Instructor in Rhetoric, Communications and Journalism, sick leave from January 4, 1988, through April 27, 1988 (with full pay)

Marney, John, Associate Professor of Chinese, sick leave from September 18, 1987, through November 30, 1987 (with full pay)

Mittra, Sid, Professor of Economics and Management, sabbatical leave from January 4, 1988, through December 16, 1988 (with half pay)

Payne, Robert G., Associate Professor of Education, sick leave from October 23, 1987, through December 7, 1987 (with full pay)

Russell, Joel W., Professor of Chemistry, sabbatical leave from January 4, 1988, through April 27, 1988 (with full pay)

Schmidt, Parbury P., Professor of Chemistry, leave from January 4, 1988, through December 16, 1988 (with no pay)

Resignation

Bostick, Sharon L., Assistant Professor, University Library, effective December 1, 1987

Chatterjee, Bandana, Associate Professor of Chemistry, effective December 31, 1987

Roy, Arun K. Professor of Biological Sciences, effective February 1, 1988

Trustee Morris, seconded by Trustee Sharf, moved to accept the recommendation. The motion was unanimously carried.

Faculty Personnel Actions--Reemployment

Mr. Kleckner stated that it is required by the Faculty Agreement that certain reviews for possible reemployment of non-tenured faculty members be conducted during the fall semester and the early part of the winter semester.

Mr. Kleckner then made the following recommendation:

RESOLVED, That the Board of Trustees approves the following personnel actions, which have been formulated by the Provost with the advice of the Dean and Faculty Colleague Review bodies in accordance with the specified tenure review process.

Assistant Professors eligible for reemployment to a final two-year probationary term as Assistant Professor, effective August 15, 1988:

Nursing

Mary Eddy

Reemploy

Business Administration

Sherman T. Folland, Economics

Reemploy

Trustee Morris, seconded by Trustee Googasian, moved to accept the recommendation. The motion was unanimously carried.

Approval of Reclassification of the Administrative-Professional Position of the Director of Academic Services and General Studies

Mr. Robert McGarry, Vice President for Finance and Administration and Treasurer to the Board of Trustees, stated that according to Board policy, any reclassified non-academic position with a minimum salary of \$30,000 must be brought before the Board for approval. Mr. McGarry stated that the position of Director of Academic Services and General Studies should be regraded because of a reorganization of the Student Affairs division. This position has substantially increased in responsibilities and scope since it was classified as an AP-12.

Mr. McGarry made the following recommendation:

RESOLVED, That the Board of Trustees approves the reclassification of the administrative-professional position of Director of Academic Services and General Studies, to an AP level of 13 at a salary of \$34,892.

Trustee Bemis, seconded by Trustee Sharf, moved to accept the recommendation. The motion was unanimously carried.

Securities Transactions

Mr. McGarry stated that the Securities Transactions report reflects the gift of 93 shares of General Motors Corporation stock from Mr. and Mrs. F. J. McDonald. This stock was valued at \$5,707.88 on the date of gift and was sold for \$5,812.50 with proceeds totaling \$5,777.30.

Trustee Googasian, seconded by Trustee Morris, moved acceptance of the report. The motion was unanimously carried.

Special Liquor Licenses

Mr. John De Carlo, Vice President for Governmental Affairs, Secretary to the Board of Trustees and General Counsel, stated that on January 16, 1985, the Board of Trustees approved a policy on the service and sale of alcoholic beverages. This policy provided for the use of special (24 hour) liquor licenses and also called for periodic reports concerning their use. This report indicates that one license was obtained during the period July 1, 1987, through December 31, 1987, by Oakland University for a Student Program Board Dance on December 4, 1987. No licenses were issued on behalf of the Oakland University Foundation or the Meadow Brook Performing Arts Company during this period.

Trustee Googasian, seconded by Trustee Morris, moved acceptance of the report. The motion was unanimously carried.

Definition of Prime Rating as Set Out in Short-Term Investment Policy

Mr. McGarry stated that on October 9, 1985, the Board of Trustees adopted a policy for the short-term investment of pooled cash. The policy specifies that investments in commercial paper have a "prime rating", but the term "prime rating" is not defined.

Mr. McGarry made the following recommendation:

WHEREAS, The Board of Trustees approved a Short-term Investment of Pooled Cash policy on October 9, 1985; and

WHEREAS, It is determined that a definition is required regarding the term "prime rating"; now, therefore, be it

RESOLVED, That Section III, Requirements and Duration, Subsection B, be amended to read as follows:

- B. Investments may only be made in commercial paper that has a prime rating. The term "prime rating" shall, henceforth, be defined as any rating in the top three levels of the following rating services: Standard and Poors Rating Services (A-1, A-2, A-3), Moody's Rating Service (P-1, P-2, P-3), and Fetch Rating Service (F-1, F-2, F-3).

Trustee Googasian, seconded by Trustee Sharf, moved to accept the recommendation. The motion was unanimously carried.

Reappointment of CPA Audit Firm

Mr. McGarry stated that it is the policy of the Board of Trustees that the University's financial statements should be examined each year by an independent public accounting firm. The policy also requires that the firm should be retained for no more than seven years. Arthur Andersen & Company has performed the audits for the past three years. The administration is pleased with the work of Arthur Andersen & Company and wishes to continue the working relationship. Therefore, it is the administration's recommendation that Arthur Andersen & Company be engaged for the 1987/88 audit.

Mr. McGarry made the following recommendation:

RESOLVED, That the Board of Trustees authorizes Arthur Andersen & Company to conduct the audit of the University's financial statements for the year ending June 30, 1988, at a fee of \$36,000.

Trustee Morris, seconded by Trustee Sharf, moved acceptance of the recommendation. The motion was unanimously carried.

Property and Professional Medical Insurance Policy Renewal

Mr. McGarry stated that on November 11, 1987, the Board of Trustees granted the administration authority to contract for new property and professional medical insurance coverage for the period of December 1, 1987, through November 30, 1988, in consultation with the Finance and Personnel Committee. The property coverage selected is with Arkwright Mutual, at an annual premium of \$131,198. The professional medical insurance coverage is with American Empire Surplus Lines Insurance Company at an annual premium of \$27,775. This coverage was raised from \$500,000 to \$1,000,000.

The property coverage deductible increased from \$5,000 to a \$50,000/\$100,000 deductible. The larger deductible will be self-insured by the establishment of a reserve funded with the savings realized in premium costs by selecting the higher deductible.

Mr. McGarry made the following recommendation:

RESOLVED, That the Board of Trustees ratify the action taken by the Vice President for Finance and Administration to obtain a policy with Arkwright Mutual for property coverage at an annual premium of \$131,198 and with American Empire Surplus Lines Insurance Company for professional medical insurance coverage at an annual premium of \$27,775 for the period November 30, 1987, through November 29, 1988.

Trustee Morris, seconded by Trustee Bemis, moved to accept the recommendation. The motion was unanimously carried.

Approval of Negotiated Agreement Between Oakland University and Local No. 1418 of Council No. 25 of the American Federation of State, County and Municipal Employees Union, AFL-CIO, November 1, 1987-October 31, 1990

Mr. McGarry stated that on January 14, 1988, a tentative agreement was reached with AFSCME Local 1418 on a three-year agreement (November 1, 1987-October 31, 1990), with an economic opener in the third year. This agreement is similar to the CT/UAW Agreement in terms of economic benefits.

Mr. McGarry made the following recommendation:

RESOLVED, That the Board of Trustees approves the Agreement Between Oakland University and Local No. 1418 of Council No. 25 of the American Federation of State, County and Municipal Employees Union, AFL-CIO, November 1, 1987-October 31, 1990 in accordance with the provisions submitted by the Employee Relations Department dated February 10, 1988.

Trustee Morris, seconded by Trustee Googasian, moved to accept the recommendation. The motion was unanimously carried.

Electronic Data Systems, Inc., Contract Extension

President Champagne stated that in April, 1987, the University entered into a consulting services contract with Electronic Data Systems, Inc. (EDS) for a period of one year. Under the provisions of the contract, a comprehensive computer master planning strategy was to be developed and consulting management of the Office of Computer Services was to be provided. The planning document has been transmitted to the University as agreed. In order to evaluate the alternatives suggested in the plan and to arrive at the best possible implementation strategies, as well as to provide continued management services under a flexible arrangement until final strategies are adopted, the administration recommends that the contract with EDS be extended until August 31, 1988.

President Champagne made the following recommendation:

WHEREAS, The University has received from Electronic Data Systems a comprehensive planning document for computing at Oakland University; and

WHEREAS, The University must now evaluate several alternative strategies, and decide upon a plan of implementation to assure adequate computing services at Oakland; and

WHEREAS, The University wishes to remain as flexible as possible during this evaluation period in respect to organizational structure and current operations; now, therefore, be it

RESOLVED, That the contract with EDS be continued until August 31, 1988, to provide continued management services and the evaluation of recommended options; and be it further

RESOLVED, That such a contract extension shall not exceed \$125,000.

Trustee Googasian, seconded by Trustee Bemis, moved acceptance of the recommendation.

Chairman Handleman called on Professor Donald Hildum, Chairman of the Academic Computing Committee. (Professor Hildum had submitted a request to speak to the Board on this matter.)

Professor Hildum addressed the Board. (The first person narrative has been retained for ease of reading.)

The Academic Computing Committee was appointed by the Academic Senate to represent faculty views of the University computing systems. The Committee has examined the EDS report and conferred with President Champagne. We feel that the President understands our point of view and shares a large part of it. With regret, however, we find that we must disagree with him about the proposed contract extension as a means of accomplishing our common goals. Therefore, we ask that the Board postpone its decision to allow the Academic Computing Committee to work with the President on a better solution. Studies by SCT and EDS have been useful to the University, because they have made clear the current state and urgent needs of the University computing system. On this basis, the University faculty and staff are now in a position to work together on a plan of action. We believe that continuing both management and planning under the leadership of people who are unfamiliar with the University's needs and forms of cooperation is likely to extend and increase our dependence on them rather than encourage us to make use of the expertise in our midst. During the preceding months of the EDS contract, we have seen no development of academic computing and no progress on defining the sort of permanent leadership we need for the computing center. We are not confident that EDS will meet these needs in the next few months. We are confident, however, that reliance on our own faculty and staff is necessary and sufficient to solve the University's computing problems. Therefore, we hope that you will not, at this time, extend the EDS Contract.

President Champagne stated that he has met with Professor Hildum and other members of the Academic Computing Committee on more than one occasion. The Committee has proposed a plan of organization, and the administration has indicated that it fully agrees with what the Committee is trying to accomplish by assuring that there is adequate academic input in decisions regarding instructional, research and academic related computing. President Champagne stated that he has no disagreement with Professor Hildum on the objectives that the University is trying to achieve. He added that he has given Professor Hildum his assurance, and so states publicly, that in the course of the continued evaluation of the EDS document, and the validation of certain findings within the document, that the faculty and the Academic Computing Committee will be involved throughout the process. It is the administration's intention that an agreed upon mechanism should be developed to insure that the continued work on this project will be consistent with the needs of faculty and students.

Trustee Googasian asked if President Champagne felt it was important to continue the services of EDS since the Board is still seeking answers regarding the breakdown of costs.

President Champagne stated that he has carefully considered the situation. It is a serious matter, and he recognizes that there are a variety of points of view. He has concluded that at this time, the University needs the assistance of a large firm. The recommended contract extension is in no way an implication of a continued relationship with EDS beyond the date stated. The University has come to a critical point in the evaluation. The study can either be stopped now or continued to obtain more definitive answers and better cost estimates. This can be done in a concerted, cooperative effort. The University community should remember that this is a consulting organization that is working for the University. The University "calls the shots" on how the consulting organization will operate. President Champagne stated that he knows there are those who disagree with some of the recommendations in the EDS report. It is important to assess whether the recommendations fit the University's particular style of operation. The compilation of data has brought to the Board's attention the critical nature of the computing problem. EDS can provide guidance, and it would be premature at this point to end the contract.

Trustee Sharf asked if President Champagne felt that the study was not complete. President Champagne stated that the study has raised a significant number of questions which need to be addressed plus some questions on costs.

Trustee Bemis asked if EDS has fulfilled the commitments it made in the contract agreement, and if costing data was part of the current contract. President Champagne responded that EDS has substantially met most of its commitment, but there is still some costing data to be collected. (Note: The current contract does not end until April 16, 1988.)

Trustee Morris stated that a full discussion should occur after the complete study is presented to the Board. He concurs with the suggestion that the contract be extended in order to provide the University with all of the information necessary to make an informed decision.

The motion was voted on and unanimously carried.

Trustee Sims stated that even though he supported the recommendation, he believes that the Board should be assured that EDS performs the original scope of work including costing data that was agreed upon in the contract of April, 1987. Commitments under the current contract "should not be rolled into the extended agreement." President Champagne concurred in Trustee Sims comment.

Degree Candidates List

Mr. Kleckner made the following recommendation:

RESOLVED, That the Board of Trustees approves the Degree Candidates List dated December 18, 1987.

Trustee Sharf, seconded by Trustee Sims, moved to approve the list. The motion was unanimously carried.

Other Items

Trustee Googasian addressed Professor Hildum, the Academic Computing Committee, and those who have communicated with her regarding the EDS issue. She stated that she has an open mind regarding this matter and because she wishes to be as informed as possible, she solicits any suggestions or remarks from the University community. She added that it is important that all of the parties should work together toward a positive, all-encompassing, superior program.

Trustee Googasian announced that the Michigan Mindpower III Conference is being held on March 2, 1988, at the Kellogg Center at Michigan State University. The Conference was organized by Senator William Sederburg, Chair of the Senate Appropriations Subcommittee on Higher Education. Two of the many panelists will be President Champagne and Trustee Sharf who will be addressing the issue of "Education as an Industry." In addition, Mr. Frank Newman, President of the Education Commission for the States and author of "Choosing Quality: Reducing Conflict Between the State and the University" will be the keynote speaker. She urged the Board members to attend the Conference.

Trustee Googasian also announced that on Wednesday, April 20, 1988, at the Michigan State University Kellogg Center, the Michigan Association of Governing Boards will honor two distinguished faculty and two outstanding students from each of the State's 15 public higher education institutions. She encouraged attendance at the program. She stated that it was a personal privilege to attend, since she is reminded "all in one evening" about the quality of education in the State of Michigan.

There being no further items for discussion, Trustee Morris, seconded by Trustee Googasian, moved to adjourn the meeting. The motion was unanimously carried and the meeting was adjourned at 5:45 p.m.

Submitted,



John De Carlo, Secretary
Board of Trustees

Approved,

David Handleman, Chair
Board of Trustees