Minutes of the Meeting
of the
Oakland University Board of Trustees
December 12, 1990

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

Absent: Trustees Patricia Hartmann and James A. Sharp, Jr.

Chairman Sims called the meeting to order at 5:09 p.m. in the Gold Rooms of the Oakland Center.

Approval of the Minutes of the Meeting of November 14, 1990

Trustee Morris, seconded by Trustee Handleman, moved approval of the proposed minutes of the meeting of November 14, 1990. The motion was voted on and unanimously carried.

Authorization for a Closed Session

Chairman Sims noted that the agenda had been revised in order to consider at this time the authorization of a closed session to discuss the legal opinion of counsel regarding pending litigation. A vote of six members of the Board is required to close the meeting, and due to previous commitments, Trustee Handleman must leave the meeting earlier than expected. Therefore, a vote for a closed session should be taken at this time.

Mr. John De Carlo, Vice President for Governmental Affairs, Secretary to the Board of Trustees and General Counsel, stated that a closed meeting is requested to discuss the legal opinion of counsel regarding pending litigation in the matter of Lopez v Oakland University et al. Sections 8 (e) and (h) of the Open Meetings Act provide that a public body may meet in closed session for this purpose. Mr. De Carlo then requested a roll call vote of the Trustees in order to authorize a closed session. The vote was taken and was unanimous. Mr. De Carlo noted that the open meeting would be recessed at this time and would resume at the completion of the closed session in the Meadow Brook Room of the Oakland Center.

The Trustees left the meeting at 5:15 p.m. in order to convene in closed session in the Meadow Brook Room of the Oakland Center.

The Trustees returned to the open meeting at 6:09 p.m. Trustee Handleman was not present for the remainder of the open meeting.

Mr. De Carlo stated that the University administration requires Board of Trustees authority to retain outside counsel to provide legal representation for Mr. David Cooper and Mr. Michael Long, Oakland University employees who have been named in a lawsuit, filed by Ms. Irene Lopez, against the University and these employees. He noted that it is his belief as General Counsel, and that of the retained counsel, that no conflict exists at the present time between the interests of the individually named defendants and the interests of the University. He added that the agreement of the Board to provide legal representation for Messrs. Cooper and Long shall be subject to a reservation of rights agreement whereby the University shall be entitled to withdraw legal representation at any time that it is determined that a conflict exists.

Mr. De Carlo made the following recommendation:

> RESOLVED, that Mr. John De Carlo, the University's General Counsel, is authorized to retain outside counsel to represent Messrs. David Cooper and Michael Long in conjunction with <u>Lopez v Oakland University et al</u>., Oakland County Circuit Court, Case No. 90399672 CK, subject to a reservation of rights should a conflict of interest develop at some time subsequent to this date. This recommendation is in accordance with the Board policy governing defense and indemnification of trustees, officers and employees, approved August 14, 1986.

Trustee Googasian, seconded by Trustee Chunovich, moved approval of the recommendation. The motion was voted on and unanimously carried.

<u>Recommendation to accept Gifts and Grants to Oakland University for the period of October 1, 1990, through October 31, 1990; and Information Report on Gifts and Grants to the Oakland University Foundation for the same period</u>

Mr. David Rodwell, Vice President for Development and Alumni Affairs, stated that the gifts and grants to Oakland University for the period of October 1, 1990, through October 31, 1990, totaled $705,961.12. He also noted that the gifts and grants to the Oakland University Foundation for the same period totaled $705,961.12. Mr. Rodwell, Mr. George Dahlgren, Associate Provost and Dean of Graduate Study, and Ms. Wilma Ray-Bledsoe, Vice President of Student Affairs, highlighted certain areas in the reports.

Chairman Sims asked Ms. Ray-Bledsoe if the recent actions of the United States Department of Education prohibiting the designation of funds toward programs and scholarships based on race had any impact on the Student Support Services program noted in the grant portion of the report. Ms. Ray-Bledsoe stated that she did not believe the Department's action would have any affect on the Student Support Services program. She noted that there are Caucasian students in the program, and the criteria of the program provides that the student must be "first generation college" and economically disadvantaged.

Trustee Morris, seconded by Trustee Chunovich, moved approval of the gifts and grants with gratitude. The motion was voted on and unanimously carried.

Faculty Personnel Actions

Mr. Dahlgren made the following recommendations:

Appointment

Campbell, Carolyn, Assistant Professor of Anthropology, effective January 3, 1991 (new tenure track position)

Hall, Gerald W., Adjunct Assistant Professor of Political Science, effective August 15, 1990, through August 14, 1993 (new appointment to an honorary position)

Keila, Philip H., Clinical Instructor in Physical Therapy, effective August 15, 1990, through August 14, 1992 (renewal)

Tersigni, Anthony R., Adjunct Assistant Professor of Political Science, effective August 15, 1990, through August 14, 1993 (renewal)

Change of Status

Horwitz, Ronald M., from Professor of Finance and Dean, School of Business Administration, to Professor of Finance, effective January 1, 1991

Leaves of Absence

Hawkins, Susan E., Assistant Professor of English, sick leave from October 25, 1990, through November 27, 1990 (with full pay)

Schmidt, James C., Associate Professor of Education, part-time (50%) leave from January 2, 1991, through December 18, 1992 (with prorated pay)

Trustee Googasian, seconded by Trustee Morris, moved approval of the recommendations. The motion was voted on and unanimously carried.

Adoption of the Change from the Master of Arts in Teaching Mathematics to the Master of Arts in Mathematics

Mr. Dahlgren introduced Professor Jim McKay of the Department of Mathematics who was instrumental in developing the proposal for the change from the Master of Arts in Teaching mathematics to the Master of Arts in mathematics. Professor McKay noted that the recommendation to eliminate the teaching reference in the Master of Arts in mathematics program has been reviewed by various faculty and administrative committees. He noted that the change would serve students' needs and maintain a quality program. He added that there are a "vast number of very qualified students whose goals are not necessarily to teach." Mr. McKay then requested the opportunity to address the Board at the end of the meeting on another issue. Chairman Sims acknowledged his request.

Mr. Dahlgren then made the following recommendation:

> RESOLVED, that the Board of Trustees authorizes the change in degree title from the Master of Arts in Teaching mathematics to the Master of Arts in mathematics.

Trustee Morris, seconded by Trustee Googasian, moved approval of the recommendation. The motion was voted on and unanimously carried.

Request to Dispose of Property

Mr. Robert McGarry, Vice President for Finance and Administration and Treasurer to the Board of Trustees, stated that Oakland University is co-owner with the Greek Government of a parcel of land deeded to the University and the Greek Government by the Seymour Karp estate. He noted that the parcel of land under consideration had been regarded as unsalable, and the Board had approved the deeding of the University's 30 percent interest in the property to the Greek Government. The Greek Government refused the offer. Subsequently, the University has received an offer to purchase the property for $4,000 from a developer of adjoining property. He noted that the University would realize 30 percent of the $4,000 purchase price and the remaining 70 percent would go to the Greek Government.

Mr. McGarry made the following recommendation:

RESOLVED, that the Vice President for Finance and Administration be authorized to sell property that it owns jointly with the Greek Government that is located in Farmington Hills, Michigan, described as Lot 685 Grand River Crest #2, at a price not less than $4,000.

Trustee Morris, seconded by Trustee Googasian, moved approval of the recommendation. The motion was voted on and unanimously carried.

Approval of Negotiated Agreement between Oakland University and Police Officers Association of Michigan

Mr. McGarry stated that a tentative agreement was reached with the Police Officers Association of Michigan and the Oakland University Police Officers Association of Michigan from October 1, 1990, to September 30, 1993, with an economic opener in the third year. He noted that the agreement is within the guidelines established by the Board.

Mr. McGarry made the following recommendation:

RESOLVED, that the Board of Trustees approves the Agreement Between Oakland University and Police Officers Association of Michigan, October 1, 1990 - September 30, 1993.

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

Authorization to Permit Arbitration in Connecticut General Administrative Services Agreement

Mr. De Carlo informed the Trustees that in 1989, the Board of Trustees authorized the University to contract with Connecticut General Life Insurance Company (CIGNA) to administer the University's self-insured medical and dental programs. Negotiations to complete a written contract for those services have been extensive, particularly given a number of difficult provisions proposed by CIGNA. He noted that the contract term that necessitates Board approval is the requirement that contract disputes will be resolved by arbitration. CIGNA insists on this provision perceiving it to be less expensive and more expeditious than resolving a dispute in the judicial system.

Mr. De Carlo noted that as General Counsel he would prefer not to accept this particular provision of the agreement; however, a final contract is contingent upon the approval of this matter. The administration is pleased with the services provided during this interim period and wishes to agree to this condition.

Trustee Chunovich asked if the contract defined the arbitration process. Mr. Robert Bunger, Assistant General Counsel, stated that the contract would call for the utilization of the typical American Arbitration Association procedures with the arbitration to occur in the Detroit area.

Mr. De Carlo then made the following recommendation:

> RESOLVED, that the Board of Trustees authorizes the University administration to agree to a provision in the Connecticut General Life Insurance Company Administrative Services Agreement that the exclusive remedy for the settlement of any dispute arising under the Agreement shall be by binding arbitration.

Trustee Googasian, seconded by Trustee Morris, moved approval of the recommendation. The motion was voted on and unanimously carried.

Health Insurance Premium Conversion Plan

Mr. McGarry stated that the University's self-insurance health plan premium costs have increased substantially for 1991. The increase over current costs ranges from $23 per month for single person coverage to $60 per month for family coverage. Under the plan, employees are required to meet a co-payment, and because of timing problems connected with the increase, payroll premium deductions cannot be implemented before the end of December for January premium payments. Therefore, the administration recommends that the Board grant authority to the University administration, on a non-precedential basis, to cover the employee's portion of the premium costs for the month of January from University funds. In order to lessen the burden of the increased health insurance premium costs to employees, the University is also requesting approval to implement a "premium conversion plan" under Section 125 of the Internal Revenue Code. This plan would permit employees to use pre-tax dollars toward the payment of their premium contributions.

Mr. McGarry made the following recommendation:

> WHEREAS, the University has just been informed of unusually high rate increases in its Connecticut General Health Care Plan for certain employee groups; and
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> WHEREAS, it is not feasible to complete the administrative requirements involved in implementing the changes for January, 1991; and
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> WHEREAS, the University has collective bargaining agreements and employee group policies covering certain terms of the Connecticut General Plan; and

WHEREAS, an Internal Revenue Code Section 125 Premium Conversion Plan would ameliorate the effects of employee co-pay premium payments for health care plans; now, therefore, be it

RESOLVED, that the administration is authorized to delay the implementation of the 1991 Connecticut General Health Plan co-pay rates for a period of one month, with the University paying the one-month rate increase on a non-precedential basis; and, be it further

RESOLVED, that the administration is authorized to enter into letters of agreement with the relevant collective bargaining agents authorizing such delay; and, be it further

RESOLVED, that the administration is authorized to create and implement a health insurance premium conversion plan if permitted by law for appropriate employee groups that conforms to the requirements of Section 125 of the Internal Revenue Code, with implementation to occur as soon as feasible.

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

Trustee Chunovich stated that the timetable for implementation of the rates should be reviewed so that in the future, rate changes can be implemented routinely without special action by the Board. He noted that there is great concern among employers and employees regarding "runaway" health care costs.

Trustee Googasian asked if the MUSIC Risk Sharing Facility has considered a health insurance program. Mr. McGarry responded that this issue has been discussed; however, MUSIC representatives are "not comfortable" in providing this type of insurance coverage at this time.

Authorization to Seek Proposal for Agent/Promoter for the Meadow Brook Music Festival

Mr. Frank Cardimen, Interim Vice President for University Extension and Public Service, stated that Oakland University has been primarily responsible for the programming of concerts at the Meadow Brook Music Festival for the past 28 years. He noted that beginning in 1980, contracts were made with outside promoters to furnish a few of the concerts presented at the Festival. The University would like to explore the possibility of expanding its contractual arrangements with private promoters to more significant levels than in the past.

Mr. Cardimen then made the following recommendation:

RESOLVED, that the Board of Trustees authorizes the Interim Vice President of University Extension and Public Service to explore, through Requests for Proposals (RFP) from qualified national or local promoters, the concept of expanded "partnerships" with the University in future management of the Meadow Brook Music Festival; and, be it further

RESOLVED, that the University Affairs Committee of the Board review the RFP criteria prior to release; and, be it further

RESOLVED, that no commitment be made on the basis of these RFPs without the specific authority of the Board of Trustees.

Trustee Googasian stated that the University Affairs Committee reviewed this issue, and she moved approval of the recommendation. Trustee Chunovich seconded the motion which was voted on and unanimously approved.

Other Items that May Come Before the Board

Chairman Sims called on Professor McKay who had asked for time to address the Board.

Professor McKay made the following statement:

At the last meeting, Professor Ron Cramer addressed the Board and suggested that there be occasions for the members of the Board to meet the faculty and learn about its significant professional activities. These activities, consistent with the Role and Mission Statement of the University, are very broad and of high quality.

The Department of Mathematical Sciences is unusual in that it is involved in almost all of the professional activities described in the Role and Mission Statement. We are proud of the Department and believe that we serve the interests of the University with dedication and distinction. The Department would welcome an opportunity for some faculty members to meet with the members of the Board to discuss our activities and answer any questions which the Board members may have about any aspect of our diverse responsibilities. These include:

1) providing the students with quality instruction in a wide range of courses, at the undergraduate and graduate levels, which serve numerous academic programs throughout the University.

2) contributing to the advancement of knowledge and the world-wide reputation of the University through research on important problems.

3) making its resources available to local industries through graduate educational programs for industrial personnel; placing undergraduate and graduate students in cooperative positions for the mutual benefit of the students and the industries; and consulting activities with industries, which benefit the University and industry through enrichment of our teaching mission and the solutions of research problems of concern to industry.

4) service contributions to the quality of the University through continuing and active participation in committees and commissions.

We would welcome the chance to meet with the Trustees. We are proud of what we do and would like to share the Department's accomplishments with you.

Chairman Sims thanked Professor McKay for his comments and stated that the Trustees are very interested in meeting with the faculty. He assured Professor McKay that the Board will pursue this issue.

There being no further items for discussion, Trustee Chunovich, seconded by Trustee Googasian, moved adjournment of the meeting. The motion was voted on and unanimously carried. The meeting was adjourned at 6:35 p.m.

Submitted by,

John De Carlo

John De Carlo, Secretary
Board of Trustees

Approved by,

Howard F. Sims, Chairman
Board of Trustees

Written and Prepared by
Catherine Gianakura Rogg