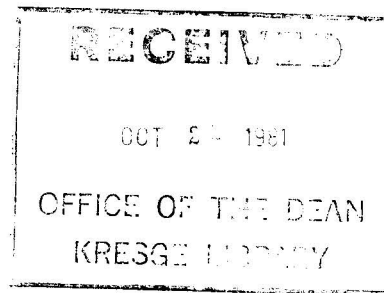


Minutes of the Meeting
of the
Oakland University
Board of Trustees
September 9, 1981



The meeting was called to order by Chairman Richard H. Headlee at 7:30 p.m. in Lounge II of the Oakland Center.

Present: Chairman Richard H. Headlee, Trustees David Handleman, Patricia B. Hartmann, Marvin L. Katke, Alex C. Mair and Arthur W. Saltzman

Absent: Trustee Ken Morris

Election of Chairman and Vice Chairman of Board of Trustees

The Bylaws for the Oakland University Board of Trustees require the election of a "Chairman" and a "Vice Chairman" for one term commencing with the September meeting. Trustees Hartmann and Mair were appointed by the Chairman as members of an ad hoc committee to make a recommendation on the Chairman and Vice Chairman for 1981-82.

Chairman Headlee called upon Mrs. Hartmann to present the nominations.

Mrs. Hartmann stated that she and Mr. Mair in their capacity as members of the ad hoc nominating committee had polled each Trustee. The Trustees were unanimous in their recommendations. Mrs. Hartmann moved that Richard H. Headlee serve as Chairman and Ken Morris as Vice Chairman for the period September 9, 1981 to the September 1982 Board meeting. Mr. Mair seconded the motion which was voted on and approved by all of the Trustees present.

Approval of Minutes of July 15, 1981

Chairman Headlee requested approval of the minutes of the Board meeting of July 15, 1981.

Mr. Katke offered a motion for approval of the minutes. Mr. Saltzman seconded the motion which was voted on and approved by all of the Trustees present.

Resolution Honoring David B. Lewis

Chairman Headlee stated that the next agenda item had special significance to the Board since it gave recognition to Trustee David B. Lewis who had recently resigned from the Board. Chairman Headlee read the following resolution:

WHEREAS, the Board of Trustees accepts with deep regret the resignation of Trustee David B. Lewis who has served Oakland University as a Trustee with great distinction and dedication since the inception of the Board, having been appointed to this body by the Governor on August 12, 1970; and

WHEREAS, the Trustees and the entire University community are grateful to Trustee Lewis for his devoted service and counsel; and

WHEREAS, Trustee Lewis has for many years given personally of himself to enhance the development of the institution and its many programs commencing during his student days at Oakland University during which time his efforts were recognized by his selection as the recipient of the 1966 Alfred G. Wilson Award for his "outstanding contribution to the life of the University"; and

WHEREAS, Trustee Lewis not only served the University after graduation as a member of the Board but was also an active member of the Oakland University Alumni Association receiving the Association's distinguished Alumni Service Award in 1979, and a resolution of honor in 1981; and

WHEREAS, Trustee Lewis has served as this Board's Vice Chairman and Chairman as well as a member on numerous committees expending many hours on the responsibilities associated with these positions; and

WHEREAS, on September 19, 1979, Trustee Lewis was selected by the Board to chair the University's Presidential Selection Committee, carrying out the duties of this position in an outstanding fashion; and

WHEREAS, it is hereby acknowledged that Trustee Lewis at all times accepted his duties as a Trustee willingly and enthusiastically, recognizing the important stewardship this position entailed; and

WHEREAS, the Board regretfully understands that at this time other professional and personal responsibilities have necessitated the resignation of Trustee Lewis; and

WHEREAS, the Board takes solace in the fact that Trustee Lewis has indicated that he shall retain his interest in Oakland University and shall be available for future counsel and service; now therefore be it

RESOLVED by the Board of Trustees of Oakland University, That Trustee David B. Lewis be designated as Trustee Emeritus with all the attendant rights and privileges of this position; and be it further

RESOLVED, That a copy of this resolution be forwarded to Trustee Lewis to convey the esteem in which he is held by the Board of Trustees and the University community; and be it further

RESOLVED, That the Trustees extend to Trustee Lewis and his wife, Kathleen, their best wishes for continued success and happiness.

Mr. Handleman moved that the resolution be accepted. Mr. Katke seconded the motion which was voted on and approved by all of the Trustees present.

Chairman Headlee presented a copy of the resolution signed by the Trustees to Mr. Lewis.

Mr. Lewis expressed his thanks for the resolution. He noted that the resolution added another honor from Oakland University that is high in his regard, and which he will treasure. Mr. Lewis stated that the "service I gave to the University was more of an education to me." The eleven years he spent as a Trustee were also an education on the various issues affecting higher education. He thanked his former colleagues, officers of the University and the University community at large for enhancing his education as a Trustee of the University. He expressed the opinion that he felt "very strongly that Oakland University is in very

fine hands and that it will continue to be a bright star in the constellation of educational institutions in the State of Michigan and will continue to pursue wisdom, virtue and excellence and all of the things that Oakland University has stood for since the day it was established."

Chairman Headlee commented that if each of the Trustees, students and University community would emulate the example and high standards set by Trustee Lewis, we would have a better community and State.

Resolution on the V. Everett Kinsey Memorial Laboratory Dedication

Chairman Headlee read the following resolution on the dedication of the V. Everett Kinsey Memorial Laboratory:

WHEREAS, the late Dr. V. Everett Kinsey was the Founding Director of the Institute of Biological Sciences in 1968; and

WHEREAS, Everett Kinsey brought to the Institute, in this role and as Director Emeritus from 1975 to 1978, national recognition as a center of vision research; and

WHEREAS, Everett Kinsey pioneered in the application of basic sciences to the study of blinding eye diseases, receiving the Albert and Mary Lasker Award, the most prestigious award in American medicine, and the Proctor Award in recognition of his distinguished research; and

WHEREAS, Everett Kinsey played a critical role in the growth of biomedical research at Oakland University and in the conception and development of the National Eye Institute of the U. S. Public Health Service; and

WHEREAS, through his outstanding leadership as a member of the National Advisory Eye Council of the National Institutes of Health, he has brought recognition and distinction to Oakland University; now therefore be it

RESOLVED, That the new eye research laboratory of the Institute of Biological Sciences be officially designated the V. Everett Kinsey Memorial Laboratory; and be it further

RESOLVED, That an engraved plaque bearing this designation be permanently displayed in the Institute; and be it further

RESOLVED, That this resolution be recorded in the minutes of the Board of Trustees of Oakland University as a lasting tribute to Everett Kinsey; and be it further

RESOLVED, That the Secretary to the Board of Trustees is hereby authorized to present to Mrs. V. Everett Kinsey a copy of this resolution on behalf of the Board.

Mrs. Hartmann moved that the resolution be adopted. Mr. Katke seconded the motion which was voted on and approved by all of the Trustees present.

Chairman Headlee announced that Mrs. V. Everett Kinsey was in the audience and he called her forward to present the resolution.

Mrs. Kinsey thanked the Board and stated that she was sure Dr. Kinsey would be very pleased that the laboratory was being named in his honor.

Acceptance of Gifts and Grants

Chairman Headlee requested the Board's acceptance of the gifts and grants totaling \$1,076,523.18. (A copy of the complete list of the gifts and grants is on file in the Office of the Secretary to the Board of Trustees and the Office of the Vice President for Development.)

In response to Chairman Headlee's request for comments on the gifts and grants, Mr. Robert W. Swanson, Vice President for Development, informed the Board that there were now 405 members of the President's Club with the 400th couple being the first Chancellor and his wife, "Woody" and Paula Varner.

Mr. Katke moved that the gifts and grants be accepted with deep appreciation. Mrs. Hartmann seconded the motion which was voted on and approved by all of the Trustees present.

Approval of Personnel Actions

Chairman Headlee presented the following faculty personnel actions for the Board's approval:

Appointments

Bisgeier, Benjamin, Consulting Professor of Health Sciences, effective August 15, 1981, through August 14, 1982

Dahlmann, Jerry L., Adjunct Associate Professor of Theatre, effective August 15, 1981, through August 14, 1983

DiChiera, David, Adjunct Professor of Music, effective August 15, 1981, through August 14, 1983

Dorando, A. Charles, Consulting Associate Professor of Health Sciences, effective August 15, 1981, through August 14, 1982

Freeman, Gerald, Associate Professor of Education, effective August 15, 1981

Heeralall, Satnarine, Instructor in Economics, effective August 15, 1981

Howell, Sharon L., Instructor in Communication Arts, effective August 15, 1981

Kilburn, Terence E., Adjunct Professor of Theatre, effective August 15, 1981, through August 14, 1983

Knight, Marie Ray, Instructor in Nursing, effective August 15, 1981

Lin, Kuang-Hsien, Assistant Professor of Mathematical Sciences, effective August 15, 1981

Mohler, Orren C., Adjunct Professor of Physics, effective August 15, 1981, through August 14, 1983

Morton, Charles E., Adjunct Professor of Philosophy, effective August 15, 1981, through August 14, 1982

Appointments (Continued)

Mourant, Wanda J., Adjunct Assistant Professor of
Mathematical Sciences, effective August 15,
1981, through August 14, 1983

Nagy, Janet, Adjunct Clinical Instructor in Nursing,
effective August 15, 1981, through August 14, 1983

Ramey, Luellen, Assistant Professor of Education,
effective August 15, 1981

Roy, Ranjit K., Adjunct Assistant Professor of
Engineering, effective August 15, 1981,
through August 14, 1983

Stern, Laura A., Instructor in Economics, effective
August 15, 1981

Weiss, Philip, Adjunct Professor of Chemistry,
effective August 15, 1981, through August 14, 1982

Wells, James R., Adjunct Associate Professor of
Biological Sciences, effective August 15, 1981,
through August 14, 1982

Wileden, Paul H., Adjunct Professor of Political
Science, effective August 15, 1981, through
August 14, 1983

Changes of Status

David, Indra M., from Associate Professor of the
Library and Assistant to the Dean of the
Library to Associate Professor of the Library,
effective August 15, 1981

Feeman, George F., from Professor of Mathematical
Sciences to Professor of Mathematical Sciences
and Acting Associate Provost, effective
August 1, 1981, through August 14, 1982

Johnson, G. Philip, from Professor of Mathematical
Sciences and Dean of the Graduate School to
Professor of Mathematical Sciences, effective
February 15, 1982

Changes of Status (Continued)

Pino, Lewis N., from Professor of Chemistry and Director, Research and Instructional Services to Professor of Chemistry; Director, Research and Instructional Services; and Acting Dean of the Graduate School, effective August 15, 1981, through June 30, 1982

Tepley, Norman, to continue as Professor of Physics and Acting Chair, Department of Physics, effective August 20, 1981, through April 24, 1982

Thomas, Sharon T., from Instructor in Political Science to Assistant Professor of Political Science, effective October 1, 1981

Leaves of Absence

Johnson, G. Philip, Professor of Mathematical Sciences and Dean of the Graduate School, sabbatical leave from August 15, 1981, through February 14, 1982

Kovach-Tarakanov, Helen, Professor of Russian, sabbatical leave from January 4, 1982, through April 24, 1982

Liboff, Abraham R., Professor of Physics and Chair, Department of Physics, leave from September 2, 1981, through April 24, 1982

Mr. Mair moved that the faculty personnel actions be approved. Mrs. Hartmann seconded the motion which was voted on and approved by all of the Trustees present.

Chairman Headlee then requested the Board's approval of the following recommendations from the Employee Relations Department:

Division of Academic Affairs

Department of Continuing Education/
Administrative Services Unit
Establish budget position #400571,
Administrative Secretary, salary grade
C-7, effective August 13, 1981.

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

Division of Academic Affairs (Continued)

Department of Continuing Education/
Credit Extension

Establish Budget position #400607, Office Assistant I, salary grade C-6, effective September 10, 1981

Source of funds; The revenue generated by a self-supporting operation which will not commit general fund resources.

School of Human & Educational Services
Lowry Early Childhood Center

Establish budget position #400602, Secretary II, salary grade C-5, effective September 1, 1981.

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

Kresge Library

Establish budget position #300610, Assistant to the Dean of the Library, AP-2, effective August 1, 1981.

Source of funds: There will be no additional personnel cost involved.

School of Performing Arts/Theatre and Dance
Establish budget position #400578, Administrative Secretary, salary grade C-7, effective August 13, 1981.

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

Department of Rhetoric

Establish budget position #400606, Secretary I, salary grade C-4, effective September 10, 1981.

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

Division of Administrative AffairsCampus Facilities & Operations

Reclassify budget position #400148, Secretary I, salary grade C-4, to Accounting Clerk I, salary grade C-5, effective April 27, 1981.

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

Office of Computer Services

Change all Programmer Analyst, AP-4, positions to Senior Programmer Analyst, AP-6, with authority to hire at the AP-4 salary level, anticipating as experience and responsibility warrant, the salary will increase to the AP-6 level.

The Office of Computer Services seeks authorization to classify all ten approved programmer positions at the Senior Programmer Analyst, AP-6 level. If a higher level position cannot be filled due to unavailability of qualified personnel at University wage rates, a programmer analyst (AP-4) will be sought. When this lower level programmer attains the required experience and demonstrates the appropriate skills and abilities, he/she may be promoted to the higher level position. The total approved staffing level for programmers (AP-4 and AP-6) shall remain ten. In summary, the proposal is as follows:

<u>Budget Position No.</u>	<u>Current Title/ Grade</u>	<u>Recommendation</u>
300284	Sr. Scientific Programmer Analyst AP-6	No change
300285	Sr. Programmer Analyst AP-6	No change
300287	Sr. Programmer Analyst AP-6	No change

Division of Administrative Affairs (Continued)

<u>Budget Position No.</u>	<u>Current Title/ Grade</u>	<u>Recommendation</u>
300288	Sr. Scientific Programmer Analyst AP-6	No Change. (This position is currently vacant; propose to hire replacement at AP-4 salary level, with increase to AP-6 salary level as experience and responsibility warrant.)
300289	Programmer Analyst AP-4	Change position to Senior Programmer Analyst, AP-6; current incumbent will remain at AP-4 salary level until experience and responsibility warrant AP-6 salary level.
300290	Sr. Programmer Analyst AP-6	No change
300292	Programmer Analyst AP-4	Change position to Senior Programmer Analyst, AP-6; current incumbent will remain at AP-4 salary level until experience and responsibility warrant AP-6 salary level.
300427	Programmer Analyst AP-4	Change position to Senior Programmer Analyst, AP-6; current incumbent will remain at AP-4 salary level until experience and responsibility warrant AP-6 salary level.
300487	Sr. Programmer Analyst AP-6	No change
300528	Sr. Programmer Analyst AP-6	No change. (This position is currently vacant; propose to hire replacement at AP-4 salary level as funds become available. As experience and responsibility warrant, incumbent's salary will be increased to AP-6 level.)

Division of Administrative Affairs (Continued)

Source of funds: Any additional costs will be met by salary savings from staff turnover and from the department's approved budget.

Employee Relations Department

Reclassify budget position #300323 from Manager of Wage and Salary Administration, AP-5, to Assistant Director of Employee Relations and Manager of Compensation Administration, AP-7, effective August 13, 1981.

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

Department of Public Safety

Establish budget position #500417, Sergeant, Department of Public Safety, effective August 13, 1981.

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

Career Development LeaveDivision of Academic AffairsSchool of Human & Educational Services

Palmer, Geraldine M., Career Development Leave from August 17, 1981, through November 16, 1981.

Mr. Katke moved that the recommendations be approved.

Mr. Saltzman seconded the motion which was voted on and approved by all of the Trustees present.

Approval of Second Tier, Structural Reorganizational Changes Within the University

At the April 15, 1981, meeting of the Oakland University Board of Trustees, the organizational changes at the vice presidential level of the University were defined and approved as submitted by the President. It was indicated at that time that sub-divisional reorganizations were anticipated.

Chairman Headlee stated that since the following recommendation from the President had been mailed to the Trustees for their review, he requested the Board's approval:

RESOLVED, That the Board of Trustees approve the following change in assignment and title effective August 1, 1981:

George F. Feeman, from Professor of Mathematical Sciences to Professor of Mathematical Sciences and Acting Associate Provost, through August 14, 1982;

RESOLVED, That the Board of Trustees approve the following changes in assignment and/or title effective August 15, 1981:

Thomas H. Atkinson, from Director of Administrative Services to Assistant Provost;

William W. Connellan, from Director of Public Relations and Information Services to Assistant Provost;

Ronald B. Kevern, from Assistant Dean for Student Services and Director of Career Advising and Placement to Assistant Provost, Advising and Placement;

RESOLVED, That the Board of Trustees approve the following changes in assignment and/or title effective September 1, 1981:

Rosalind A. Andreas, from Director of Campus Information, Programs, and Organizations to Dean of Students;

Johnetta C. Brazzell, from Associate Director of Urban Affairs to Director of Urban Affairs;

Corey Van Fleet, from Associate Professor of Education and Director of Physical Education and Athletics to Associate Professor of Education and Director of Athletics;

Jack T. Wilson, from Dean for Student Life to Associate Vice President for Student Affairs;

Cynthia S. Hill, from Assistant Dean for Student Life to Director of Campus Information, Programs, and Organizations; and

Harvey R. Hohausser, from Director of Urban Programs Development to Associate Director of Urban Affairs.

Mr. Katke moved that the recommendation be approved.
Mr. Mair seconded the motion.

Chairman Headlee informed the Board that the Association of Black Students had submitted the following resolution:

WHEREAS the Association of Black Students is the representative of the black student community at Oakland University; and

WHEREAS the Reagan administration has set the tone for the attack on affirmative action, attacks on racial progress and the subsequent permeation of this attitude throughout all levels of the American society; and

WHEREAS information collected to-date on the proposed reorganization has raised concern among the black student community; and

WHEREAS the Association of Black Students has determined that this stage of the reorganization process will have a definite adverse effect on the future of current black students but more importantly future black students who may enroll; be it

RESOLVED, That the Association of Black Students request that the Affirmative Action Officer initiate an immediate investigation into this possibility brought about by this stage of the reorganization; therefore the Association of Black Students request the voting be delayed until said investigation is complete.

Chairman Headlee stated that the Board has reviewed the structural reorganization changes submitted by the President, and the Trustees must take some action so that the University can function administratively. He stated that he would recommend that the President review this matter with students and interested persons and make a report at the next Board meeting. Chairman

Headlee noted that the initial report the Board received from Ms. Wilma Ray-Bledsoe, Vice President for Student and Urban Affairs, indicated that the assignments were appropriate and she believed her division would operate very well.

Mr. Samuel Craig, President of the Association of Black Students, expressed his regrets that he could not follow "procedures" and consult first with the President. He stated that since this reorganization was on the agenda, he felt that the submission of a resolution was appropriate. He expressed his pleasure that the students' concerns would be reviewed.

Chairman Headlee then recognized Mr. Anderson Gilmore, Vice President of the Black Alumni Association.

Mr. Gilmore stated that the students were concerned about the reorganizational changes. The Black Alumni Association did not wish to suggest that the recommended reorganization changes had a negative connotation with respect to minorities, but that there had not been ample time to review the proposal. Therefore, the Association requested that action be temporarily postponed until such time as all interested parties could review the proposal and present their concerns. Mr. Gilmore said he recognized the rights of the administration and the Board to set policy. The Black Alumni Association did not want the request for postponement to be viewed as an attempt to infringe on those rights. He added that in the Association's opinion, organizational changes of this magnitude should receive the review and viewpoints of all interested parties.

Chairman Headlee reiterated that it was necessary for the institution's well-being to take action this evening.

The motion to approve the President's recommendation was voted on and approved by all of the Trustees present.

Chairman Headlee stated that the Trustees have reviewed the President's recommendations and they meet with the Board's approval. In addition, the Chairman stated that the University is required to carry out its administrative responsibilities and there should be no delay in the implementation of the recommendations. He noted that the President has agreed to review the concerns expressed by the Association and will consult with his staff, including the Affirmative Action Officer on this subject. The Chairman requested that the President inform the Trustees of his review of this matter at the next Board meeting.

Approval of Candidates Recommended to Receive Bachelor's and Master's Degrees as of June 24, 1981

Chairman Headlee requested the Board's approval of the candidates recommended for bachelor's and master's degrees as of June 24, 1981. (The list of candidates is on file in the Office of the Secretary to the Board of Trustees.)

Mrs. Hartmann moved that the recommended candidates be approved with congratulations. Mr. Handleman seconded the motion which was voted on and approved by all of the Trustees present.

Approval of the Capital Outlay Budget Request for 1982-83

Each year the Office of the Budget and the Bureau of Facilities in Lansing require the submission of a Capital Outlay Budget Request document. The material compiled for 1982-83 was forwarded to the Board to provide an opportunity for an annual review and approval of the University's proposed projects. The following is a list of the projects prioritized categorically as they will appear on the budget submitted to the Department of Management and Budget:

Programming & Planning

- 2 - Science Building
- 10 - Addition to Varner Hall
- 11 - Faculty/Staff Office Building
- 12 - Physical Education Building
- 13 - Basic Science Research Building
- 15 - Auditorium/Theater

Complete Plans and/or Begin Construction

- 1 - Library Building

Major Remodeling and Additions

- 3 - Remodel Hannah Hall Areas for Laboratories
- 6 - Remodel Dodge Hall for Human Anatomy Laboratory
- 7 - Roof Modification and Replacement
- 8 - Energy Management Plan
- 14 - Air Cool South Foundation Hall

Special Maintenance

- 4 - Installation of a Modern Air-Conditioning System for the Computer Equipment
- 5 - Modification of Existing Hot Water Generators
- 9 - Public Water and Sewer for the Matthew Lowry Early Childhood Center
- 16 - Replace High Temperature Hot Water Lines - Area of Hill House.

Formal approval by the Board is, also, requested in order to assure the State's Executive Office and the Legislature that the projects retain the same level of priority as approved by the Board last year. Mr. Headlee requested approval of the following resolution:

RESOLVED, That the Board of Trustees approves the 1982-83 Capital Outlay Requests prepared by the Office of Administrative Affairs dated August 25, 1981.

Mr. Handleman moved that the recommendation be approved. Mr. Mair seconded the motion.

Mr. Katke noted that the Capital Outlay Requests were reviewed by the members of the Audit and Finance Committee and it was determined that some changes in priority and project scope may be required due to the State's poor economic climate. Mr. Katke recommended acceptance of the recommendation with the understanding that there would be a review of all projects by the administration with subsequent reconsideration by the Board of Trustees.

The motion was voted on and approved by all of the Trustees present.

Approval of Contracting and Employment Appointment Authority

The following recommendation was submitted to consolidate and clarify the delegation of authority for contracts and employment appointments:

WHEREAS, the Board of Trustees of Oakland University wishes and intends to authorize and delegate to the President of Oakland University and other administrators certain powers and authority as may be necessary and appropriate to

carry out the policies of the Board of Trustees and to administer the business of Oakland University in accordance with such policies and directives as may be promulgated from time to time by the Board of Trustees; and

WHEREAS, the Board of Trustees wishes and intends by this resolution to delegate to the President of Oakland University and other administrators full power and authority to carry out certain administrative functions of the University while retaining unto itself all legislative and discretionary powers which are not subject to delegation under application of law; and

WHEREAS, the contracting authority set forth below is conditioned upon compliance with the budgetary and appropriation approvals established by the Board of Trustees, and compliance with all legal requirements; and

WHEREAS, the following resolution shall supersede paragraph 2 of the Board resolution dated April 23, 1975, regarding the awarding of contracts; paragraph III A and B of the Board resolution dated January 19, 1974, regarding Employment Relations Committee Policies and Procedures; and the Board resolution dated March 28, 1973, regarding the sale of securities. It is therefore

RESOLVED as follows:

I. Contracting Officers

The President and Vice President for Administrative Affairs and their designees where specifically authorized by this policy shall be the contracting officers for the University. No person may contract pursuant to this authority except as prescribed herein by specific designation or delegation. All delegations of contract authority must be documented in writing to the Office of the Secretary to the Board of Trustees and the Vice President for Administrative Affairs. The Board of Trustees may in specific instances designate additional contracting officers.

II. Purchase Contracts

- A. All contracts for expenditures over \$100,000 after review by legal counsel must be approved by the Board of Trustees prior to execution by the President and/or Vice President for Administrative Affairs except as provided in II B.
- B. In the event of an emergency or if the President deems it to be in the best interests of the University to expedite the execution of a contract and there is no regularly scheduled meeting of the Board prior to the time such agreement must be executed, then the President or Vice President for Administrative Affairs is authorized to expend funds for goods and services in an amount not to exceed \$200,000 for any single contract without prior approval of the Board of Trustees conditioned on the prior concurrence of the contract by the Chairman and Vice Chairman of the Board of Trustees, provided such expenditures are in accordance with the policies and practices established by the Board. Any expenditure or contract entered into pursuant to this authority shall be reported to the Board of Trustees at its next regular meeting for ratification and any necessary amendment of the budget appropriation.
- C. Contracts for expenditures in amounts up to \$100,000 may be executed by the President or the Vice President for Administrative Affairs or their designees without Board approval. If any contract under this provision alters or is a departure from a Board approved policy, practice or procedure, or is in conflict with a policy established by the Board of Trustees, such contract shall be subject to prior Board approval before execution.

III. Employment Appointments and Contracts

- A. The authority for the approval of positions and appointments, subject to compliance with University policies, procedures, relevant employment contracts and budget authorizations shall be as set forth below. It is further provided that when such positions and appointments result in a net increase in the total number of full-time positions, the Board shall be notified.
1. (a) Academic dean positions and appointments and academic administrator appointments, including associate and assistant deans, and full-time non-visiting faculty employment contracts including promotions for all of the above are subject to the recommendation of the President and must be approved by the Board of Trustees. When it is in the interest of the University, the President or a designee may make an offer of employment prior to the Board meeting which offer shall be subject to Board approval.
 - (b) The establishment of all academic administrator positions (except full deans as provided in III A 1 (a) above), faculty and instructional positions shall be made by the President or a designee.
 - (c) The appointment of full-time visiting faculty, part-time faculty, and Continuing Education instructional staff shall be made by the Vice President for Academic Affairs or a designee.
 2. (a) Vice presidential positions and reclassifications and appointees to these positions are subject to the recommendation of the President and must be approved by the Board of Trustees.

2. (b) All administrative-professional and non-academic positions and re-classifications with a salary grade minimum of \$30,000 or above are subject to the recommendation of the President and must be approved by the Board of Trustees. Appointment of personnel to these positions shall be reported to the Board of Trustees.

(c) The establishment and appointment of all other positions and reclassifications not provided for in III (1) and (2) above shall be made by the President, the Vice President for Administrative Affairs or their designees.

B. Contracts for employment of faculty and staff, subject to compliance with University policies, procedures, relevant employment contracts and budget authorizations shall be executed as follows:

1. The Vice President for Academic Affairs or a designee shall execute employment contracts for academic deans, academic administrators and all faculty and instructional positions.

2. The President, Vice President for Administrative Affairs, or their designee, or the Director of Employee Relations shall execute employment contracts for all other employees not specified under paragraph B (1) above.

IV. Labor Contracts

Labor contracts with officially recognized bargaining unit groups are to be signed by the Vice President for Administrative Affairs, the Director of Employee Relations and the University's chief negotiator (if other than the Director of Employee Relations), subsequent to approval of such contracts by the President and the Board of Trustees.

V. Contracts for University Facilities and Services

- A. Contracts for the lease of University facilities, other than for personal residency, that are for a period of one year or more, are to be executed by the President, or the Vice President for Administrative Affairs subsequent to approval by the Board of Trustees.
- B. Contracts for the lease of University facilities for a period less than one year and rental agreements for residential purposes are to be executed by the Vice President for Administrative Affairs or his designee.
- C. Contract/grant agreements relating to educational, research, public service and student financial aid activities of the University are to be executed by the President or the Vice President for Administrative Affairs. Contract/grant agreements which require the actual commitment of University funds are subject to the monetary limitation approval requirements set forth in article II. Contract/grant agreements under this provision shall be reported to the Board of Trustees at the earliest meeting date possible.

VI. Contracts for the Sale or Disposal of University Assets

- A. Subject to the specific prior approval by the Board of Trustees, compliance with University procedures and policy and review by legal counsel, the President, the Secretary, or the Vice President for Administrative Affairs shall have authority to execute agreements for the sale of real property titled to the University.

- VI. B. The President, Vice President for Administrative Affairs or the Treasurer, when in the interest of the University, shall have the authority to sell, assign or endorse for transfer any certificates representing stocks, bonds or other securities received in kind and held or registered in the name of Oakland University in an amount not exceeding \$50,000 in any one transaction or \$200,000 in any monthly period. In the event of an emergency and when it is in the interest of the University, the President, Vice President for Administrative Affairs or the Treasurer shall have the authority to sell, assign or endorse for transfer any certificates representing stocks, bonds or other securities received in kind and held or registered in the name of Oakland University in an amount exceeding \$50,000, and up to \$250,000, in any one transaction with the prior approval of the Chairman of the Board of Trustees or in the absence of the Chairman the Vice Chairman of the Board. The total amount of the transactions approved by the Chairman and Vice Chairman of the Board under this provision shall not exceed \$500,000 in any monthly period. All other transactions exceeding the limits set forth above must have prior Board approval. All such actions authorized above are to be reported to the Board of Trustees at the earliest meeting date possible.
- C. The Vice President for Administrative Affairs or his designee shall have the authority to sell or dispose of University surplus goods and equipment of less than \$10,000 in appraised value for each item in accordance with University policies and procedures when such action is to the benefit of Oakland University.

- VI. D. The President or his designee shall have the authority to sell or dispose of University surplus objects of art, antiques or collectors' items of less than \$10,000 value for each item subject to the prior approval of a committee of the Board of Trustees which shall be delegated with the authority to dispose of such property in the interest of the University.

VII. Meadow Brook Performing Arts Company Contracts

- A. Contracts for artistic services are to be signed by the Vice President for Development and Treasurer of the Board of Trustees or the Assistant Vice President for Cultural Affairs.
- B. Employment contracts for non-University classified Meadow Brook Performing Arts Company employees are to be executed by the Artistic Director of the Meadow Brook Theatre and the Managing Director of the Meadow Brook Music Festival for their respective functions, or the Assistant Vice President for Cultural Affairs for either of the foregoing operations.
- C. The authority granted in this article is subject to the dollar limitations set forth in article II.

- VIII. All University contracts must be in compliance with the law and shall conform to the legal standards and requirements of the University General Counsel.

Mr. Handleman moved that the recommendation be approved.
Mr. Mair seconded the motion.

Mr. Saltzman inquired if the foregoing recommendation was a codification of existing documents.

Chairman Headlee confirmed that the resolution was a consolidation of current policies into one document.

The motion was voted on and approved by all of the Trustees present.

Approval of the Meadow Brook Subdivision Loan Authorization Procedures

Chairman Headlee announced that background information on the Meadow Brook Subdivision policies and procedures had been distributed to the Trustees for review and that the following recommendation was concerned with the administration of the subdivision:

WHEREAS, in the early history of Oakland University when it was affiliated with Michigan State University it was determined that the Meadow Brook Subdivision should be developed to provide housing for University employees; and

WHEREAS, the governing board of Michigan State University authorized the establishment of the Meadow Brook Subdivision on April 21, 1960, and granted authority to Oakland University to take the necessary action for the implementation of the subdivision project including the guarantee of long-term financing on homes in the subdivision which was a requirement from private lenders; and

WHEREAS, Oakland University became an autonomous institution of higher education on July 1, 1970, with its own Board of Trustees assuming control of Oakland University property, assets, and obligations formerly possessed by Michigan State University; and

WHEREAS, the Oakland University Board of Trustees is a public corporate body with powers derived from the Constitution of the State of Michigan; and

WHEREAS, the Oakland University Board of Trustees has determined that it is within its authority and in the interest of the institution to continue the operation of the Meadow Brook Subdivision and the obligations which have been incurred since 1960; and

WHEREAS, the Board of Trustees has determined that it is necessary to operate the subdivision in a fiscally responsible fashion and to clarify the delegation of authority for the operation of the subdivision to the appropriate University administrators. It is therefore

RESOLVED, That the President or the Vice President for Administrative Affairs is authorized to execute on behalf of the Board of Trustees all necessary documents to guarantee payments on (1) interim construction financing, and (2) long-term first mortgage financing on new homes or the resale of existing homes; and be it further

RESOLVED, That all such transactions regarding the guarantee of payments shall be reported to the Board of Trustees at the next regularly scheduled meeting of the Board; and be it further

RESOLVED, That the financing arrangements and payments required in connection with such transactions shall be established at a level to assure the full fiscal integrity of the accounts relating to the Meadow Brook Subdivision; and be it further

RESOLVED, That all approvals for the guarantee of payments shall be subject to the policy statement set forth below which is incorporated into this resolution; and be it further

RESOLVED, That all legal documents shall be subject to the approval of the University attorney.

Policy Statement for Guaranteed Loans
in the Meadow Brook Subdivision

1. The loan application for long-term financing cannot exceed 80% of the value of the home and lot, based on competent appraisal. The requirement for an appraisal may be waived by the Vice President for Administrative Affairs if the valuation of the home is determinable by other means (such as recent transactions for the same or comparable homes). In the case of new construction loans, the loan cannot exceed 80% of the estimated construction cost.
2. Guarantees will only be granted on loans with interest rates equal to or less than the prevailing mortgage rates in the local market.

3. For either type of loan the employee must submit a financial statement to the Vice President for Administrative Affairs. The Vice President for Administrative Affairs shall determine if the amount of the loan requested is prudent, in view of the employee's financial position and income level.
4. In the case of new construction, the detailed building plans must be submitted for the approval of the University President and of the Vice President for Administrative Affairs. Approval will only be granted when in the judgment of the President and Vice President for Administrative Affairs, the proposed home would be readily resalable. Special consideration will be given to design and cost.
5. In all cases where the University guarantees a loan, the University will deduct from the employee's pay, amounts equal to the mortgage payments and required escrow payments for fire insurance and property taxes. The homeowner will carry fire insurance at least equal to the University's insurable interest in the home. The insurance shall be of a type deemed suitable by the University, and carried with a company approved by the University.
6. All long-term financing loans must, at approval, be for a term exceeding five years. Interim construction financing loans will not exceed two years or the time necessary to build the house, whichever is less.
7. All loans must be for an amount in excess of normal unsecured borrowing reasonably available from the Oakland University Employees' Credit Union or comparable thrift institutions, as determined by the Vice President for Administrative Affairs.

8. The purpose of the loan must be for the purchase of an equity interest in a home in the subdivision, or for the construction of a new home.
9. Additional procedural requirements may be established by the President and Vice President for Administrative Affairs acting jointly, to implement the intent of this policy and to protect the interests of the University and of the Board in controlling the subdivision program on a sound and prudent basis.

Chairman Headlee requested the Board's approval of the resolution.

Mrs. Hartmann moved that the recommendation be approved.
Mr. Mair seconded the motion.

Mr. Saltzman said he was in full agreement with the intent of the recommendation, however, he inquired if this resolution pertained just to homes in the Meadow Brook Subdivision.

Chairman Headlee stated that it did and it would be appropriate and would clarify the recommendation to insert the phrase "in the Meadow Brook Subdivision" after the word "homes" in (2) of the first paragraph on page 26 of the recommendation so that it would read as follows:

- (2) long-term first mortgage financing on new homes or the resale of existing homes in the Meadow Brook Subdivision;

Mr. Katke called attention to the changes from previous practice that the Audit and Finance Committee had recommended in the administration of the subdivision. They are as follows:

1. Discontinue financing \$1,000 of the \$2,000 lease payment. The entire \$2,000 would be due from future lessors upon signing the lease.
2. Discontinue the fixed ground rent on future leases; instead, incorporate a provision for variable ground rent payments, to respond to increasing costs of operating the subdivision.

3. For new leases, extend the period of time before the University is obliged to repurchase a home to one year. The present requirement is six months.

The motion as amended was voted on and approved by all of the Trustees present.

President's Report

President Joseph E. Champagne stated that since this was the first Board meeting of the academic year, he wished to make the following statement regarding his thoughts and concerns about the coming year:

"Charles Dickens in 1859 wrote in his opening paragraph to A Tale of Two Cities: 'It was the best of times, it was the worst of times, it was the age of wisdom, it was the age of foolishness, it was the epoch of belief, it was the epoch of incredulity, it was the season of light, it was the season of darkness, it was the spring of hope, it was the winter of despair, we had everything before us, we had nothing before us ...'

"While the picture today is not nearly so dismal as painted by Dickens for the eighteenth century period he was writing about, it poses some interesting analogies that are not inappropriate. These are difficult times we face in higher education across the nation and, particularly, here in Michigan. For example, we were informed this past week that an Executive Order to cut the budget by four to five percent is needed immediately. It appears that in order to maintain the State's current financial rating, commitments to reduce the current fiscal year deficit of \$135,000,000 are necessary. But approximately one month ago officials were saying that higher education would likely be spared further budget cuts this year and none were anticipated for next year. We were led to believe that higher education had sustained all the erosion it could and that it needed a period of stabilization to adjust to the fiscal austerity imposed upon it.

"Frankly, members of the Board, no one in higher education knows exactly where we stand at this time or what our future is going to be like. There is no reasonable way to systematically plan at this juncture; there is too much uncertainty around us. We cannot mount an orderly program of institutional and academic enrichment if we do not know if and how we can get there. I lay blame on no one by these remarks, but I do feel that this Board must be made vividly aware of the unstable conditions that beset the operation of higher education. Uncertainty has become a way of life.

"A five percent Executive Order cut, if approved, means that \$935,490 needs to be cut from the budget again. Thus, our current FY 82 State appropriation revenue would be at the level of our FY 80 State revenue. When you consider the level of inflation we have experienced these past two years, you see how far behind we would be. In order to maintain a balanced budget, tuition has been raised significantly. In FY 80, tuition accounted for 29.5 percent of the cost of educating a student at Oakland University; in FY 82, with the full five percent cut in State revenue it will account for 38.1 percent. Additionally, we find ourselves twelfth among the fifteen Michigan institutions of higher education in terms of revenue received per full-time student. Our faculty work hard with substantial teaching loads and our administrative and professional staff is at a minimum level for the size of institution we have grown to be.

"In short, evidence is mounting to lead me to speculate that we may well be overextended in size and complexity for the amount of funds available for quality educational programs. How long we can continue to tread academic water is questionable in our present configuration. But what exacerbates the problem is the lack of predictability of funding levels. You develop a budget and you then try to speculate how much it will be cut. If you develop a budget based upon zero increase in funds, you are criticized for not having faith in the economy or the appropriation process. If you develop a budget based upon what the appropriations bill states, you are likely to have deficits.

"This year--as you recall--we developed a budget indexed to full funding. It looks as though that decision was a sound one. At least it will get us somewhat over the hurdle of the first cut being considered at this time. The institutional enrichment the indexing would provide will be lost, however, if this proposed cut is approved. If a second cut of similar size is evoked later in the year, drastic measures will again be necessary.

"I am therefore asking this Board's understanding as we work together closely to try to remain as stable as possible amid much instability. I will not bring to this Board table any request that I am not entirely convinced is in the absolute best interest of this institution under the conditions that exist currently. These are uncertain times and they demand prudent judgement and conscientious decision making. I am also asking the entire academic community to work with me in this context of extreme fiscal austerity. I am not implying a moratorium at this time on programmatic growth, but I will demand a greater than normal justification for any proposed program expansion. Growth and development are the life blood of an academic institution; they are the heartbeat of remaining relevant, of responsiveness to changing student needs, and of adherence to the incredible knowledge explosion all around us. But I am also convinced that program development to meet new needs implies a need to reassess other programs less in need. Thus a balance between the addition of new efforts must be found with the phaseout of less productive efforts.

"We shall look seriously this year at our strengths and our weaknesses, our size and our complexity, and we shall strive to achieve selective excellence in those programs we are most capable of providing. We cannot tolerate in these austere times, however, programs that are high in cost and low in appropriately measured productivity, marginal in quality, or not integral to the mission of the institution. We must be prepared to allocate our limited resources to those efforts that we can do well and are needed in our academic opinion or are in a healthy demand in the academic marketplace.

"I ask your forbearance as we try to plan in a period when even the best of planning is likely to be poor due to the the uncertainty of the external conditions surrounding us. I ask the entire community to work together to the common good of the institution and its student body. Without a cohesive front, we will not maintain or achieve the excellence we prize so dearly.

"It was the best of times, it was the worst of times, it was the age of wisdom, it was the age of foolishness." We must make it the best of times amid these uncertain times; we must act wisely as a coherent institution with force and direction and not foolishly by grasping for the ad hoc and not for the long-term goal of institutional quality and excellence and indeed survival. We can remain a quality institution, but there may be a high price to pay.

"We look forward to the challenges of this new academic year and to working very closely with each of you as we chart our course of action. And I remain optimistic if we strive for our common purpose of providing students with the best we are able to offer."

remarks. The audience applauded President Champagne's

Chairman Headlee thanked the President for his comments and the students and members of the audience for showing their interest in the University by attending the meeting.

There being no further business, the meeting was adjourned at 8:15 p.m.

Approved,

John De Carlo, Secretary
Board of Trustees

Richard H. Headlee, Chairman
Board of Trustees

Date _____