

Minutes of the Meeting
of the
Oakland University Board of Trustees
March 9, 1988

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

Absent: Trustee Patricia Hartmann

Chairman Handleman called the meeting to order at 4:32 p.m. in the
Gold Rooms of the Oakland Center.

Approval of the Minutes of February 10, 1988

Trustee Morris, seconded by Trustee Sharf, moved to approve the
minutes of the meeting of February 10, 1988 as presented. The
motion was unanimously carried.

Recommendation to Accept Gifts and Grants to Oakland University
for the period of January 1, 1988 through January 31, 1988

Mr. David Rodwell, Vice President for External Affairs, stated
that the gifts and grants for the period of January 1, 1988
through January 31, 1988 totaled \$392,837.43.

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

Report on Gifts and Grants to the Oakland University Foundation
for the period of January 1, 1988 through January 31, 1988

Mr. Robert Swanson, Vice President for Developmental Affairs,
stated that the gifts and grants for the period of January 1, 1988
through January 31, 1988 totaled \$14,109.93.

Trustee Morris, seconded by Trustee Chunovich, moved to accept the
information report. The motion was unanimously carried.

Faculty Personnel Actions

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

Appointment

Adams-Ender, Clara, Adjunct Professor of Nursing, effective
January 1, 1988 through December 31, 1989 (new appointment to
an honorary position)

Leave of Absence

Heubel, Edward J., Professor of Political Science and Chair, Department of Political Science, sabbatical leave from January 3, 1989 through April 27, 1989 (with full pay)

Morse, Donald E., Professor of English, leave from August 15, 1988 through August 14, 1989 (with no pay)

Orton, Lawrence D., Professor of History, leave from August 15, 1988 through August 14, 1989 (with no pay)

Shantz, David W., Associate Professor of Psychology and Chair, Department of Psychology, sabbatical leave from August 29, 1988 through December 16, 1988 (with full pay)

Retirement

Dettman, John W., Professor of Mathematical Sciences, effective August 14, 1988

Dubruck, Alfred J., Professor of French, effective December 31, 1988

Fitzsimmons, Thomas, Professor of English, effective December 31, 1988

Hahn, Harry T., Professor of Education, effective August 14, 1988

Holladay, Marvin D., Associate Professor of Music, effective December 31, 1988

Iodice, Don R., Associate Professor of French and Linguistics, effective August 14, 1988

Moorhouse, William F., Professor of Education and Chair, Department of Human Resource Development, effective August 14, 1988

Thomas, S. Bernard, Professor of History, effective December 31, 1988

Death (Information Item)

Williams, G. Mennen, Distinguished University Professor, Honors College, and Special Assistant to the President, February 2, 1988

Trustee Sims, seconded by Trustee Chunovich, moved to approve the recommendation. The motion was unanimously carried.

Faculty Promotions

Mr. Kleckner stated that reviews for possible promotion of tenured faculty members are conducted during the fall term and early part of the winter term, in accordance with the provisions of the Faculty Agreement.

Mr. Kleckner made the following recommendation:

RESOLVED, That the Board of Trustees approves the following personnel actions formulated by the Provost with the advice of the deans and Faculty Colleague Review bodies, in accordance with the specified review process:

Associate Professors with tenure considered for promotion to the rank of Professor, effective August 15, 1988:

Arts and Sciences

Dolores M. Burdick	French	Promote
Michael Chopp	Physics	Promote
Esther M. Goudsmit	Biological Sciences	Promote
Dean G. Purcell	Psychology	Promote

Engineering

Bhushan L. Bhatt	Engineering	Promote
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Business Administration

Ravi Parameswaran	Management	Promote
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Trustee Googasian, seconded by Trustees Sims, moved acceptance of the recommendation. The motion was unanimously carried.

Reclassification of Administrative-Professional Positions

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. As a result of restructuring and the reassignments of responsibilities in three different divisions in the university, the net effect of this reorganization is a savings of \$75,000.

Mr. McGarry then made the following recommendation:

RESOLVED, That the Board of Trustees approves the following administrative-professional reclassifications: Director of Risk Management and Contracting to Salary Level AP-12; Director of Campus Information, Programs and Organizations to Salary level AP-12; and Director of Annual Funds and University Gift Accounting to Salary Level AP-14.

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

Trustee Morris stated that he appreciated the "breakdown" sheet that Mr. McGarry supplied to the Board, but he still does not understand how the positions "fit in the scheme of things." He suggested that a "manning table" would assist in evaluating the functions of the positions and in fully understanding the recommendation presented to the Board.

Mr. McGarry stated that he will take Trustee Morris' recommendation under advisement.

The motion was voted on and unanimously carried.

Negotiated Agreement Between Oakland University and Oakland University Police Officers Association of Michigan March 10, 1988-October 1, 1990)

Mr. McGarry stated that on February 9, 1988 a tentative agreement was reached with the Oakland University Police Officers Association and the Police Officers Association of Michigan on a three-year agreement (March 10, 1988-October 1, 1990), with an economic opener in the third year. He added that the agreement is in compliance with the guidelines which have been established by the Finance and Personnel Committee.

Mr. McGarry made the following recommendation:

RESOLVED, That the Board of Trustees approves the Agreement Between Oakland University and Oakland University Police Officers Association and Police Officers Association of Michigan, March 10, 1988-October 1, 1990.

Trustee Morris, seconded by Trustee Chunovich, moved to approve the recommendation. The motion was unanimously carried.

Policy Establishing Uniform Enrollment Count Dates

Mr. Kleckner stated that each year the Auditor General of the State of Michigan audits the University's credit delivery records. For the last decade, the University has been reporting the enrollment consistently at the end of the sixth week of each regular semester and at the end of the fifth week of each short semester. The Auditor General has noted that the law requires that the Board of Trustees authorize the date at which time the University submits its official records.

Mr. Kleckner then made the following recommendation:

RESOLVED, That the Board of Trustees approves a policy whereby official enrollments are to be counted on the sixth Friday after the end of regular registration each fall and winter semester, and on the fifth Tuesday after the end of regular registration each spring and summer session.

Trustee Morris, seconded by Trustee Chunovich, moved approval of the recommendation. The motion was unanimously carried.

Selection of Architect for Science and Technology Center

Mr. McGarry stated that the Michigan Department of Management and Budget has approved the program statement and the concept for a new Science and Technology Center at Oakland University. The authorization allows the University to select an architect for the preliminary planning stage of the facility. The State will contract with the firm in behalf of the University. Mr. McGarry added that the administration has followed a detailed review and selection process and recommends the firm of William Kessler and Associates, Inc. as the architect for the building. Mr. McGarry stated that Mr. William Kessler was present at the meeting.

Mr. McGarry then made the following recommendation:

RESOLVED, That based upon a thorough review and implementation of the University's selection process, the firm of William Kessler and Associates, Inc. is selected by the Board of Trustees as the architect for the Science and Technology Center project; and, be it further

RESOLVED, That the firm of William Kessler and Associates, Inc. will be recommended to the Michigan Department of Management and Budget as Oakland University's choice for the preliminary planning stage of the Science and Technology Center project; and, be it further

RESOLVED, That the Board of Trustees recommends that the State of Michigan contract for such architectural services in behalf of the University and allocate those State funds necessary to carry out this project.

Trustee Sims, seconded by Trustee Chunovich, moved to accept the recommendation. The motion was unanimously carried.

Chairman Handleman stated that he was very pleased that Mr. Kessler's firm was selected to do the architectural work for the Science and Technology Center.

Meadow Brook Festival Gift Shop

Mr. McGarry stated that the Meadow Brook Music Festival Women's Committee has expressed a strong interest in a larger facility to house the Festival's Gift Shop. The present Gift Shop is 120 square feet located in space "borrowed" from the ice cream shop in Trumbull Terrace. In this location, it has generated \$16,000 and \$18,000 in net profits in 1986 and 1987 based on sales of \$32,000 and \$36,000 respectively. The total proposed project cost is estimated to be \$111,240 which will be fully funded from the Meadow Brook Music Festival resources. The new Gift Shop will result in increased sales and enhance the volunteer efforts of the Festival.

Mr. McGarry then made the following recommendation:

RESOLVED, That the Vice President for Finance and Administration is authorized to award the contract for the Meadow Brook Music Festival Gift Shop to Sheridan Construction, Inc., for its low bid of \$95,000; and, be it further

RESOLVED, That the contract will be approved by legal counsel and will be in accordance with the University's affirmative action policy.

Trustee Sims, seconded by Trustee Morris, moved acceptance of the recommendation.

Trustee Bemis asked who was authorized to approve small project change orders. Mr. McGarry responded that if the change order project is included in the contingency budget, then he approves the item.

The motion was voted on and unanimously carried.

Main Campus Food Service Contract

Ms. Wilma Ray-Bledsoe, Vice President for Student Affairs, stated that the current food service contract to the main campus expires at the end of April, 1988. The administration is requesting authority to negotiate a new contract with the Marriott Corporation to provide both the contractual food service to residential students and service to the general University. This recommendation results from a lengthy bidding process involving six food service corporations. The proposal will result in the enhancement of the current operations in terms of the number of installations and the length and variety of service.

Ms. Ray-Bledsoe then made the following recommendation:

WHEREAS, the current contract for the provision of food service expires on April 30, 1988; and

WHEREAS, food service must be provided to residential students on a contractual basis; and

WHEREAS, retail food service is required for the general university community; and

WHEREAS, competitive bidding procedures and requirements have been satisfied; now, therefore, be it

RESOLVED, That the Vice President for Finance and Administration is authorized to enter into a five year contract with Marriott Corporation commencing May 1, 1988 and ending April 30, 1993 subject to the approval of the contract document by the President and the General Counsel; and, be it further

RESOLVED, That the University's contract and affirmative action procedures will be complied with.

Trustee Morris, seconded by Trustee Sims, moved approval of the recommendation.

Trustee Bemis commented that he met with Ms. Ray-Bledsoe prior to the Board meeting. He stated that he would like to see the recommendation amended to provide that the Board should review the contract prior to its execution. He added that he would like the Board to ratify the contract with the "full understanding that the administration will do an exceptional job on protecting the interests of the University."

Mr. John De Carlo, Vice President for Governmental Affairs, Secretary to the Board of Trustees and General Counsel, presented the following amendment to the resolution incorporating the changes Trustee Bemis recommended:

RESOLVED, That the Vice President for Finance and Administration is authorized to negotiate a five-year contract with Marriott Corporation for a term commencing May 1, 1988, and ending April 30, 1993, with such contract document being subject to the approval of the President and the University's General Counsel; and, be it further

RESOLVED, That such contract document will be submitted to the Board of Trustees for ratification at its next regular meeting; and, be it further

RESOLVED, That the contract document shall comply with the University's affirmative action policies and procedures.

Trustee Bemis moved the amended recommendation, which was seconded by Trustee Morris. The resolution as amended was unanimously carried.

Authorization to Negotiate Right-of-Way Conditions for Squirrel Road Development

President Joseph E. Champagne stated that the issue of road development has been before the Board on quite a few occasions. A few weeks ago, the Ad Hoc Road Committee consisting of Trustees Hartmann, Morris and Sims, met with the City of Auburn Hills officials and the City's engineers for a final presentation on the alignment of Squirrel Road. It is intended that Squirrel Road be a boulevard, possibly as wide as six lanes, running from Walton Boulevard to M-59. The rationale for the alignment involves many considerations including terrain, wetlands, road design and speed authorizations for safe operation. The administration is requesting the authorization to negotiate with the City of Auburn Hills a final road alignment with exact legal boundaries and a specific cost that would be reimbursed to the University for the use and acquisition of University property. He added that the City is planning to begin work on University Drive this spring including a portion of Squirrel Road from University to Walton. The balance of Squirrel Road may possibly start in 1988.

President Champagne then made the following recommendation:

WHEREAS, the City of Auburn Hills has proposed the improvement of University Drive and Squirrel Road as part of its roadway development plan; and

WHEREAS, the Board of Trustees has reviewed the proposed intersection concept at University Drive and Squirrel Road; and

WHEREAS, the plan for the improvement of Squirrel Road to the status of a multi-lane boulevard is deemed necessary by the City and its engineers for safe and effective traffic flow in Auburn Hills; now, therefore, be it

RESOLVED, That the administration of the University is authorized to negotiate the exact bounds of the necessary right-of-way, construction easements, conditions, and financial considerations of the proposed right-of-way; and, be it further

RESOLVED, That the administration must obtain final approval from the Board of Trustees before any negotiations can be legally executed by final documents on the right-of-way along Squirrel Road.

Trustee Morris, seconded by Trustee Chunovich, moved approval of the recommendation.

Trustee Morris stated that he was present at the meeting that resulted in the proposed recommendation. He is concerned that the parties involved feel justified to use primarily land that belongs to Oakland University because it is currently vacant land. He believes that there is also an attitude that it is only a matter of time before the University is forced into a position of acquiescing. Trustee Morris stated that he personally "does not mind giving up some land if there is an equal contribution from other property owners." The Board has an obligation to protect and maintain the land given to the University by its benefactors, Mr. and Mrs. Alfred Wilson, for the future use of students. He stated that he recognizes the problems that relate to transportation, but he hopes that the City and the Road Commission understand that the University is not "giving away" land. There needs to be "movement" on the part of other property owners. They must "come up with something." The Board has no obligation to "give away land." He concluded that he would review all recommendations carefully.

There being no further discussion, the motion was voted on and passed unanimously.

Residence Hall Rates for 1988-89

Ms. Ray-Bledsoe stated that traditionally, the Board establishes residence hall room and board rates at this time. Rarely does the administration have the opportunity, however, to bring a recommendation of this character before the Board. The administration is requesting that the established rates for the 1987-88 academic year be maintained for the 1988-89 year. This is made possible by higher than anticipated occupancy, prepayment of debt service, prudent management of renovation and refurbishing accounts, and the management of the food service program within the authorized rates. She commended Ms. Eleanor Lewellen Reynolds, Director of Residence Halls, and her staff for their efficient management.

Ms. Ray-Bledsoe then made the following recommendation:

WHEREAS, an adequate contingency has developed in residence hall finances because of higher than budgeted occupancy and prepayment of debt service; and

WHEREAS, prudent management of renovation and refurbishing accounts has enhanced the fiscal stability of the residential living program; and

WHEREAS, the food service program can be managed within authorized rates; now, therefore, be it

RESOLVED, That the Board of Trustees extends the established room and board rates for the 1988-89 academic year without increase.

Trustee Bemis, seconded by Trustee Sims, moved approval of the recommendation. The motion was unanimously carried.

President Champagne requested permission to make the following statement at this time. (The first person narrative is retained for ease of reading.)

Since 1976, Oakland has experienced enrollment growth of nearly 13 percent while the entire Michigan system of higher education has declined by over 5.5 percent.

In 1976, we were funded at the average per student rate of the 12 non-medical Michigan universities. We accounted for just over four percent of the State's higher education enrollment and received about three percent of

the higher education budget. Today, we account for nearly five percent of the higher education enrollment, yet still receive approximately three percent of the higher education budget. In other words, we have grown in the market share of students in Michigan but not in its relative share of the State's higher education budget. The main reason for this inequity is the absence of enrollment based funding by Michigan which most other states utilize as the principal mechanism for funding higher education.

In 1986, I testified before the Senate Higher Education Appropriations Committee as follows:

Another way of portraying this funding shortfall is to cast it in terms of "unfunded" students. Approximately 1450 FYES of Oakland's 9400 students are not being funded because state appropriations have not followed students in the past decade. The University would have to shrink its student population by 15 percent to bring it in line with its appropriation level.

During the past several years, we have argued for funding equity from the State. How can you justify a differential of over \$4000 per student between the lowest funded school and the highest funded? You can't; there is no rational basis for such a disparity and inequity.

Two years ago, some progress was made toward enrollment and last year again an attempt was made by the Legislature to find a solution. But despite all evidence that formula funding is needed, even recommended by the Governor's Commission on the Future of Higher Education in Michigan, there is no evidence that equitable funding is on the horizon. In fact, the Governor's budget now before the legislature even rescinds the small progress attempted last year. The Governor's Special Advisor on Higher Education has told us that in his opinion, formula funding simply will not happen in the foreseeable future.

Well, what do we do about this problem? We are underfunded by approximately 1500 FYES on the basis of Oakland's share of the Michigan higher education enrollment total. We cannot carry the burden of over capacity any longer. We must have the courage to make the adjustments necessary so that those students who do elect to enroll at Oakland get their fair share of tax support and educational quality and relevance.

We have struggled through these ten years of underfunding by sheer motivation and zeal, not by adequate resources. Our faculty and staff have dedicated themselves as no others have in Michigan with the highest productivity measures in the State. So while we have achieved excellence through hard work, brain power, and a will to succeed, we cannot continue to provide a relevant high quality education on these factors alone into the indefinite future.

The complexity of our times demand that increased resources be allotted to library materials, instructional equipment, laboratory upgrading, computer improvements, campus maintenance, faculty and staff enrichment, to name a few items. Do you realize that in 1986 we spent less than one-third of the State higher education average per student on instructional equipment upgrading? Do you realize that our student teacher ratio was 22 to 1 when the average in the State was 15 to 1? Do you realize that we functioned on 111 square feet of general educational space per student when the average for the State was 219 square feet per student? Do you know that if our funding had increased proportionately to our increase in our share of the higher education enrollment over the period of 1976 to 1986 our annual appropriations would have increased by \$5,700,000 and cumulatively over the ten years our appropriations would have increased by an additional \$24,600,000?

It is time for this institution to take hold of its future in a more aggressive way and to make the tough decisions that will lead to parity in funding and resources and fairness, therefore, to our students who come to learn, and to our faculty and staff who have dedicated themselves to the learning process. For those reasons, we have administratively come to the conclusion that we cannot fully succeed if we continue to spread our limited resources across as many students as we do at the present time. Most institutions use growth in numbers as the primary benchmark of success. We must use growth in quality as our benchmark. And in our quest for sustained quality, we may have to serve fewer students, but serve them better. The margin of excellence is not that large when considered against the entire spectrum of 200,000 higher education students in Michigan; but that margin for Oakland is absolutely critical. We simply cannot serve as many students each year in the future as we have in the past 10 to 15 years. I refer back to my 1986

testimony that we are not fully funded for approximately 1500 currently enrolled full-time equivalent students, and I maintain that this figure should be an initial target for enrollment reconciliation. Hopefully, when we have brought expenditures in line with resources, we can scrap electronic equipment that exists in our Physics Department that still bears the MSU inventory tag!

This institutional adjustment won't be easy; there are many unknowns. There will be many concerns on the part of faculty and staff. But we believe, if carefully planned and implemented over a long enough period, we can achieve the balance we need in a humane and acceptable fashion which will strengthen the institution, secure its future, and reestablish the aspiration of its founders and early faculty. We will be seeking much advice in the process of reconciling our efforts with our resources. Some have expressed a concern over massive staff cuts if we reduce enrollment by up to 15 percent. I don't believe such a concern is necessary. There is not a direct linear relationship between enrollment and staff size. There is an overhead burden that must be maintained regardless of enrollment when you are of the general size and complexity of an Oakland University. But at the margin, you can make gains over time which will make the difference in the quality we all seek. Expenditures must be reduced in some areas and revenue must be enhanced. What we are suggesting can be achieved; our future requires it to be achieved.

Chairman Handleman thanked President Champagne for his statement.

Tuition and Fees Rates effective Spring 1988

Mr. McGarry stated that the University adopted a balanced budget for 1987-88 that relied heavily on the prior year's carryforward of nearly \$1,000,000. After the budget was adopted, and the University was well into its fiscal year, the State reduced the appropriations by .75 percent equal to \$233,000. The impact on the current fiscal year coupled with lessened tuition revenues as a result of the winter enrollment declines are substantial. Immediate budget reduction procedures were put in place to avoid a deficit for the current budget. He added that projections for the 1988-89 fiscal year at this time show a substantial deficit. Several factors come together to cause such a deficit. These include the effects of the enrollment decline, a reduced appropriation as a result of the aforementioned reduction, the currently

proposed elimination by the State Executive Office of the enrollment growth funding (\$316,517), as well as an Executive Office recommendation which provides no new general operating funds. The proposed Executive Office appropriations increase is restricted to financial aid.

While it is hoped that the Legislature will increase the funding beyond that recommended by the Executive Office, the most optimistic views hold that the increase would in all probability be less than half the 6.7 percent increase given in 1987-88.

With these factors in mind, along with the fact that the 1988 General Fund carryforward will be substantially reduced from 1986-87, it is necessary that a tuition and fee increase be levied in the Spring Term to recoup the revenue lost in 1987-88 and to reduce the budgetary problems that are foreseen at this time for 1988-89.

The administration recommends a tuition and fee increase for full-time, resident undergraduate students of 9.67 percent. The increase for the average undergraduate enrollee in the shortened Spring term would be 8.6 percent.

Mr. McGarry then made the following recommendation:

RESOLVED, That the Board of Trustees approves the following schedule of tuition and fee rates beginning in the Spring term 1988:

Oakland University
1987-88 Tuition and Fee Schedule
Effective Spring Term 1988

	Original 1987-88 <u>Rate</u>	<u>Changes</u>	Revised 1987-88 <u>Rate</u>
1. <u>Tuition per semester credit hour:</u>			
a. Michigan residents:			
Undergraduate: Lower	\$ 51.00	\$ 5.50	\$ 56.50
Undergraduate: Upper	58.50	6.25	64.75
Graduate	92.75	10.00	102.75
b. Non-residents:			
Undergraduate: Lower	145.00	15.75	160.75
Undergraduate: Upper	158.00	17.25	175.25
Graduate	203.00	22.25	225.25

	Original 1987-88 Rate	Changes	Revised 1987-88 Rate
c. Competency credit exam fee:			
Undergraduate: Lower	13.00	1.50	14.50
Undergraduate: Upper	15.00	1.75	16.75
Graduate	24.00	2.75	26.75
All Non-residents	41.00	4.75	45.75
d. Off-campus:			
Undergraduate: Lower	58.00	6.25	64.25
Undergraduate: Upper	64.50	7.00	71.50
Graduate	98.75	10.75	109.50

2. General service fee per semester
(on-campus students)

a. Undergraduates taking 10 credits or more:			
Oakland Center Allocation	\$ 25.00	\$ -	25.00
Activity Allocation	9.75	-	9.75
Transportation Use Alloc.	6.00	-	6.00
Enrollment Allocation	40.00	-	40.00
Athletic Allocation	6.00	-	6.00
Health Service Allocation	6.00	-	6.00
Total	\$ 92.75	-	\$ 92.75
b. Undergraduates taking less than 10 credits:			
Oakland Center Allocation	\$ 12.50	-	\$ 12.50
Activity Allocation	7.25	-	7.25
Transportation Use Alloc.	3.00	-	3.00
Enrollment Allocation	40.00	-	40.00
Athletic Allocation	4.00	-	4.00
Health Service Allocation	3.50	-	3.50
Total	\$ 70.25	-	\$ 70.25
c. Graduates taking 8 credits or more:			
Oakland Center Allocation	\$ 25.00	-	\$ 25.00
Activity Allocation	2.50	-	2.50
Transportation Use Alloc.	6.00	-	6.00
Enrollment Allocation	40.00	-	40.00
Athletic Allocation	3.00	-	3.00
Health Service Allocation	6.00	-	6.00
Total	\$ 82.50	-	\$ 82.50

	Original 1987-88 Rate	Changes	Revised 1987-88 Rate
d. Graduates taking less than 8 credits:			
Oakland Center Allocation	\$ 12.50	-	\$ 12.50
Activity Allocation	2.00	-	2.00
Transportation Use Alloc.	3.00	-	3.00
Enrollment Allocation	40.00	-	40.00
Athletic Allocation			
(see notes)	2.00	-	2.00
Health Service Allocation	3.50	-	3.50
Total	\$ 63.00	-	\$ 63.00

3. Special course fees per course:

ED 455	\$ 35.00	-	\$ 35.00
ED 597	50.00	-	50.00
Applied Music:			
Individual Instruction			
2 Credits	85.00	-	85.00
4 Credits	170.00	-	170.00
Group Instruction	25.00	-	25.00

4. Other Fees:

Application Fee	20.00	-	20.00
Graduation Service Fee	20.00	-	20.00
Late Registration	25.00	-	25.00
Late Addition-of-Course (per course added)	10.00	-	10.00
Reissue of Diploma	20.00	-	20.00
Transcript Issuance Fee	3.00	-	3.00

5. Summary comparison of on-campus
tuition and fee costs (exclusive
of special course fees):

Perce
Inc.

a. Undergraduate Michigan resident
student taking a 31 credit hour
load for two semesters:

1) Lower Division:

Tuition	\$1581.00	\$ 170.50	\$1751.50	
General Service Fee	185.50	-	185.50	
Total	\$1766.50	\$ 170.50	\$1937.00	9.65

2) Upper Division:

Tuition	\$1813.50	\$ 193.75	\$2007.25	
General Service Fee	185.50	-	185.50	
Total	\$1999.00	\$ 193.75	\$2192.75	9.69

	<u>Original 1987-88 Rate</u>	<u>Changes</u>	<u>Revised 1987-88 Rate</u>	<u>Per cer Inc.</u>
b. Graduate Michigan resident student taking a 24 credit hour load for two semesters:				
Tuition	\$2226.00	\$ 240.00	\$2466.00	
General Service Fee	<u>165.00</u>	<u>-</u>	<u>165.00</u>	
Total	\$2391.00	\$ 240.00	\$2631.00	10.04
c. Non-resident undergraduate student taking a 31 credit hour load for two semesters:				
1) Lower Division:				
Tuition	\$4495.00	\$ 488.25	\$4983.25	
General Service Fee	<u>185.50</u>	<u>-</u>	<u>185.50</u>	
Total	\$4680.50	\$ 488.25	\$5168.75	10.43
2) Upper Division:				
Tuition	\$4898.00	\$ 534.75	\$5432.75	
General Service Fee	<u>185.50</u>	<u>-</u>	<u>185.50</u>	
Total	\$5083.50	\$ 534.75	\$5618.25	10.52
d. Non-resident graduate student taking a 24 credit hour load for two semesters:				
Tuition	\$4872.00	\$ 534.00	\$5406.00	
General Service Fee	<u>165.00</u>	<u>-</u>	<u>165.00</u>	
Total	\$5037.00	\$ 534.00	\$5571.00	10.60

NOTES:

Tuition rates are per credit hour and do not vary between Fall and Winter Semesters and Spring and Summer Sessions.

General service fees as shown are for each semester (Fall and Winter). For each session (Spring and Summer) the rates are one-half of the amounts shown except for the enrollment fee of \$40 which is the same for every semester or session and the undergraduate activity fee which is not evenly divisible by two. In this latter case, the fee has been halved and then rounded down to the nearest quarter.

Graduate students taking less than 4 credits are exempted from the Athletics Allocation.

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

Trustee Morris stated that this is another increase about which there has been much discussion in the Finance and Personnel Committee meetings. He stated that he is one who holds the conviction that every time tuition is increased, there is another "band of people who will never go to college." He recognizes fully the financial circumstances that compel the need for action of this nature, and he understands why the need exists; yet he feels that a voice must be raised to preserve the opportunity of an education for any person who would like one. Trustee Morris stated that he believes that a young person, based on the economic circumstances of the family, makes an early decision whether higher education is in his/her future. The higher the tuition, the less people will pursue an education. He believes that the problems do rest with the State to some degree, and that the State has not approached the tuition problem properly. If it is true that this nation does not have the capacity to do something about the educational status of our society, then this country will never be able to compete in the world at large. The fact is that there needs to be an approach made by the educational community to initiate a national education tax that would guarantee an education to anyone who wants to go to school. Trustee Morris mentioned a benefactor in New York City who offered to fund all students in a particular classroom who wanted to attend college. He contends that if a youngster knows that he/she has an opportunity for an education with a guarantee, it changes his/her attitude and provides a goal. For this reason, Trustee Morris supports a national tax that would guarantee to everyone in society an opportunity to attend college. He stated that he has always voted against tuition increases, not because he believes that the University does not need the money, but because it results in fewer people attending college. Trustee Morris stated that he believes Oakland should be working as hard as possible to provide an education for everyone. If the University is only concerned with its own community, then it does not deserve a tuition increase. Everybody in the educational community has a responsibility to advocate the kind of financing programs that may aid those who wish to attend college.

Trustee Morris added that he will abstain from voting on this recommendation, and wanted to voice his reasons for doing so.

Trustee Sharf stated that there needs to be a "cap" on costs and other sources of revenue must be developed so that tuition increases could be controlled. Otherwise, he observed, there will be no end to tuition increases.

Chairman Handleman stated that it appears that the University does not have any alternative if it wants to remain fiscally responsible, since funds are not coming from the State. He added that he is a strong advocate of Trustee Morris' statement and believes

that everyone should have the right to go to college. Unfortunately, the funds are not available. Consequently, a tuition increase is necessary.

Trustee Sharf stated that he felt that a study of what other states have done regarding tuition increases and parity in funding may be helpful. This information would assist in pressuring the State to meet its responsibilities.

Chairman Handleman stated that he and President Champagne have discussed this issue with the Budget Director of the State of Michigan for two years. The Director agrees with everything that is said, but nothing is done. Chairman Handleman added that this has been an on-going crisis. Unfortunately, in order to carry out the responsibility of the Board to the University, the administration is going to have to increase tuition.

Trustee Bemis stated that some of the assumptions are a three percent increase in the CPI, and a zero percent increase in the State appropriation. Trustee Bemis stated that the proposed increase will generate only \$178,000 in revenue. That is a "drop in the bucket" for the needs of this institution next year. He asked what the projected deficit was for the 1987-88 fiscal year with current income and expenditure projections. Mr. McGarry responded that it was projected at \$900,000. Trustee Bemis added that each one percent increase in tuition will only raise \$170,000. It appears that tuition must be raised by an additional five percent in order to "stay even." If any kind of increase per student expenditure is projected for next year, one can see increases in tuition of 20 percent to "stay even."

Trustee Sharf stated that he recently attended a Mindpower Conference conducted by Senator William Sederburg. "Just as an engine does not run without oil, I recognize that education does not run without money." What is the sense of having a Mindpower Conference to support higher education, if the State is not willing to assist in the funding. He reiterated his earlier suggestion that a study should be made on how other states are supporting higher education. He suggested that possibly the State's problem is a matter of a reallocation of resources.

Trustee Morris stated that a survey should be made to see what is happening in other states. He added that the Board should make a recommendation to the State Legislature and Governor James J. Blanchard advocating that a more positive position should be taken on education. Trustee Morris added that if the Board disagrees with the raising of costs to attend a university, it should protest to the State with suggested solutions.

Trustee Chunovich stated that he is supporting the tuition increase because he has viewed the alternatives and does not care for them, particularly the concept of cutting programs. He wished he had an alternative solution at this time, since he did not wish to raise tuition. He added that the Board cannot avoid its fiduciary responsibility to provide the necessary resources to meet critical needs.

President Champagne stated that a series of task forces on formula funding have been operating for years. Formula funding is an equity model based on the complexity of an institution's programs as well as its enrollment. There have been studies done by these task forces which indicate that the basis for funding should be on the level of productivity of the institution. The State has been unable to garner the public resources to underwrite the formula funding models which it conceptually knows are correct. There is not an argument against the concept of equity in funding. The problem is that no one has been able to find the dollars to make the formula work.

Trustee Sims stated that "philosophically" all of the Trustees agree on the problems and the issues, but they also recognize the responsibility of the Board to operate the University at an appropriate level. Therefore, he recommended that the question be called.

The motion was voted on. Trustees Bemis, Chunovich, Googasian, Handleman, Sharf and Sims approved the motion. Trustee Morris abstained. The motion was carried.

Chairman Handleman observed that it was a distasteful motion, but there was no alternative.

Other Items

Trustee Googasian stated that she felt "buoyed" and everyone associated with the University should feel similarly because of President Jimmy Carter's visit to Oakland. She congratulated the Student Life Program Board, University Congress, and all of the "people who had the wisdom and the vision" to make the event a reality. She stated that it was a "coup" for the University, and that the Board should publicly thank all those involved for their efforts and success. There was a round of applause for the students who were present.

Trustee Morris stated that he thought that Ms. Kelly Martek, University Congress President, and Ms. Nicole Young, Student Program Board Chair, did a "beautiful job and are to be commended." He added that it was a wonderful event.

Trustee Morris moved that a resolution should be adopted thanking the students responsible for the organization of the event. Trustee Googasian seconded the motion, and it was unanimously carried.

Trustee Googasian stated that "President Carter spoke to each individual in the audience and in particular to the students." President Carter suggested that the students seek a service area where they may become involved. Trustee Googasian added that support for quality public education would be an excellent place to start.

President Champagne announced the passing of Ms. Cynthia Desmond, wife of Dean Robert Desmond of the School of Computer Science and Engineering. President Champagne requested a moment of silence for Mrs. Desmond.

Authorization of a Closed Board Session

Mr. John De Carlo, Secretary to the Board of Trustees, Vice President for Governmental Affairs, and General Counsel, stated that a closed meeting is requested to accomplish two objectives permitted by the Open Meetings Act. Section 8(a) of the Open meetings Act states that a public body may meet in a closed session to consider material exempt from discussion or disclosure by State law. A closed meeting may be held under the Act to consider a periodic evaluation of a public officer or an employee. President Joseph E. Champagne requested such a session in accordance with the law.

Section 8(h) of the Act provides for a closed session to discuss the written opinion of legal counsel.

Section 7 of the Open Meetings Act provides that:

- (1) A roll call vote of members elected or appointed and serving shall be required to call a closed session. The roll call vote and the purpose or purposes for calling the closed session shall be entered into the minutes of the meeting at which the vote is taken. A majority vote of the full Board is required for approval for the Section 8(a) item, but a 2/3 or 6 member vote is required for the Section 8(h) matter.
- (2) A separate set of minutes shall be taken by the Secretary to the Board or a designated secretary at the closed session. These minutes shall be retained by the Secretary of the public body, shall not be available to the public, and shall only be disclosed if required by civil action filed

under Section 10, 11, or 13 of the Act. These minutes may be destroyed one year and one day after approval of the minutes of the regular meeting at which the closed session was approved.


Trustee Bemis, seconded by Trustee Sharf, moved for approval of a closed meeting. Mr. De Carlo then called the roll of the Trustees:

Donald Bemis	<u>yes</u>
Larry Chunovich	<u>yes</u>
Phyllis Law Googasian	<u>yes</u>
David Handleman	<u>yes</u>
Ken Morris	<u>yes</u>
Stephan Sharf	<u>yes</u>
Howard Sims	<u>yes</u>

The motion was unanimously carried. The meeting was scheduled to be held in the Meadow Brook Room immediately upon adjournment of the open meeting.

There being no further business for the Board, Trustee Morris, seconded by Trustee Googasian, moved to adjourn the public meeting. The motion was unanimously carried. The meeting was adjourned at 5:40 p.m.

Submitted,



John De Carlo, Secretary
Board of Trustees

Approved,

David Handleman, Chairman
Board of Trustees