

Minutes of the Special Meeting
of the
Board of Trustees
December 12, 1984

The meeting was called to order at 7:15 p.m. in Lounge II of the Oakland Center by Chairman Ken Morris.

Present: Trustees Donald Bemis, Phyllis Law Googasian, Patricia Hartmann, Alex Mair, Ken Morris, and Wallace Riley who arrived at the time indicated in the following minutes

Absent: Trustees David Handleman and Howard Sims

Chairman Morris advised the Trustees that agenda item nine regarding a closed meeting would be moved up to item three of the agenda. Mr. Morris stated that the Board would proceed with the amended order of the agenda until the arrival of Trustee Wallace Riley. Mrs. Hartmann moved to adopt the amended agenda. Mr. Mair seconded the motion which was voted on and passed by all of the Trustees present.

Recommendation from committee on Board of Trustees Chair and Vice Chair for 1984-85

Mr. Morris stated that the bylaws for the Oakland University Board of Trustees require that the Board elect at the September meeting one of its members to be Chair and another member to be Vice Chair for a term of one year. Trustee Howard Sims and former Trustee Arthur Saltzman were appointed to make a recommendation on the Chair and Vice Chair.

In view of the fact that Trustee Arthur Saltzman's term ended during the review process, the responsibility for carrying out this assignment was assumed by Trustee Howard Sims. Due to the press of business and the change in the Board meeting date, the report has been deferred until this meeting. Trustee Sims was called out of the state and he has requested that Trustee Morris make the following report:

As Chairman of the Board of Trustees' ad hoc committee, I wish to report that there has been a thorough review of the matter relating to the selection of a Chair and Vice Chair. These are important positions and I am pleased to recommend as Chair, Trustee Alex Mair, and as Vice Chair, Trustee David Handleman. These associates of ours have given generously of their time and counsel, and are deserving of these offices. The terms of these offices would be until September of 1985 or until such time as successors are elected.

Mrs. Hartmann moved to approve the recommendation. The motion was seconded by Mr. Bemis which was voted on and passed by all of the Trustees present.

Mr. Mair then assumed the position of Chairman. Mr. Mair thanked the Board for the opportunity to serve as Chairman of the Board of Trustees and stated that Mr. Morris had done an excellent job as Chair for the past two years.

Approval of minutes of October 17, 1984

Chairman Mair requested a motion on the minutes of the Board meeting of October 17, 1984.

Mr. Bemis moved approval of the October 17, 1984 minutes. Mr. Morris seconded the motion which was voted on and approved by all of the Trustees present.

Chairman Mair then stated that item three of the agenda would be deferred until Mr. Riley's arrival.

Acceptance of gifts and grants list of November 21, 1984

Mr. Robert Swanson, Vice President for Developmental Affairs, drew the Board's attention to the gifts in support of the Friends of the Kresge Library and Meadow Brook Hall from the participants in the Glyndebourne Picnic that was held in September, 1984.

Mr. Keith Kleckner, Senior Vice President and Provost, called the Board's attention to the diversity in funding source of the grants listed in the report. He pointed out the grant from Beta Gamma Sigma of St. Louis, Missouri for the 1984-85 L. J. Buchan Distinguished Professorship. This award is made once a year and Oakland University is honored to be the current recipient.

Mr. Morris moved to accept the gifts and grants with thanks to all of the donors. Mrs. Hartmann seconded the motion which was voted on and passed by all of the Trustees present.

(Trustee Riley arrived at this point in time.)

Chairman Mair turned the meeting over to President Joseph E. Champagne to discuss a matter of special interest. President Champagne stated that there was no need for a closed session and made the following presentation:

The development and stewardship of a university is an awesome responsibility. We are charged on the one hand with the education of the people of our society through

the development and furtherance of knowledge and truth, and on the other hand with applying our enormous resources of talent, power, and people to the betterment of society as a whole. From the very day I became President of this University to this day, I have advocated that this University must set itself on a course which achieved both sets of responsibilities. We must continually seek to improve our teaching and scholarship, and we must be responsive to the society we serve. On the teaching and scholarship side, we have taken many bold actions to improve our status. For example, we have studied our mission and priorities through the Committee on Academic Mission and Priority and reorganized the structure of the University as a result, as well as approved a new and vigorous role and mission statement. We have set in place a set of general educational requirements for all graduates, an action, incidentally, which preceded on our part, all of the current reports calling for colleges and universities to do so. Additionally, last year the Commission on University Excellence issued its outstanding report on what we must do to preserve the academic excellence for which we are noted and to pave the way for greater future excellence. This report is currently being debated within the usual governance structures of the University. And finally, as another example of our quest for academic excellence, we have just emerged from a series of seminars designed to cause us to reflect on who we are and where we are going. These were entitled the Meadow Brook Seminars Revisited and were a component of the 25th Anniversary Celebration in which national scholars visited our campus to help us in our thinking.

In respect to our assuming a greater role in the active life of our community and region, we have initiated scores of activities related to public service. We can be immensely proud of our rapid and deep success in this added dimension to Oakland's focus. One of the major elements of that thrust for relevance was our conception of the Oakland Technology Park as a way to interact directly with the emergence of high technology in Michigan, to influence and impact the economic growth of Michigan, and to give our faculty and students greater opportunities than would otherwise be present. We gave birth to the idea of the high technology park, we nurtured it, and it has taken off and is succeeding.

Many universities, as Oakland, have stepped up to this major economic responsibility. A recent study of fifty emerging high technology corridors in America demon-

strated that 34 of them were associated with universities. And these universities are not always the major international ones - such as M.I.T., Carnegie Mellon, Cal Tech, or the University of Michigan. Schools much akin to Oakland are also becoming involved such as the University of North Carolina at Charlotte, the University of Arizona at Tucson, San Diego State University, the University of Alabama at Huntsville, etc. All of us must recognize the critical importance of direct interactive exchanges with business and industry if the problems of technology transfer are to be solved, and if this country is to remain economically viable and stable. Seventy percent of the scientific discoveries of this nation are made at universities, and there must be an effective way to translate those discoveries into active components, quickly and readily usable by a modern and aggressive society. Likewise the feedback of the application of these discoveries to the laboratory must be rapid and timely. Hence the importance of university and business interactions - a process vital to the national economy, institutional health and relevance, and industrial growth and application.

These concepts are what the Oakland Technology Park is all about. We have participated on the sideline by creating and nurturing it and now we have the opportunity to participate in it directly and significantly. The opportunity that is before us is one that many universities would seize with enthusiasm, recognizing that its potential is so real for the solution of resource problems and for relevant opportunities for faculty and students. These opportunities do not come along often. They must be made to happen and I am deeply pleased to be able to recommend to this Board an action which I believe will have untold long term academic benefits to Oakland and economic benefits to the region around us.

I therefore would like to introduce the following resolution and I recommend its adoption. Upon presentation of the recommendation I will discuss its conditions and its contents more specifically.

WHEREAS, It is in the interest of Oakland University and the State to encourage the development of the Oakland Technology Park, thereby providing research, student internships, and educational and employment opportunities to the faculty and student body; and

WHEREAS, Oakland University will also benefit from the relationship with organizations involved in this

development which relationship will provide access to advanced technical equipment and research projects not otherwise available to the University; and

WHEREAS, The University will also benefit financially from a close association with such entities through educational, research and financial aid programs; and

WHEREAS, The University has no critical current or long-range need for certain property as set forth in this resolution since it consists of land not included for development in its Master Plan since the property, for practical purposes, is unbuildable due to its marshy topography and is subject to flooding; and

WHEREAS, The development of the Oakland Technology Park is critical to the long-range growth and development of the institution and the State; and

WHEREAS, It has been determined that Chrysler Corporation intends to develop a corporate technology center conditional on the conveyance of the property owned by the University located west of Squirrel Road and consisting of approximately 39 acres, which is contiguous to the property under consideration by Chrysler Corporation; now, therefore, be it

RESOLVED, That the President of Oakland University is authorized to negotiate the sale of that property located west of Squirrel Road, which consists of approximately 39 acres, for a sum not less than \$12,000 per acre to Chrysler Corporation; and be it further

RESOLVED, That Trustees David Handleman and Wallace Riley shall serve as an ad hoc committee to represent the Board of Trustees in such negotiations and that the President shall consult with the committee on the terms and conditions of the sale; and be it further

RESOLVED, That the following guidelines shall be used as the basis for the conditions for the sale of such property:

1. The deed restriction shall limit the use of such property for research, technology, office and engineering purposes only.
2. In the event that the property, or a portion of such land, is to be sold by Chrysler Corporation, then Oakland University shall have the prior right to:

- a. Repurchase the property, or that portion subject to sale, for the same price paid to Oakland under this agreement plus interest to be agreed upon between the parties.
 - b. Oakland may agree to the sale of such property and shall share equally in any amount to be received by Chrysler Corporation which exceeds the amount paid to Oakland under this agreement.
 - c. The agreement of sale to Chrysler Corporation shall include a provision that any proposed sale, use or development of the property must be in accordance with the restrictions herein, unless waived by the Board of Trustees.
3. In the event that Chrysler Corporation determines that it will donate the property, or any portion of the land, to an educational institution, or a non-profit organization, Chrysler Corporation shall first offer to donate such property to Oakland.

BE IT FURTHER RESOLVED, That the contract of sale shall be reviewed and approved by the ad hoc Board committee prior to final execution by the President under the advice of the University's General Counsel.

President Champagne displayed several maps of Oakland University and the area west of the campus and stated that in the early 1970's Oakland adopted a Master Plan for the physical development of the campus. This plan is still operative and is the one currently used in development strategies relating to the Oakland campus.

There are 1800 acres involved in the Technology Park, 350 of which are owned by Oakland. President Champagne pointed out the Technology Park property of the University in the southwest corner of the campus that was designated for possible use as a future second campus if it became necessary. The present campus site in the northwest section is planned to accommodate 20,000 students. At the current time, approximately 12,000 students are enrolled at Oakland, and a significant growth in numbers is not expected in the foreseeable future. Even if such growth were to occur, it could easily be accommodated by the utilization of vacant campus areas other than the southwest quadrant. Therefore, this land could be allocated for another purpose such as research, office space or other suitable activity as part of the Technology Park.

As the Technology Park concept has developed, Chrysler Corporation has expressed an interest in purchasing a parcel of University land contiguous to its proposed acquisition west of Squirrel Road in order to keep its parcel intact. President Champagne indicated on the map the particular piece of property that Chrysler Corporation is interested in purchasing. The parcel is located on the west side of Squirrel Road which is the west boundary for all of the University campus except an area of approximately 39 acres which is the land under consideration by Chrysler Corporation. A geographical survey done in 1982 indicates the land has "harsh topography and a severe sloping terrain". These characteristics and the fact that the property is a "floodplain, make it unsuitable for practical building". The parcel could be used for ecological purposes.

President Champagne further stated that one of the reasons Chrysler Corporation is interested in locating a technology center in this area is the presence of the University. The President displayed an aerial map of the area and noted that The Detroit News has reported that development of the property along M-59 will become the new "Golden Corridor" of southeastern Michigan, because M-59 is the only east-west major highway intersecting with I-75.

The tract of land under consideration for sale is Oakland University's only property on the west side of Squirrel Road. Chrysler Corporation wishes to consolidate this parcel of land with its large tract (approximately 465 acres) on the west side of Squirrel Road where a technology center is planned. The terrain configurations are consistent with Chrysler Corporation's planned development of a greenbelt between University property and Chrysler's technology center. The plans for the Technology Park developed by Land Design Research Company call for the establishment of retention ponds or lakes for the purpose of controlling flooding, which would create more usable area in the property.

It is believed that having such a prestigious international corporation as Chrysler as part of the Technology Park signifies success for the Technology Park concept. This development will provide Oakland University with enormous research and training opportunities and will act as a magnet to bring other corporations into the area. There is considerable development in the southern portion of the Technology Park. Comerica will have up to 1400 employees at its new computer center; Schostak Brothers are building an office structure, and Electronic Data Systems, Inc. is constructing a computer center in the Park. Other companies are showing serious interest in the area, and the development of the Park is considered to be moving well. It gives Oakland University an opportunity to demonstrate its sophistication in all fields by providing our students with opportunities to interact with major international corporations and to participate in their ventures.

In this context, the President stated that he recommended adoption of the resolution. The minimal sale price was determined by three independent appraisals, the results of which are part of the Board's agenda material. President Champagne further stated that during preliminary discussions, Chrysler Corporation has been most helpful in every way to Oakland in terms of setting conditions which protect the University, such as the right of reversion clause provision. "The University is well protected in this area." The proceeds from the sale would be \$466,000.

President Champagne stated that Mr. Stephan Sharf, Executive Vice President of Manufacturing, and Mr. Baron Bates, Vice President of Public Relations, of Chrysler Corporation were present to answer any questions. President Champagne commended Chrysler on its cooperation during preliminary discussions on this subject.

Chairman Mair asked for comments or questions from the Board.

Mr. Morris stated that he was delighted that Chrysler Corporation has taken this action to locate near the University.

Mrs. Googasian asked for further clarification of the location of the property under consideration and the extent of the entire Technology Park.

Using maps, President Champagne pointed out the parcel of land Chrysler wishes to purchase from the University and the boundaries of the Park consisting of 1800 acres. (The property is generally bounded by I-75 on the west; University Drive on the north; Squirrel Road on the east; M-59 on the south with additional land east of Squirrel Road and south of Butler Road, bounded by M-59 and the limits of the City of Rochester Hills.)

Chairman Mair stated that he wished to appoint Trustees David Handleman and Wallace Riley as the ad hoc committee designated in the resolution to assist in the negotiation of the sale.

Mr. Bemis asked if it were appropriate for the Board to delegate the authority for final negotiations of this nature to an ad hoc committee.

Mr. John De Carlo, Secretary of the Board of Trustees, Vice President for Governmental Affairs and General Counsel, stated that such action is appropriate as long as the Board provides specific guidelines and limits the authority of the committee and the President. The Board may set forth conditions

and guidelines related to the authority it delegates, as set forth in the resolution, either to the President or to a Board committee.

Mr. Bemis asked if the administration believed that all potential contingencies have been covered.

Mr. De Carlo replied that the University is making every effort to adequately protect the institution. This concern was the basis for the conditions set forth in the resolution. In addition, the appointment of the Board committee was made with this concern in mind. The Board could at this time, or through the committee, express its concerns before any final commitment.

Mr. Bemis and Mr. Riley asked about the terms in regard to finances. They requested that the sale be for cash.

President Champagne replied that the terms would be cash.

Mr. Bemis asked if the resolution of sale would be brought back to the Board after negotiations are completed.

Mr. De Carlo responded that, as submitted by the President, approval of the resolution under consideration would grant the committee and the President the authority to conclude the transaction.

Mr. Bemis then stated that he was pleased with Chrysler's decision to purchase the land in question.

Chairman Mair asked for any further questions. There being none, he called for a motion.

Mr. Morris moved to approve the recommendation as read by President Champagne. Mrs. Hartmann seconded the motion which was voted on and passed by all of the Trustees present.

Chairman Mair stated that this was indeed a momentous occasion which will be very favorable for Oakland University.

President Champagne pointed out that he had met with the campus Senate Committee on Environment and Development, and that the committee voted unanimously in favor of this project. The committee consists of students, faculty and staff.

Mr. Riley asked about the opinions on this matter of Trustees David Handleman and Howard Sims who reviewed the agenda recommendation, but were not present.

President Champagne replied that he spoke by telephone today with Mr. Handleman and Mr. Sims regarding the material sent to them. They both understand the recommendation and wholeheartedly endorse the action.

Chairman Mair asked about the confidentiality status of this action since this was a public meeting and there had been no prior announcement of Chrysler's intent to locate in the Technology Park.

Mr. Sharf replied that a statement would be released to the press on the following morning.

President Champagne acknowledged Oakland's indebtedness to Mr. Sharf for his interest in developing a strong relationship with the University.

Approval of faculty personnel actions

Mr. Kleckner called the Board's attention to the change of status for Ms. Suzanne Frankie to Special Assistant to the Provost. Ms. Frankie will assist the Provost until an Associate Provost can be appointed.

Mr. Kleckner asked approval of the following faculty personnel actions:

Appointment

Aksoy, Asuman G., Assistant Professor of Mathematical Sciences, effective August 15, 1984 (Supersedes previous Board action of October 17, 1984)

Becker, David, Adjunct Associate Professor of Chemistry, effective August 15, 1984, through August 14, 1985

DeLorme, Henry R., Special Instructor in Exercise Science, effective August 15, 1984 (Supersedes previous Board action of October 17, 1984)

Kava, Frank C., Clinical Assistant Professor of Physical Therapy, effective August 15, 1984, through August 14, 1986

Change of Status

Bhatt, Bhushan L., from Assistant Professor of Engineering to Associate Professor of Engineering with tenure, effective August 15, 1984

Frankie, Suzanne O., from Professor, University Library and Dean of the University Library, to Professor, University Library, Dean of the University Library, and Special Assistant to the Provost, effective October 1, 1984

Windeknecht, Thomas G., from Professor of Engineering and Acting Associate Dean, School of Engineering and Computer Science, to Professor of Engineering and Associate Dean, School of Engineering and Computer Science, effective January 1, 1985

Witt, Howard R., from Professor of Engineering and Associate Dean, School of Engineering and Computer Science to Professor of Engineering, effective January 1, 1985

Leave of Absence

Appleman, Herbert, Associate Professor of English, leave from January 2, 1985 through April 20, 1985 (with no pay)

Howell, Sharon L., Assistant Professor of Communications, sabbatical leave from January 2, 1985 through April 20, 1985 (with half pay)

Landau, I. Theodore, Associate Professor of Psychology, sabbatical leave from January 2, 1985 through April 20, 1985 (with full pay)

Tagore, Amitendranath, Professor of Chinese, leave from January 2, 1985 through January 29, 1985 (with no pay)

Mr. Morris moved to approve the faculty actions as presented. Mr. Riley seconded the motion which was voted on and passed by all of the Trustees present.

Approval of contracts for the following employee organizations:
American Federation of State, County and Municipal Employees;
Fraternal Order of Police; and Police Officers Association of
Michigan

President Champagne stated that at the last Board meeting when the Clerical/Technical contract was presented for approval, the Board requested more detailed information on the differences between the expired contract and the provisions of the new agreement. He asked the members of the Board to decide if too much detail had been included in the contracts now under consideration because of the amount of work involved in the presentations.

Mr. Robert McGarry, Vice President for Finance and Administration, called upon Mr. Willard C. Kendall, Director of the Employee Relations Department, for a report on these contracts.

Mr. Kendall stated that the Police Officers Association of Michigan contract which appears on the agenda was not ratified and should be withdrawn from the agenda. The two contracts to be considered are the agreements with the American Federation of State, County and Municipal Employees and with the Fraternal Order of Police. The contracts and costing sheets are included with the Board's agenda material, and each change is clearly indicated. (These items are on file in the Office of the Secretary to the Board of Trustees and in the Employment Relations Department office.)

Mr. Kendall stated that he believes the AFSCME contract is fair to both the employees and the University. The University achieved its major objective by the inclusion of health care cost containment features. Neither party succeeded in obtaining every item it wanted, but negotiations were carried out with a high level of respect on both sides. Mr. Kendall commended Mr. Jack McGhee, President of AFSCME Local 1418, and Mr. Ed Moshier, both of whom were members of the bargaining team.

President Champagne added that the contract was negotiated within the guidelines of the Board Personnel Policy Committee.

Mr. Kendall further stated that the agreement is for three years with a provision for an opener on salaries and fringe benefits. He read the following recommendation:

RESOLVED, That the Board of Trustees approves the recently negotiated Agreement between Oakland University and Local 1418 of Council 25 of AFSCME AFL-CIO (November 1, 1984-October 31, 1987) whose changes in terms from the agreement which expired on October 31, 1984, are separately described in the attached document dated December 12, 1984, and entitled "Summary of Changes and Costing of Tentative Agreement Between Oakland University and Local No. 1418 of Council 25 of AFSCME AFL-CIO (November 1, 1984-October 31, 1987);" and whose changes in terms are displayed in the attached draft of the tentative agreement.

Mr. Morris moved to approve the recommendation as read. The motion was seconded by Mrs. Hartmann which was voted on and passed by all of the Trustees present.

Mr. Riley asked if there had been a review and recommendation by the Personnel Policy Committee.

President Champagne replied that there was not because the committee had been unable to schedule a meeting.

Mr. Kendall added that the agreement followed the three year pattern which was reviewed and recommended to the Board when the Clerical/Technical contract was presented for approval at the October 17, 1984 meeting.

At this point in time, several members of the Board stated that they found the comparative text format used in the agreements very helpful and asked for a continuation of this presentation in future bargaining unit recommendations.

Mr. Kendall stated the the agreement between Oakland University and the Fraternal Order of Police is a three year agreement with an opener on salaries and fringe benefits. Again, the University achieved its major objective by the inclusion of health care cost containment features. All of the changes are detailed in the material before the Board. The negotiations were amicable and conducted with a high level of respect by both parties. The FOP contract expired in June, 1984 and negotiations were delayed until Oakland could complete its investigation of available health care cost containment options. The FOP is to be commended for its patience.

Mr. Kendall added that he believes the contract to be fair to both parties and read the following recommendation:

RESOLVED, That the Board of Trustees approves the recently negotiated Agreement Between Oakland University and Oakland University Chapter of Fraternal Order of Police (December 13, 1984-June 30, 1987), whose changes in terms from the previous agreement which expired June 30, 1984, are separately described in the attached document dated December 12, 1984, and entitled "Summary of Changes and Costing of Tentative Agreement Between Oakland University and Oakland University Chapter of the Fraternal Order of Police, December 13, 1984-June 30, 1987;" and whose changes in terms are displayed in the attached draft of the tentative agreement.

Mrs. Hartmann moved to approve the recommendation as read. Mr. Morris seconded the motion which was voted on and passed by all of the Trustees present.

President Champagne commended the union officers and bargaining teams for their demonstration of the positive labor relations climate that exists at Oakland University.

Mr. Riley asked about the future status of the Police Officers Association of Michigan agreement.

President Champagne replied that the parties are working diligently to resolve their differences. The agreement will be brought to the Board as soon as it is available.

Approval of security transactions report

Mr. McGarry presented a report on the sale of securities received as gifts. This report includes five shares of Southern California Edison Company with net proceeds of \$100.11, and 40 shares of Ex-Cell-o Corporation with net proceeds of \$1,407.65.

Mr. Riley moved for approval of the report as presented. The motion was seconded by Mr. Morris which was voted on and passed by all of the Trustees present.

For the information of the new Board members, President Champagne stated that this agenda item is a report rather than a recommendation. It has been the policy of the institution to report all sales of securities to the Board.

Approval of Meadow Brook Subdivision financing guarantee report

Mr. McGarry stated that on October 30, 1984 the University guaranteed payment on a promissory note for Bhargavan Chakrapani in the amount of \$57,600.00 with an interest rate of 13% on a house in the University housing subdivision. This is a three year adjustable rate mortgage. The maximum interest rate increase/decrease every three years is 2% with a maximum (ceiling) rate charge of 17% for the life of the loan. The loan matures October 30, 2014. Mr. Chakrapani is a Research Assistant at the Institute of Biological Sciences.

Mr. Riley asked for the name of the institution holding the mortgage.

Mr. McGarry replied that most of the mortgages are held by League Life Insurance Company, but this particular note is held by the Michigan State University Credit Union.

Mr. Riley stated that, since the loans are guaranteed by the University and there is no risk to the finance company, a lower rate of interest than 13% should be available. He suggested that the University should "shop" for a more favorable rate.

Mr. McGarry replied that these loans are not particularly attractive to lending institutions because of the leasehold arrangement. The usual available interest rate is 1/2 point below market.

President Champagne stated that an effort will be made to use whatever pressure or leverage is available to the University to secure a lower interest rate on future loans. A progress report will be made to the Board. He asked if there are currently any vacant houses in the Meadow Brook Subdivision.

Mr. McGarry answered that there are no vacancies.

Mr. Riley asked if the mortgage holders are required to carry mortgage insurance, that is, life insurance. If not, he suggested that this issue should be explored to protect the University.

President Champagne replied that insurance is not required and that the matter would be reviewed.

Mr. Riley moved to approve the report as presented. The motion was seconded by Mr. Morris which was voted on and passed by all of the Trustees present.

Recommendation on policy on sale and service of alcoholic beverages

President Champagne stated that at the October 17, 1984 Board of Trustees meeting the administration requested authorization to apply, in the name of the University, to the Liquor Control Commission for a special (24 hour) license for a student Halloween dance to be held on campus October 27, 1984. The request was made in compliance with an amendment to the Liquor Control Act which provides that alcoholic beverages may be served in areas on State property without permanent licenses upon the approval of the governing board of such property and the subsequent approval of a special (24 hour) license by the Liquor Control Commission. The Michigan Liquor Control rules and regulations provide that entities such as Oakland University, including its different colleges and departments, can only receive five special licenses during one calendar year. The same rule limiting licenses to five per calendar year is also applicable to each independent organization which desires to serve or sell alcoholic beverages on or off campus.

There was an extended discussion on this subject with some members of the Board questioning the compatibility of the approval of such a license with the institution's academic mission. Other members stated that the question regarding special (24 hour) licenses was a matter of first impression for the Board and, in the absence of a general policy, they did not believe that any action should be taken with respect to the request submitted. The Trustees stated that without an established policy, there would be no rational basis for rejecting or granting future applications.

The request for the authorization of the license for the October 27, 1984 event was voted on and failed to pass. The Board recommended that the matter be reconsidered by the administration and that a policy be submitted for the Board's review.

The University administration has had an opportunity to review the matter. In an effort to comply with the law, and in recognition of the fact that on occasion there may be a need to permit the limited service or sale of alcoholic beverages on campus, the policy set forth below is submitted for the Board's consideration. In view of the broad ramifications of such a policy, the matter is being submitted at the December 12, 1984 meeting to provide time for review with discussion and consideration to take place at the next regularly scheduled meeting of the Board. If there are no objections to the policy, the Board may, on its own initiative, take up the matter for a vote at the December 12 meeting. If the policy is adopted there should be a simultaneous correction in University Ordinance 2.02 regarding the areas in which alcohol may be consumed. The ordinance requires amendment because the Student Affairs Division wishes to delete "residence hall lounges" as locations for the consumption of alcohol. In addition, the Oakland Center areas have had name changes since the passing of the ordinance. The Student Affairs Division would prefer to have a general reference in the ordinance to the Oakland Center with the authority granted to the staff as to the room in which an event may be held.

In summary, President Champagne recommended that the Board receive the policy but not act at this meeting. By entering the recommended policy in the minutes, it becomes a public statement to allow any interested parties to submit their comments to the Board office.

Mr. Riley asked if the Board would have the opportunity to discuss the policy at the next meeting.

President Champagne replied that questions could be raised at this meeting or discussion could be deferred to the next meeting.

Mr. Riley stated that he would like to receive the comments of the Liquor Control Commission regarding the proposed procedures. He further said that it appears that any group which can identify itself as a legal entity will be able to obtain five temporary licenses per year.

President Champagne stated that the policy provides that the University would be allocated five licenses per year to be used as set forth in the policy. Other units related to the University, such as the OU Foundation, could also qualify for a total of five licenses per year. The total number of licenses would be as follows:

Oakland University	5 licenses per year
All employee organizations	5 licenses per year (total)
OU Foundation, which would include the Alumni Association	5 licenses per year
Meadow Brook Performing Arts Company	<u>5 licenses per year</u>
Total	20 licenses per year

Mr. Morris stated that the policy is appropriate because it would allow organizations that are associated in some way with Oakland University to use the facilities on the campus and totally unrelated organizations would not use the University's facilities to sell and serve alcoholic beverages except at Meadow Brook Hall.

President Champagne agreed that the recommended policy would avoid the use of University facilities for the sale and service of alcoholic beverages by organizations which are in no way associated with Oakland.

Mr. Bemis asked about the revocation of the policy as indicated in paragraph VI. He questioned the advisability of granting the President unilateral authority to revoke the Board's authority, and stated that he believed paragraph VI should be rewritten.

President Champagne confirmed that the President should not have the authority to revoke Board of Trustees actions. He did agree that action to protect the University could be stated in a different manner in the policy. President Champagne stated that since it is difficult to have a Board meeting on short notice, it is necessary for the President to have some authority to effectively deal with any emergency situation which may arise.

Mr. Bemis agreed that such emergency authority is necessary, but restated his belief that the provision should be reworded in the policy.

Mr. De Carlo stated that he would redraft paragraph VI for review by the Board.

Mr. Riley asked if a sunset provision had been considered when the alcohol policy was written. He stated that he believes any policy that is enacted should be reviewed and evaluated after a period of time.

Mr. Morris stated that the Board should receive annual reports on the policy in order that a determination can be made as to its effectiveness.

President Champagne responded to these questions by stating that Section VI provides for reports to the Board on a semi-annual basis and for an annual review of the policy.

Mrs. Googasian asked for clarification of paragraph V regarding sale or service of alcoholic beverages off campus.

Mr. De Carlo stated that university-related activities that are held off campus would be covered by paragraph V of the policy. A University event must be conducted in accordance with the law. In addition, any event in violation of the Liquor Control Act may render our insurance coverage ineffective. This is the basis for Section V.

President Champagne stated that further clarification of this aspect of the problem by the Liquor Control Commission would be of assistance.

Mr. Riley stated that it would also be helpful to review the form required by the Liquor Control Commission for the issuance of a temporary license.

Mrs. Hartmann indicated that it is a simple form, but that it must be on display during the time that the event is being held.

Mr. De Carlo noted that the forms have been reviewed and are on file in the Office of the Board of Trustees.

Mr. Morris stated that the University's main concern must be that of liability because even "if an event's connection with Oakland University is tenuous, Oakland could conceivably be involved in a liability suit".

Mr. De Carlo added that the University's insurance will not cover such a suit if the event is held in an unlicensed facility and in violation of the law. He added that the University is trying to develop an overall liquor policy to cover all aspects on the sale and service of alcoholic beverages that are related in any way to Oakland University. Previous to the enactment last year of the new State law, the consumption of alcoholic beverages on State property was prohibited unless conducted under a special conference license such as is in effect at Meadow Brook Hall. If alcoholic beverages were sold and served on State property without a license, such action was in violation of State law. The law has now been changed to grant a limited number of

special (24 hour) licenses to allow the sale and service of alcoholic beverages on State property subject to the authorization of the governing board of the property involved. The Liquor Control Commission will grant five licenses per year to any one legal entity. The proposed policy is an effort to govern the University's position on the authorization of such activities both on and off campus. Off-campus University events must be conducted in conformance with the law and University regulations. If the event is to be held in an facility without a permanent license, the organization must obtain a temporary license which would be "deducted" from its total of five licenses for that year.

Mrs. Googasian asked if the policy should be limited to State property.

President Champagne stated that the policy will apply to University-sponsored events held on campus or off campus. Further consideration should be given to this issue.

Mr. Bob McClory, former President of the Student Congress, drew the Board's attention to paragraph V which states, "The approval of the President or his designee, established in writing, is required prior to conducting such an event." He asked if this statement referred to any off-campus event whether held in a licensed or unlicensed facility.

President Champagne said that Mr. McClory's question demonstrates the need for extensive review in constructing the alcohol policy.

Mr. De Carlo stated the additional necessity of establishing whether an event is in fact "University-related", since there are instances where Oakland's sponsorship may be questionable. If it is a University event, then the institution should assure compliance with the law.

President Champagne stated that he and Mr. McClory had discussed the issue at length, and that it is his intention to discuss the matter with Mrs. Ray-Bledsoe, Vice President for Student Affairs, and Ms. Rosalind Andreas, Dean of Student Affairs.

President Champagne encouraged Mr. McClory and his successor to bring forth their concerns and to participate in the construction of the policy.

Mr. Morris stated that he agrees with Mr. Riley's suggestion of asking the Liquor Control Commission for clarification and guidance.

Mrs. Hartmann mentioned the fact that no age limit is indicated in the proposed policy.

President Champagne replied that the term "in accordance with the law" will cover the age issue.

Chairman Mair asked for a motion to accept for study the following policy recommendation:

In view of the legal constraints placed upon the sale and service of alcoholic beverages, the following sets forth the policy and procedures for the service and sale of alcoholic beverages on the campus of Oakland University, as well as for those off-campus activities which are sponsored programs of the University.

SERVICE AND SALE OF ALCOHOLIC BEVERAGES ON CAMPUS

I. Service of alcoholic beverages at Meadow Brook Hall.

- A. The Michigan Liquor Control Commission has granted a Class C conference center liquor license to Oakland University in the name of the Board of Trustees for use at Meadow Brook Hall. This license permits the service and sale of alcoholic beverages at regularly scheduled activities at the Hall.
- B. All alcoholic beverages served at Meadow Brook Hall must be purchased from the Hall, which in turn is required by law to acquire such beverages from licensed agencies.
- C. Organizations or individuals desiring to serve or sell alcoholic beverages on campus are encouraged to schedule their activities at Meadow Brook Hall.
- D. Activities at Meadow Brook Hall where alcoholic beverages will be served or sold must be scheduled in advance with the appropriate office at Meadow Brook Hall.

II. Service of alcoholic beverages at campus locations other than Meadow Brook Hall.

- A. The University recognizes the occasional need to permit the limited service or sale of alcoholic beverages in conjunction with programs, in accordance with the law, at locations other than Meadow Brook Hall. State

law permits the issuance of a special (24 hour) license by the Liquor Control Commission for the consumption of alcoholic beverages on State property when the license is approved by the governing body of the State property involved. The rules and regulations of the Michigan Liquor Control Act provide that five special (24 hour) liquor licenses may be issued to a nonprofit, religious, fraternal, civic or patriotic organization during a calendar year. The Board of Trustees, therefore, authorizes limited service and sale of alcoholic beverages in accordance with the law, under the following conditions:

1. During each calendar year two University-wide student events may be authorized for the service or sale of alcoholic beverages on campus. Persons desiring to either serve or sell alcoholic beverages on campus for these student events must receive the approval of the Vice President for Student Affairs and the President of the University, and comply with the requirements of this policy. The licenses will be requested in the name of the University.
2. During each calendar year, three additional events may be authorized to serve or sell alcoholic beverages on campus. These events should be of a general nature and must have the prior approval of the Senior Vice President and Provost and the President of the University, and comply with the requirements of this policy. The licenses will be requested in the name of the University.
3. The University may approve during each calendar year up to five events for the service or sale of alcoholic beverages to employee organizations which may qualify under the law and the regulations of the Liquor Control Commission as organizations entitled to receive special (24 hour) licenses. The total number of events approved shall not exceed five in any calendar year. The distribution of the licenses will be determined by the

University with the date of receipt being a factor in the decision. The Vice President for Finance and Administration will be responsible for administering this provision. An effort will be made to assure an equitable distribution of the approvals to various employee organizations. The University will not be the sponsor for such events since these are considered to be independent organizations which may qualify as separate legal entities for such special (24 hour) licenses. The organizations must conform to all University rules and regulations and provide required insurance indemnifying the University. These events should be general University activities and must have the prior approval of the Vice President for Finance and Administration and the President of the University.

4. The Oakland University Foundation, as a separate legal entity, may be entitled under the law to five special (24 hour) licenses during a calendar year. The Foundation may request University approval for up to five events during the calendar year. The requests must have the approval of the President of the University. The Foundation must conform to University rules and regulations and provide required insurance indemnifying the University.
5. The Meadow Brook Performing Arts Company, as a separate legal entity, may be entitled to five special (24 hour) licenses under the law. The Company may request University authorization to serve or sell alcoholic beverages at five events during the year. The Meadow Brook Performing Arts Company must receive the approval of the President before applying for any license. The Company must conform to University rules and regulations and provide required insurance indemnifying the University.

B. In order to comply with the law and maintain the integrity of the institution, it has been

determined that special (24 hour) licenses should be limited to the groups set forth above. The University shall not be responsible for any action on the part of the Liquor Control Commission regarding the denial of any application for a license. No non-University organization or campus group may request approval to sell or serve alcoholic beverages on campus other than at Meadow Brook Hall.

III. Procedures regarding special (24 hour) licenses.

- A. After an organization receives approval to serve or sell alcoholic beverages, a special (24 hour) liquor license must be obtained from the Michigan Liquor Control Commission.
- B. The service and sale of alcoholic beverages may be held only in those locations authorized in Ordinance No. 2.02 of Chapter 2. The locations authorized are as follows: Meadow Brook Festival grounds; Sunset Terrace; Meadow Brook Club House; Meadow Brook Hall; Oakland Center rooms as approved by the administration; Meadow Brook Art Gallery and Meadow Brook Theatre in Wilson Hall; and the lower level of the Barn Theatre.
- C. The rules and regulations of the Michigan Liquor Control Commission provide that application for the special liquor license must be made to the Commission not less than 10 days and no more than 30 days prior to the date for which the license is requested. The University does not take responsibility for the application of any license other than the five special (24 hour) licenses issued in the name of the University as set forth in Section II A (1) (2) and (3) above.
- D. Persons or organizations making application for special (24 hour) liquor licenses are responsible for obtaining all necessary approvals, posting all required bonds, and paying all required license fees associated with the issuance of special (24 hour) liquor licenses.

- E. All alcoholic beverages served or sold on campus pursuant to the issuance of a special (24 hour) liquor license must be purchased in accordance with the law.
- F. Each organization receiving approval of a special (24 hour) license must comply with State law and all University rules and regulations.

IV. Private residences on campus.

The prohibitions set forth above on the service of alcoholic beverages shall not prohibit the lawful possession and use of such beverages in the private areas of university housing facilities including rooms, suites, apartments, and private homes. This provision does not permit the sale of alcoholic beverages in these areas.

V. Service or sale of alcoholic beverages off campus.

The service or sale of alcoholic beverages at off-campus University programs is prohibited unless such event is conducted in accordance with the law, or at licensed facilities. The approval of the President or his designee, established in writing, is required prior to conducting such an event. If unlicensed premises are utilized, then a special (24 hour) license is required in accordance with the provisions of this policy. The license for the off-campus event will be offset against an eligible organization's quota for a licensed on-campus or off-campus event.

VI. Duration of policy.

This policy is revocable at any time at the discretion of the Board of Trustees or the President without notice in order to protect the institution from liability.

Semi-annual reports will be made to the Board of Trustees regarding the activities authorized under this policy. The Board will review this policy annually to determine whether there is need for any amendment.

Mr. Morris moved to accept the proposed policy for study and further discussion. Mrs. Hartmann seconded the motion which was voted on and passed by all of the Trustees present.

Other items or comments from audience

Chairman Mair asked if the Board had any further comments.

Mrs. Ray-Bledsoe introduced Mr. Ray Carbone as the President-elect of the Student Congress.

Chairman Mair opened the meeting for comments from the audience.

Mr. De Carlo stated that he had requests from Mr. Steven Ruskin and Ms. Venus Washington, both of whom are students, to address the Board. He then asked if these individuals were present. Neither person was present at the meeting.

Mr. Bemis stated that he would find it helpful if there were a codification of University policies. He added that the general public, students and other Board members would also find such a policy manual to be of assistance.

President Champagne agreed and stated that a compilation of University policies, rules, and procedures would have been most helpful to him when he first began his association with Oakland as President. This is a tremendous undertaking and he has been concerned about the time involved in assembling the material. He added that Mr. Bemis' request will provide the impetus for this project.

Mr. Bemis also stated that he believes that the comments from the general audience should be the first item on the agenda.

Mr. Riley suggested that the agenda could be posted so anyone wishing to speak at the meeting could sign his/her name and indicate which item is of interest to that person. He added that this procedure is followed by the Board of State Canvassers.

Mr. De Carlo stated that a similar procedure could be implemented for future Board meetings. He would be pleased to establish whatever procedure the Board determines to be appropriate.

President Champagne asked if posting the agenda before the meeting would limit the Board to discussing only items which appear on the posted agenda.

Mr. De Carlo replied that it did not but that a conditional clause permitting additions could be included in the agenda, since the agenda does change on occasion.

Mr. Bemis stated that he believed that advance notice of the agenda would limit the potential for extended debate on any particular item.

Mr. De Carlo stated that his office responds to all inquiries with the information that anyone may address the Board of Trustees at a meeting or in writing.

Mr. Riley suggested adding as a last item to each agenda the words, "such other items that may properly come before the Board". He also suggested that instructions require that interested individuals sign an agenda sheet and indicate which item is of concern to that person. Immediately prior to the meeting, the agenda sheet could be given to the Board Chairman.

Mr. De Carlo stated that the suggested procedure will be tried and the Board may evaluate its effectiveness.

Chairman Mair asked for any other comments.

Mr. Bemis stated that at the last meeting he asked that the Board be provided with a report on the status of the University's deficit. He added that he is anxiously awaiting that information.

President Champagne replied that the report will be available in January, 1985.

President's report

President Champagne stated that tomorrow the Commission on the Future of Higher Education will release its report to the public on its recommendations on higher education. He said that he has not seen the report, but expects to be in Lansing tomorrow for a briefing. The report was intended to stimulate debate and it will succeed from what he has learned about the recommendations. The report appears to be generally positive in support of higher education. Each Board member will be mailed a copy tonight by Express Mail. The report is an important document and should be taken seriously; the Commission worked very hard to compile the report.

He added that the Michigan Association of Governing Boards in cooperation with the Commission on the Future of Higher Education received funds from the Kellogg Foundation for a public survey on higher education. Copies of the survey results will be made available to the Board. The survey indicates a very positive endorsement of higher education by the general public, which is very encouraging.

Mr. Bemis commended Mr. Kleckner on his outstanding presentation at the Meadow Brook Seminars Revisited Series which was held as part of Oakland's 25th anniversary observance.

Mr. Riley asked what action the University took in regard to Proposal C.

President Champagne replied that Oakland University distributed 35,000 copies of the Presidents' Council tabloid to students, the families of students, alumni, the Oakland Sail, various Chambers of Commerce, and to a variety of people associated with the institution. This was an educational program. President Champagne commended the employees of the University, various businesses, faculty, and staff who made substantial contributions amounting to approximately \$4,700 to the Promote Michigan Committee. The checks were made out to the Promote Michigan Committee and no laws were violated in relation to the fund raising effort.

Mr. Riley asked if the action of the Board of Trustees prompted this activity, and if any University funds were spent.

President Champagne replied that the Board's resolution adopted on October 2, 1984 prompted the action, and that the University did pay for the informational tabloid but no State appropriated funds were spent to advocate the University's informational position on the issue.

Mrs. Hartmann asked if the Board meeting scheduled for December 19 will be held.

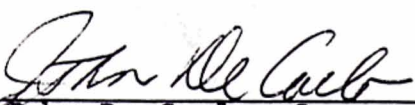
President Champagne replied that it is not necessary to hold the December 19 meeting, and that the next regular meeting of the Board of Trustees will be on January 16, 1985.

Mr. Riley inquired about the basis for terminating baseball as part of Oakland's athletic program.

President Champagne replied that it was eliminated prior to his arrival as a result of budget cuts in 1979.

There being no further comments, Mr. Morris moved to adjourn the meeting. Mrs. Hartmann seconded the motion which was voted on and passed by all of the Trustees present.

Approved,


John De Carlo, Secretary
Board of Trustees

Alex Mair, Chairman
Board of Trustees

Date