

Minutes of the Meeting
of the
Oakland University
Board of Trustees.
February 17, 1982

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Feb. 17

The meeting was called to order by Acting Chairman Alex C. Mair at 7:30 p.m. in Lounge II of the Oakland Center.

Present: Acting Chairman Alex C. Mair, Trustees David Handleman, Patricia B. Hartmann, Arthur W. Saltzman and Howard F. Sims

Absent: Trustees Richard H. Headlee and Ken Morris

Resignation of Trustee Marvin L. Katke

Acting Chairman Mair announced that Trustee Marvin L. Katke has resigned as a member of the Board of Trustees because it has become increasingly more difficult for him to attend the meetings since his winter home is in Arizona. Mr. John De Carlo, Secretary to the Board, was instructed to prepare an appropriate document for presentation to Mr. Katke which would outline his outstanding and meritorious service to the University. Acting Chairman Mair expressed the Board's regret at the loss of Mr. Katke's services.

Approval of Minutes of January 20, 1982

Acting Chairman Mair requested approval of the minutes of the Board meeting of January 20, 1982, as presented to the Trustees.

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

Acceptance of Gifts and Grants

Acting Chairman Mair requested the Board's acceptance of the gifts and grants totaling \$178,012.24. (A copy of the complete list of 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.)

Mrs. Hartmann moved that the gifts and grants be accepted with great appreciation. Mr. Handleman seconded the motion.

Acting Chairman Mair inquired of Mr. Robert W. Swanson, Vice President for Development, if he wished to comment on the gifts.

Mr. Swanson called attention to the O. U. Fund Drive which covers contributions from faculty and staff by either cash gifts or through payroll withholdings. The total contributions under this program amount to \$18,266. Mr. Swanson noted that the Twenty-Fifth Anniversary Fund represents contributions made by the President's Club life members who are continuing their support. In addition, Mr. Swanson acknowledged a gift from Mr. and Mrs. Marvin Katke of 600 shares of Ford Motor Company stock valued at \$10,425. This transaction will be reported in next month's agenda. Mr. Swanson also thanked Mr. Mair for his gift to the O. U. Foundation.

The motion to accept this month's gifts and grants was voted on and approved by all of the Trustees present.

Approval of Personnel Actions

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

Appointments

Judd, Robert P., Assistant Professor of Engineering,
effective August 15, 1982

Laski, Janusz, Associate Professor of Engineering,
effective August 15, 1982

Changes of Status

Changes in title of existing faculty to reflect academic affiliation with the Department of Rhetoric, Communications, and Journalism, effective December 16, 1981:

Briggs-Bunting, Jane L., to Assistant
Professor of Journalism

Connellan, William W., to Adjunct Assistant
Professor of Journalism

Hildum, Donald C., to Professor of Communications

Changes of Status (Continued)

Howell, Sharon L., to Instructor in Communications

Schwartz, Roberta C., to Assistant Professor of Journalism

Beckwith, Karen L., from Instructor in Political Science to Assistant Professor of Political Science, effective February 1, 1982

Leaves of Absence

Kurzman, Margaret L., Special Instructor in Rhetoric, leave from January 4, 1982, through February 2, 1982 (sick leave)

Schwerin, Donald S., Assistant Professor of Political Science, leave from September 1, 1982, through December 18, 1982

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

Acting Chairman Mair requested that Mr. Willard C. Kendall, Jr., Director of Employee Relations, comment on the following report item from the Employee Relations Department:

Office of the Vice President for Governmental Affairs and General Counsel and Secretary to the Board of TrusteesPosition: Assistant General Counsel

This position was included in the budget authorization for the 1981-82 fiscal year. After an extensive recruitment effort and a rigorous selection process, Robert H. Bunger, an internal applicant who is currently serving as Executive Assistant to the President, was selected for this position. This appointment is to be effective April 1, 1982.

Source of funds: 1981-82 approved General Fund Budget.

Mr. Kendall noted that the recruitment effort to fill this position began last August and now has been successfully concluded with this appointment. Mr. Kendall stated that this was a report for the Board's information and did not require any action.

Acting Chairman Mair presented the following recommendation concerning the promotion of tenured faculty members:

RESOLVED, That the Board of Trustees approves the following personnel actions which have been formulated by the Provost with the advice of the Deans and faculty colleague review bodies in accordance with the specified tenure review process:

Associate Professors with tenure considered for promotion to the rank of Professor, effective August 15, 1982:

Arts and Sciences

Carlo Coppola	Modern Languages/ Area Studies	Approved
Harry Gold	Sociology/ Anthropology	Not Approved
Joel W. Russell	Chemistry	Approved
Jacqueline R. Scherer	Sociology/ Anthropology	Approved
Parbury P. Schmidt	Chemistry	Approved
Richard P. Tucker	History	Approved

Engineering

Donald R. Falkenburg	Systems Engineering	Approved
Glenn A. Jackson	Computer Science	Approved
Ronald R. Maurant	Systems Engineering	Approved
Tung H. Weng	Electrical Engineering	Not Approved

Human and Educational Services

Jane M. Bingham	Reading	Approved
Gerald J. Freeman	Special Education	Approved

In response to Acting Chairman Mair's request for comments, Mr. Keith R. Kleckner, Vice President for Academic Affairs and Provost, stated that this was a very significant recommendation since these persons were being elevated to the highest faculty rank. Mr. Kleckner added that those individuals being promoted had his congratulations.

President Champagne stated that he reviewed the foregoing recommendations very carefully with the Provost, and he, also, wished to congratulate those promoted on their outstanding record of accomplishment. He added that he was very pleased and proud of this group of faculty members.

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

Approval of Abolition of the Performing Arts Faculty Council (PAFCO)

Acting Chairman Mair presented the following recommendation for the Board's approval:

RESOLVED, That the Board of Trustees abolishes the Performing Arts Faculty Council.

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

In response to Acting Chairman Mair's request for comments, Mr. Kleckner informed the Board that the requested recommendation is basically a "housekeeping" item. He explained that when a new academic unit is created, it is necessary to have an interim governmental system, and the Performing Arts Faculty Council filled that role. A constitution for the governance of the School of Performing Arts has been approved by the Board and that action removed the need for the Faculty Council.

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

Approval of Amendments to the University Congress Constitution

Acting Chairman Mair presented the following recommendation for the Board's approval:

WHEREAS, the University Congress desires to amend its constitution and has complied with applicable procedures for doing so; and

WHEREAS, Board of Trustees ratification of those actions is required; now therefore be it

RESOLVED, That references to Concert Lecture Board will be changed to Student Program Board (Article VII Section iii/Article VIII Section ii); and be it further

RESOLVED, That references to Elections Commissioner will be changed to Committee and Elections Coordinator (Article IV Section viii/Article VII Section iv/Article VIII Section iii); and be it further

RESOLVED, That references to Elections Commissioner will be changed to Committee and Elections Coordinator whose duties shall be to chair the Elections Commission in all student elections, removals and referendums, and to coordinate the placement and operation of student delegations to all Senate, University-wide and assembly committees (Article VII Section iv); and be it further

RESOLVED, That a Financial Assistant whose duties shall be to assist the University Congress President in the preparation of congressional budgets and to record all congressssional financial transactions, will be added as a position of the University Congress Executive Staff (Article VII Section v); and be it further

RESOLVED, That Article VII Section v of the approved October 4, 1977, University Congress Constitution document be renamed Article VII Section vi, to accommodate above said amendments; and be it further

RESOLVED, That the Board of Trustees approve the constitution as amended as the official constitution for the Oakland University Congress.

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

In response to Acting Chairman Mair's request for comments, Ms. Wilma Ray-Bledsoe, Vice President for Student and Urban Affairs, stated that the "proposed amendments were somewhat technical in nature" and were presented to make certain that the constitution is consistent with the functions of the student committees. Ms. Ray-Bledsoe added that the President of the University Congress, Mr. Zachary Shallow, was present to answer any specific questions in connection with the amendments.

Acting Chairman Mair inquired about the reference in the agenda report to "new initiatives to clarify certain ambiguities in the constitution."

Ms. Ray-Bledsoe responded that the statement had reference to additional clarification of language in the constitution which required more review and possibly a referendum vote to amend the document. Since this review process would have delayed action on the foregoing recommendation, it was felt that the proposed amendments should be acted upon at this time.

There being no further discussion or questions, the motion was voted on and approved by all of the Trustees present.

Approval of Reappointment of CPA Audit Firm

Acting Chairman Mair presented the following recommendation for the Board's approval:

- We recommend that Ernst & Whinney be appointed by the Board of Trustees to conduct the audit of the University's financial statement for the year ending June 30, 1982.

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

Acting Chairman Mair called upon Mr. Robert J. McGarry, Vice President for Administrative Affairs, to comment on this recommendation.

Mr. McGarry stated that, if approved, this would be the fifth year that Ernst & Whinney has audited the institution's accounts. The University has been very satisfied with its previous audits. He noted that the general policy of the Board has been one of rotation of auditors after six years with the same firm. After this period a search procedure will be conducted for a new appointment.

Mrs. Hartmann inquired if it was mandatory that a change be made.

Mr. McGarry responded that it has been Board policy to make a change.

Mr. Mair asked if the Audit and Finance Committee endorsed this recommendation.

Mr. McGarry replied that the Audit and Finance Committee meeting to review this matter had to be cancelled.

Mr. John De Carlo, Secretary to the Board of Trustees, added that Mr. Marvin Katke who had just resigned was a member of the Audit and Finance Committee with Mr. Ken Morris. While Mr. Morris was unavailable for a committee meeting, he was contacted by telephone and had no objection to this appointment.

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

Report on Review of Auditor General's Report of Audit Dated
July 1, 1978 through March 31, 1981

Acting Chairman Mair requested that Mr. McGarry discuss the Auditor General's report which had been provided to the Board.

Mr. McGarry introduced the following staff members who had been involved in the preparation of the responses to the Auditor's Report: Patrick Nicosia, Budget Director; Thomas Evans, Controller; Ray Harris, Associate Vice President of Administrative Affairs; and William Morscheck, Assistant Vice President for Computer and Information Systems.

Mr. McGarry stated that an audit is conducted by the Auditor General's office about every two years and involves about five to six State employees who remain on campus for about five months. Mr. McGarry assured the Trustees that the audit did not contain anything of substance or any item which was unknown to his department. Mr. McGarry said that basically the institution had good fiscal controls. He noted that the report contained about 67 comments and recommendations. The University concurred with about 40 of the recommendations, and took issue with about 27 items. He cited, as an example, one comment which concerned the allocation of investment income on "pooled cash". This recommendation was contrary to established practice in the State of Michigan.

The University was also cited for not measuring temperatures and CO-2 levels in the stacks at the power plant. The University has a Honeywell Energy Management System for automatically controlling the heating boiler. The staff felt that this system was adequate. The University possesses a CO-2 analyzer which has mal-functioned. Therefore, \$40,000 is now being requested from the State to repair the equipment and to respond to the Auditor General's comment.

In addition, Mr. McGarry said he wished to cover some of the "bad press" that Oakland University received in connection with the Auditor General's report. One item concerned a California trip by one of the golf course employees. This was a legitimate, authorized trip which was totally proper since a turf conference was being held in California. Another item concerned bidding for an insurance agent. Mr. McGarry explained that it was a common practice to bid for insurance, but not for the professional services of the agent.

One other item mentioned in the Auditor General's Report indicated that the University had "weak cash control procedures."

Mr. McGarry said that as far as the institution was concerned this was not an accurate statement. The suggestion was for a central mail opening for all mail to receive all checks. Mr. McGarry noted that this is a "text book" recommendation but not a "practical" procedure given the complexity of the University.

President Champagne commented that since this was the first audit he had received from the State of Michigan and covered the period prior to his arrival, he was concerned when he saw the 67 audit recommendations. In an effort to understand the issues, he attended the exit interview with the Auditor General's staff and heard discussions about the report and the rationale for non-concurrence on certain items. The President assured the Trustees that he was satisfied with the corrections that had been made, the non-concurrence on certain items, and the progress that was being made on correcting items that required action. He added that after a careful review of the report, he did not see any significant University weaknesses.

Acting Chairman Mair thanked the President for his comments.

Approval of Oakland University Board of Trustees Committee Charges

Acting Chairman Mair called upon President Champagne to present the committee charges for the Board of Trustees.

President Champagne stated that the summary of charges for each of the three committees of the Board was presented at the last meeting. The committees have been functioning with varying levels of authority developed over a period of time. President Champagne thought it important to consolidate all of the delegated functions into one document to fix responsibility and to inform the staff of the appropriate committee for referring Board matters. The three committees are the Personnel Policy Committee, the Audit and Finance Committee, and the University and Development Committee. (The University and Development Committee was formerly called the Campus and Development Committee.) The following are the recommendations concerning these three committees:

Oakland University Board of Trustees

Committee Charges

It is appropriate as is the case in many universities that every major issue that requires action by the Board of Trustees have a designated committee whose charge includes the review of that area of responsibility. On major matters the committee should discuss the issues prior to Board action. In other cases the Board can refer matters to the committee for further study and recommendation or in specific instances

delegate authority to the committee to carry out the Board's recommendation. Each committee should develop its own rules of procedure and delegation as may be appropriate.

At present there are three standing committees at Oakland University. It is proposed herein that their role and charge be redefined so that both the Board and the administration may have clear understandings about their nature and function.

Personnel Policy Committee (Three Members)

General authority to review employee relations matters including the following:

1. Review matters regarding personnel policies, benefits, and employee appraisal systems.
2. Review matters relating to collective bargaining and labor/management relations and authorize pre-negotiation guidelines.
3. Review appointments and promotions within existing Board policy on administrative delegation of authority.
4. Authorize compensation levels and related benefits for executives and academic administrators within overall budgetary limitations.
5. Periodically review the performance of the President.

Audit and Finance Committee (Three Members)

General authority to review all fiscal matters including the following:

1. Review University budgets.
2. Review University audits and meet independently with both internal and external auditors as required.
3. Review appropriation requests.
4. Review tuition and fee rates and room and board rates.

5. Review investment programs.
6. Review insurance programs.
7. Review general management systems from time to time.
8. Work with University and Development Committee on matters related to construction, renovation, and computer acquisitions.

University and Development Committee (Three Members)

General authority to review all University, academic and development programs including the following:

1. Review campus master plan and related matters.
2. Review academic and student affairs, including athletics.
3. Review major construction and renovation projects as well as major computer acquisition or upgrading (work with Audit and Finance Committee in related fiscal matters).
4. Review acquisition, disposition and location of major works of art or sculpture.
5. Review matters relating to Sunset Terrace as appropriate to Board policy.
6. Review the activities of the various Meadow Brooks, including the golf course.
7. Review community and public relations activities as well as major development efforts.

President Champagne noted that the committee charges had been distributed at the last Board meeting and Chairman Richard Headlee requested that they be received for comments prior to the present meeting. The administration has not received any comments.

President Champagne stated that in reviewing the charges of the three committees it occurred to him that it might be appropriate to create an Executive Committee of the Board. This subject was discussed at length with Chairman Headlee.

President Champagne then presented the following recommendation on an Executive Committee to the Board:

It is further recommended that an Executive Committee be created to be composed of the Chairs of the three standing committees plus the Chairman of the Board. This committee would be empowered to act on emergency matters to carry out the operations of the University between regular Board meetings, all actions subject to later ratification by the full Board at its subsequent meeting. Other functions might be delegated to the Executive Committee by the Board from time to time.

President Champagne observed that in his discussion with Chairman Headlee there was no attempt or plan to make the Executive Committee a "super committee" of the Board. He noted that on occasion there are emergency matters, such as the resolution of a legal settlement which would be prejudiced by some time delay. President Champagne thought that it would be appropriate to have the Chairs of the three committees and the Chairman of the Board acting in an advisory capacity to the staff of the University. Such action would be brought to the attention of the full Board and where required be voted on by the Board. President Champagne stressed that this committee would not be an executive committee in the "sense that many think of executive committees with broad powers." He envisioned it as simply a committee for the convenience of the Board which would be able to operate on short notice in those cases where it was absolutely necessary. President Champagne then requested the Board's approval of the committee charges for the three established Board committees plus the proposed Executive Committee.

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

Mr. Sims asked if the clarification that President Champagne had given of the Executive Committee was a part of the recommendation in order to avoid any misunderstanding regarding the authority of the Executive Committee.

President Champagne responded that the comments should be included in the resolution to the effect that the Executive Committee is really an ad hoc emergency kind of committee and not a broadly empowered committee. He added that Chairman Headlee had the same understanding.

Mr. De Carlo suggested the phrase, "an ad hoc advisory committee."

President Champagne said it was not an advisory committee, but a committee empowered to act between Board meetings on emergency matters.

Mr. Sims questioned if the constitution and other regulations that govern the institution permit the establishment of this committee with powers to act.

Mr. De Carlo replied that the Board has authority to establish the committee. Mr. De Carlo stated that any decision which requires Board authority must be approved by the Board unless there has been a specific delegation of authority. In the absence of a delegation of authority, the action of the Executive Committee is purely advisory. The President or any member of the staff would be acting at their own peril under the assumption that the Board would ratify the action of the Executive Committee. The action of the committee is not binding in the absence of an appropriate delegation of authority. The matter would have to be brought before the full Board for ratification.

President Champagne agreed. However, there could be times when a specific function might be appropriately delegated by the Board. He said his previous experience with other universities convinced him that there are times when it would be most helpful to quickly assemble a committee for advice so that he might know that he was acting consistent with Board feelings. If the Executive Committee informs him that it cannot guarantee that the Board will be of one mind on an issue, he would be in "perilous territory" which is a position he wishes to avoid. The ability to consult with a "representative" committee of the Board would be important in assisting the President in his actions. He added that there would be times when this committee could be delegated very specific authority.

Mr. Sims stated that the President's statements had clarified the matter for him.

President Champagne suggested that perhaps the Board should approve the three committee charges and he would present at the March meeting a clear definition of the functions of the Executive Committee for incorporation into a separate motion.

Mr. Sims felt it was clear and that perhaps it had only been a problem of titling for the committee.

Acting Chairman Mair asked how the expansion and enhancing of the Executive Committee portion of the recommendation should be handled.

Mr. De Carlo said the comments expressed in this meeting would be reported in the minutes to explain and clarify the resolution. Also, the full committee charges would be included in the minutes. If it was so desired, the limitations on the committee could be stated in the form of a resolution, such as:

RESOLVED, That the Executive Committee is advisory in nature and will not act in behalf of the Board unless specifically delegated to act.

Mr. Sims stated that President Champagne's comments adequately clarified the statement for him.

President Champagne stated that the back-up documentation also said that this committee would be empowered to act on emergency matters to carry out the operations of the University between regular Board meetings, all actions subject to later ratification by the full Board at its subsequent meeting. This statement with the comments in the minutes should answer very clearly the intent of this committee.

Mr. De Carlo suggested that perhaps the Board would feel more comfortable if the sentence were change to "This committee would be empowered to advise the University administration ...".

Mr. Saltzman concurred with this suggestion.

President Champagne questioned using the word "advise." He noted that he could assemble the three Chairs of the committees to meet with him irrespective of there being an Executive Committee to seek their advice. He felt the sentence which states: "This committee would be empowered to act on emergency matters to carry out operations of the University between regular Board meetings, all actions subject to later ratification" serves the purpose. He said that any action taken is subject to final approval of the Board. For instance, if a court settlement is made, it would be necessary to say, "This is subject to final ratification by the Board." President Champagne said he considers "advisory" a weak word.

Mr. Sims suggested that perhaps further review was needed and recommended that the Executive Committee portion be removed from the recommendation and action be deferred until the next Board meeting.

President Champagne concurred in this suggestion adding that he saw no problem in "crystalizing" the charge in written language to assure that he, as well as the Trustees, understand this role. Furthermore, additional Board members might be present at the next Board meeting. President Champagne noted that an executive committee to many boards implies that such a body makes all of the major decisions.

Mr. Handleman suggested that perhaps the word "confer" might be a better choice than "act".

Mrs. Hartmann suggested calling the committee something entirely different.

Mr. Saltzman concurred in Trustee Sims' recommendation to approve the three Board committees and defer action on the Executive Committee until next month.

Acting Chairman Mair presented the motion to be voted on:

To approve the Personnel Policy Committee, the Audit and Finance Committee and the University and Development Committee and to postpone approval of the Executive Committee and its relationship to the Board and the President until the next meeting.

There being no further questions, the motion was voted on and approved by all of the Trustees present.

Mrs. Hartmann reiterated that if the problem seems to be more related to what the committee is called than with its functions, then perhaps it should be given another name.

President Champagne said that was a distinct possibility.

Professor Robert Williamson inquired from the floor if these powers could be legally delegated to the committee.

Mr. De Carlo stated that the Board could pass a resolution authorizing a committee to act in certain defined areas and within certain parameters. For example, the Board could not authorize a committee to act on any and all matters in a particular area and fail to define the limits of authority or the objectives of the Board. Such an action would be improper delegation of authority. The Board is in effect a legislative body and may delegate authority only by specific limitations which in effect carry out the Board's action.

President's Report

Acting Chairman Mair called upon President Champagne for his report.

Board Committee Assignments

President Champagne stated that the first matter of relevance was assigning the Trustees to serve on the various committees. He said that the Trustees knew which committees they wished to serve on. In addition, he had conferred with Mr. Headlee on this subject. He presented the following recommendation for committee assignments:

Audit and Finance Committee

Ken Morris, Chair
David Handleman
Alex C. Mair

Personnel Policy Committee

Arthur W. Saltzman, Chair
Patricia B. Hartmann
David Handleman (Acting member until such time as
permanent appointment may take effect)

University and Development Committee

Alex C. Mair, Chair
Patricia B. Hartmann
Howard F. Sims

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

Capital Outlay Program

President Champagne informed the Board that the institution was submitting to the State a modified Capital Outlay Program Request. This action was being taken in the light of certain actions by the State regarding the funding of economic development and job creating projects. In addition the proposed project meets a great need at the University. President Champagne stated that the institution was submitting a request for \$500,000 for the construction of an addition to the Dodge Hall of Engineering which would support laboratories for the biological sciences, computer science, and engineering, related to robotics and advanced automation. The project contemplates a matching grant from private sources.

General Comments

President Champagne commended The Oakland Sail, for being selected as the second best collegiate weekly from among universities of comparable enrollment at the 58th annual competition of the Columbia Scholastic Press Association. Over 200 schools and newspapers competed for this award. President Champagne stated that he was extremely pleased with the Sail's achievement.

President Champagne announced that on Thursday, February 18, 1982 at 3:30 p.m. there was to be a convocation at which the newly chosen Provost would speak to the community on the topic, "In Pursuit of Excellence". A reception will follow the speech. President Champagne

said that normally a provost is not installed, but he felt it entirely appropriate that when an individual is selected as Provost, which is the chief academic officer of the University, that the community should have the opportunity to hear his thoughts.

President Champagne updated the Board on what is happening on budget and appropriation matters in Lansing. The Governor's budget for fiscal year 1983 recommends an increase for Oakland University of 12 percent over fiscal year 1982. This is an increase of \$2.4 million. The University is very grateful to the Governor for this recommendation. However, President Champagne stated that it was time to address the reality of the situation. The State Office of Management and Budget has under consideration a plan to defer 25 percent of the 1982 fiscal year funds to be paid in the 1983 fiscal year. It was reported that higher education was supporting this deferral plan. President Champagne stated that in testimony before a Michigan House of Representatives ad hoc committee chaired by Representative Gary Owen he went on record that Oakland University did not support the deferral plan. His rationale for this public position was to inform the Legislature that until the University understood the alternatives to the deferral plan, Oakland University could not support a proposal which placed 25 percent of its operating budget in question. He indicated that Oakland might endorse the plan if it understood the alternatives. President Champagne stated that currently the deferral plan has fallen under attack by many groups as one which is not realistic in resolving the fiscal problems of the State. As of now, the 25 percent budget cut amounts to \$4.6 million for the University. The proposal under consideration would provide for a deferral of the last quarter payment for the 1982 fiscal year coupled with legislation repaying this amount in the 1983 Appropriation Act along with the 12 percent increase for the 1983 fiscal year. President Champagne said he hoped that this funding could be accomplished, however, he speculated that at the end of fiscal year 1983 there would be an Executive Order cut reducing the fiscal 1983 appropriation to accommodate the funding of the deferred fourth quarter payment. No one knows what will happen since so much is dependent on the economy. President Champagne stated that Budget Director Gerald Miller will conduct discussions later this month with New York financial investment firms to determine the State's ability to sell tax anticipation notes to provide cash funds for the State. He assured the Board that he would keep the members posted. He stated that it is important for the University to take a public position in order to influence actions critical to the University. He felt there was nothing to lose by being aggressive in the University's behalf. He intends to continue taking this position. It is necessary to speak out on these matters and not simply "allow ourselves to be manipulated".

President Champagne then read a portion of a resolution adopted by the Board of Trustees of Southwestern Michigan College which he felt contained some revealing facts:

"The Board of Trustees of Southwestern Michigan College strongly opposes the Governor's plan to balance the 1982 fiscal year State budget by canceling all fourth quarter State aid to community colleges, universities and local government. This is a 25 percent cut in 1982 State aid.

"The State's 29 community colleges account for only 2.8 percent of the 1982 State total budget. In spite of this the Governor's proposal would have community colleges stand 13.5 percent of the projected State deficit. Further, the State's 4-year colleges and universities account for 14.3 percent of the State's 1982 budget but are being asked to absorb 61 percent of the State's projected deficit. Together community colleges and all other higher education account for about 18 percent of the State's budget and are being asked to take 76 percent of the cuts."

President Champagne said he felt those were very descriptive statistics, which will shrink in size, however, as the State's deficit continues to grow.

President Champagne commended the student bodies of all of the State universities for their mature actions in mounting respectable information campaigns to the State Legislature and the Office of the Governor on the impact on tuition resulting from the budget cuts.

He stated that he was doing all that humanly could be done about the matter. He reiterated that the Board would be kept posted. He indicated that undoubtedly in the next few weeks there would be specific information on the Governor's position on "budget deferral versus budget cuts and the size of the cuts."

President Champagne felt that the upcoming budget year which starts July 1, 1982 will be the most difficult year faced by the University. As a matter of information, the University Executive Budget Committee is formulating a budget requiring cuts of \$3.3 million. When you couple the \$3.3 million with the amount cut in the last two years, it is "amazing that we are able to keep the books balanced." At this point in time the books are in balance. President Champagne said that to keep the books in balance and not go into deficit will require an incredible amount of budget work on the part of everyone.

Acting Chairman Mair thanked the President for his report.

There being no further business or questions, the meeting was adjourned at 8:30 p.m.

Approved,

John De Carlo, Secretary
Board of Trustees

Alex C. Mair, Acting Chairman
Board of Trustees

Date _____