

**Minutes of the Meeting
of the
Oakland University Board of Trustees
April 11, 1996**

Present: Chairman David T. Fischer; Trustees David J. Doyle, Ann V. Nicholson, Louis R. Ross, Rex E. Schlaybaugh, Jr., James A. Sharp, Jr., and Howard F. Sims

Absent: Trustee David Handleman

I. Call to Order

Chairman David T. Fischer called the meeting to order at 3:05 p.m. in the Gold Rooms of the Oakland Center.

II. Roll Call

Mr. Robert H. Bunger, Assistant General Counsel, conducted a roll call on behalf of the Board Secretary, Ms. Susan Gerrits. All Board members were present except Trustee David Handleman. Mr. Bunger noted that a quorum was present.

III. Interim President's Report

Interim President Gary D. Russi reported the following information:

- Ms. Monifa A. Jumanne and Ms. Roberta M. McGrath were recognized as Employees of the Month for March and April respectively.
- Oakland University athletic teams set a new record this season capturing four GLIAC conference titles. The Athletic Director, Mr. Jack G. Mehl; coaches; and student athletes were recognized for their performances.
- Coach Greg C. Kampe and the Men's Basketball Team capped off a decade of consistent excellence in the GLIAC by winning their first league championship. They also made a third straight appearance in the NCAA Tournament, tying a school record of 21 wins. The team is the only GLIAC team to finish in the top four for 10 straight years. Six members of the team were placed on the "Academic All-GLIAC Team" this year.

- Coach Bob J. Taylor and the Women's Basketball Team won their second GLIAC title in three years and sixth in their history. They also made their third consecutive NCAA Tournament appearance and seventh in the program's history. The Women's Basketball Team has won more GLIAC league titles than any other team.
- Coach Peter N. Hovland and the Men's Swimming and Diving Team won their 18th GLIAC league championship out of 18 years of competition. They also won a third straight NCAA championship and fourth in their history. The team achieved the honor of "Academic All America Swimming Team" for the 1995 Fall semester from the College Swimming Coaches Association of America.
- Coach Tracy A. Huth and the Women's Swimming and Diving Team won their seventh league crown in eight competitions. They also placed second in the national championship for the second straight season. The team also achieved the honor of "Academic All America Swimming Team."
- Mr. and Mrs. Stephan Sharf have contributed \$125,000 to fund the "Stephan and Rita Sharf Computer Integrated Manufacturing Laboratory at Oakland University." The lab will be housed in the Science and Engineering Building and will be used to teach undergraduate and graduate students about computer-controlled equipment used in the modern manufacturing environment, as well as the integration of the equipment into a flexible manufacturing system.
- The recipients of the Michigan Association of Governing Boards of State Universities (MAGB) awards honoring distinguished students are Ms. Margo S. Kendzier and Mr. Garrick B. Landsberg. The recipients of the MAGB awards honoring distinguished faculty members are Dr. Brian F. Murphy and Dr. Susan E. Wood.
- The 1996-97 Student Liaisons to the Board of Trustees are Ms. Angela B. Dodson, an undergraduate student majoring in Public Administration, and Ms. Judith A. Lango, a graduate student in the Master in Public Administration program.
- After the Board meeting, a ground breaking ceremony will commence at Vandenberg Hall for the new Honors College.

IV. Consent Agenda

Chairman Fischer presented the following recommendations:

A. Approval of the Minutes of the Meeting of February 23, 1996

B. University Personnel Actions

Promotions

Associate professors with tenure considered for promotion to the rank of professor effective August 15, 1996:

| | | |
|---------------------|-------------|---------|
| Benson, Linda | History | Promote |
| Ka C. Cheok | Engineering | Promote |
| Indra M. David | Library | Promote |
| Edward J. Farragher | Finance | Promote |
| Brian F. Murphy | English | Promote |
| J. Austin Murphy | Finance | Promote |
| Kevin J. Murphy | Economics | Promote |
| Carl R. Osthaus | History | Promote |
| Mohamed A. Zohdy | Engineering | Promote |

Assistant professor eligible for reemployment and promotion with tenure effective August 15, 1996:

| | | |
|------------------|-----------------------------------|------------------|
| Sheila M. Jacobs | Management Information Systems | Do Not Reemploy* |
|------------------|-----------------------------------|------------------|

*Termination effective August 14, 1996

C. Recommendation to Accept Gifts and Grants to Oakland University and the Oakland University Foundation for the Periods of December 1 through December 31, 1995, and January 1 through January 31, 1996

Trustee James A. Sharp, Jr., seconded by Trustee David J. Doyle, moved approval of the consent agenda. The motion was unanimously approved by those present.

V. Finance and Personnel Advisory Committee Report

Trustee Rex E. Schlaybaugh, Jr., Chairman of the Finance and Personnel Advisory Committee, reported that the committee met on March 11, 1996, and discussed a number of budget matters.

A. 1996-97 Revised General Fund Budget

Trustee Schlaybaugh stated that last year the university elected to go to a two-year budgeting process; however, as a result of the following changes that occurred during the 1995-96 budget

year, Mr. Paul E. Bissonnette, Vice President for Finance and Administration, is recommending a series of budget revisions to amend the 1996-97 General Fund Budget:

1. Enrollment increased from an original budget of 9,360 FYES to 9,800 FYES, producing more revenue than anticipated.
2. The university has accepted a matching challenge from the State of Michigan for funding a new classroom building for the School of Business Administration. The university's portion of the funding for the acquisition and operation of the facility is \$4 million. An allocation of \$1 million in the next fiscal year is proposed as a step to reaching that goal.
3. A \$200,000 budget reduction was anticipated for 1996-97 for the Office of Computer and Information Service due to GENIX computer system conversion savings. The savings will not start accruing until fiscal year 1997-98. Therefore, the \$200,000 reduction has been eliminated for 1996-97.
4. An increase of \$150,000 in the General Contingency Fund is recommended to adequately handle special funding for 1996-97.

Trustee Schlaybaugh moved approval of the following resolution:

WHEREAS, the Board of Trustees has previously approved the General Fund Budget for 1996-97; and

WHEREAS, facts and circumstances have changed during 1995-96 which require a revision to the 1996-97 General Fund Budget; now, therefore, be it

RESOLVED, that the Board of Trustees approve the revised General Fund Budget for 1996-97 at an expenditure level of \$83,109,601 plus approved encumbrances and carry forwards from the June 30, 1996, fund balance.

Trustee Sharp seconded the motion for approval of the recommendation. The motion was unanimously approved by those present.

B. Ancillary Activities Operating Budgets for Fiscal Year Ending June 30, 1997

Trustee Schlaybaugh stated that the Board is being asked to approve a recommendation for ten university ancillary activities budgets that were thoroughly reviewed by the Finance and Personnel Advisory Committee. He noted that the activities fall under one centralized business management

unit and are generally supported by user fees. The 1996-97 budgets reflect some increases in user fees for continued support.

Trustee Schlaybaugh moved approval of the following resolution:

RESOLVED, that the Board of Trustees accepts the Residence Hall Budget for the year ending June 30, 1997, with a budgeted net income of \$67,493 and an expenditure level not to exceed \$4,095,405; and, be it further

RESOLVED, that the Board of Trustees accepts the Meadow Brook Art Gallery Budget for the year ending June 30, 1997, with a budgeted net income of \$3,362 and an expenditure level not to exceed \$142,163; and, be it further

RESOLVED, that the Board of Trustees accepts the Department of Athletics Budget for the year ending June 30, 1997, with a budgeted net income of \$53,445 and expenditure level not to exceed \$2,413,505; and, be it further

RESOLVED, that the Board of Trustees accepts the Graham Health Center Budget for the year ending June 30, 1997, with a budgeted net income of \$420 and an expenditure level not to exceed \$320,725; and, be it further

RESOLVED, that the Board of Trustees accepts the Lowry Child Care Center Budget for the year ending June 30, 1997, with a budgeted net income of -0- and an expenditure level not to exceed \$399,092; and, be it further

RESOLVED, that the Board of Trustees accepts the Meadow Brook Hall Budget for the year ending June 30, 1997, with a budgeted net income of \$31,700 and an expenditure level not to exceed \$2,870,530; and, be it further

RESOLVED, that the Board of Trustees accepts the Meadow Brook Music Festival Budget for the year ending June 30, 1997, with a budgeted net income of \$115,394 and an expenditure level not to exceed \$90,606; and, be it further

RESOLVED, that the Board of Trustees accepts the Meadow Brook Theatre Budget for the year ending June 30, 1997, with a budgeted net loss of \$289,654 and an expenditure level not to exceed \$2,694,154; and, be it further

RESOLVED, that the Board of Trustees accepts the Oakland Center Budget for the year ending June 30, 1997, with a budgeted net income of \$652 and an expenditure level not to exceed \$1,621,234; and, be it further

RESOLVED, that the Board of Trustees accepts the Meadow Brook Health Enhancement Institute Budget for the year ending June 30, 1997, with a budgeted net income of \$10,488 and an expenditure level not to exceed \$591,512; and, be it further

RESOLVED, that any expenditure level in excess of the approved amount that is not funded by a direct revenue increase must have the prior approval of the President or his designee and these amounts shall be reported on a periodic basis to the Board of Trustees.

Trustee Doyle seconded the motion for approval of the recommendation. The motion was unanimously approved by those present.

C. Main Campus Food Service Contract

Trustee Schlaybaugh stated that the administration has reevaluated the food service operations at the Oakland Center to provide a more user-friendly and attractive food service package for the university. The process identified food service operations characteristics to make it competitive and desirable by the university constituencies. Dr. Mary Beth Snyder, Vice President for Student Affairs, engaged an advisory committee to assist in reviewing evaluations and recommendations. As a result, the committee recommended that Mr. Bissonnette be granted authority to negotiate a five-year contract with ARAMARK Corporation for the main campus food service.

Dr. Snyder stated that based on a cost analysis conducted by Ms. Peggy S. Cooke, Director of Auxiliary Services, the ARAMARK proposal was deemed the most favorable in terms of quality and financial considerations.

Trustee Schlaybaugh added that physical improvements to create a food court for the Oakland Center are also a part of the proposal.

Trustee Schlaybaugh moved approval of the following resolution:

WHEREAS, the current contract for the provision of food service expires on May 1, 1996; and

WHEREAS, contracted food service must be provided to residential students and retail food service is required for the general university community; and

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

RESOLVED, that the Vice President for Finance and Administration be authorized to enter into a five-year (plus an optional one-year extension) contract with ARAMARK Corporation to provide food service at Vandenberg Dining Center and the Oakland Center, commencing May 2, 1996, and extending through April 30, 2001, in accordance with the general terms and conditions set forth in Attachment 1; and, be it further

RESOLVED, that the Vice President for Finance and Administration be authorized to allow ARAMARK to proceed with modifications to the Oakland Center to create a food court subject to university approval of all plans, specifications, equipment and construction schedules; with a university contribution not to exceed \$910,176 for construction and major equipment and \$432,824 for furnishings and start-up costs (total \$1.343M); and consistent with preliminary designs as presented to the Board on this date and on file with the General Counsel and Secretary to the Board; and, be it further

RESOLVED, that Oakland Center modifications to achieve a food court in the no-to-exceed amount of \$1.343M (\$910,176 project budget and \$432,824 start-up costs) be funded by the university with an internal loan from pooled cash investments at a variable rate of 6.5 percent repayable over ten years; and, be it further

RESOLVED, that in accordance with the current agreement between the university and AFSCME, until May 1, 1998, the Assistant Vice President for Employee Relations be authorized to offer up to eight university food service employees, to whom special terms of the 1993 AFSCME collective bargaining agreement apply, a \$6,000 cash buy out in exchange for their preferential hiring rights at the university in the event that they resign or are dismissed for cause by ARAMARK prior to May 2, 1998; and, be it further

RESOLVED, that the Office of the General Counsel shall review all contracts prior to execution and that the contracts shall conform to all university policies.

[Attachment 1 reads as follows:

ATTACHMENT 1

Essential Terms and Conditions of the Proposed Food Service Agreement with ARAMARK Corporation

Oakland University will enter into a contractual agreement with ARAMARK Educational Services, Inc., a Delaware corporation, for the provision of food service at the Oakland Center and in Vandenberg Dining Center under the following terms and conditions:

1. All food sold under the residence halls food program or sold in the Oakland Center is to be sold by ARAMARK.
2. All food product pricing is subject to university approval at the outset of the contract with subsequent year price changes in Board rates, conference activity, catering, and retail cash sales negotiated and agreed to by ARAMARK and the university administration based on market conditions and the need for reasonable profitability. If agreement is not reached, ARAMARK may increase prices by no more than the agreed upon Consumer Price Index.
3. Extended hours of service and board plans that include flexible spending dollars:
 - 15 Meals + \$150
 - 10 Meals + \$200
 - 5 Meals + \$300
4. ARAMARK shall make scheduled payments to Oakland throughout the year to reflect:
 - a) 5 percent of gross retail sales (\$125,000 first-year guarantee), and
 - b) 50 percent split of account gross profits after ARAMARK reimbursement of 3 percent administration fee.
5. The university will authorize ARAMARK to modify space in the Oakland Center to create a 570-seat food court with a minimum of three national franchise brands and three house brands. Under this arrangement, Oakland reserves the right to approve all plans, specifications, equipment purchases, and construction schedules. The cost of the project is capped at \$910,176 (with an additional \$432,824 in start-up costs.) Ownership of all modifications, including moveable equipment, shall vest in Oakland upon installation or placement.
6. ARAMARK will establish a reserve fund to cover equipment depreciation with replacement, maintenance, and repair costs charged against the fund subject to mutual agreement by Oakland and ARAMARK.
7. The university will authorize ARAMARK to make minor modifications in the Vandenberg Dining Center, and three other satellite food locations (Beer Lake Yacht Club, the Fish Bowl, and Sweet Sensations area in the Oakland Center) to accommodate new food concepts. All modifications are subject to university approval.
8. ARAMARK agrees to employ for two years, at least thirty (30) hours per week, up to eight Oakland food service workers as designated by the university who are granted

special protections in the 1993 collective bargaining agreement between Oakland and AFSCME, except for resignation or dismissal for cause. Furthermore, in accordance with the terms of the agreement, if one or more of those employees resigns or is dismissed for cause prior to May 2, 1998, ARAMARK will reimburse Oakland \$6,000 for each employee on whom the university expends \$6,000 for a buy-out of preferential hiring rights.

9. ARAMARK agrees to incorporate recyclable and biodegradable products and containers into its daily food operation and to participate in trash recovery programs in accordance with university and industry standards.
10. University shall have approval rights of all managerial and supervisory candidates prior to hiring.]

Trustee Louis R. Ross seconded the motion for approval of the recommendation.

Student Liaison Garrick B. Landsberg commented that the Crockery room of the Oakland Center has always been used as a conference center for major speakers and conventions. Some students were concerned that the food court renovation would eliminate space for certain student events. Mr. Landsberg stated that the issue was discussed extensively at the Finance and Personnel Advisory Committee meeting, and he noted Dr. Snyder had provided the Board with a list of alternate locations for those events.

The motion was unanimously approved by those present.

D. Meadow Brook Hall Food Service Contract

Trustee Schlaybaugh reported that he had requested consideration of a combined food service contract for the main campus and Meadow Brook Hall for a more efficient vendor package. However, an evaluation concluded that because of differences in the operations, it would not be appropriate to use an institutional-type vendor to provide the quality of food service that is expected at Meadow Brook Hall. Therefore, the Board is asked to authorize Mr. Bissonnette to negotiate an agreement with the recommended vendor, Cregar Enterprises.

Trustee Schlaybaugh moved approval of the following resolution:

WHEREAS, the current contract for the provision of food service at Meadow Brook Hall expires on May 1, 1996; and

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

RESOLVED, that the Vice President for Finance and Administration be authorized to negotiate with Cregar Enterprises and enter into a five-year contract to provide food service at Meadow Brook Hall, commencing May 2, 1996, and ending April 30, 2001; and, be it further

RESOLVED, that the Office of the General Counsel shall review all contracts prior to execution and that the contracts shall conform to all university policies.

Trustee Sharp seconded the motion for approval of the recommendation. The motion was unanimously approved by those present.

VI. University Affairs Advisory Committee Report

Trustee Louis R. Ross, Chairman of the University Affairs Advisory Committee, reported on the following items.

A. Extension of Rose Township Access Agreement

Trustee Ross stated that in 1992 the university entered into an Access Agreement with the Chrysler Corporation which gave Chrysler and its agent access to the university's Rose Township property for the purpose of performing remediation activities at the adjacent Rose Township DeMode Road Superfund Site. The Access Agreement commenced on October 31, 1992, and terminated on October 31, 1995. A temporary Access Agreement was entered for the period November 1, 1995, through April 30, 1996. It is anticipated that access to the university's Rose Township property will be necessary for two more years, calling for an extension of the Access Agreement.

Trustee Ross moved approval of the following resolution:

RESOLVED, that the President or his designee is authorized to extend for two years the agreement with Chrysler Corporation for continued access to the university's Rose Township property for the purpose of performing remediation activities at the Rose Township DeMode Superfund Site. The Access Agreement shall be subject to the following terms and conditions, which were contained in the original agreement with the exception of #3 which permits soil to be excavated for remediation purposes.

1. Access under the Agreement shall be limited to the 20 acre parcel on the northeast corner of the university's property, identified as sidwell #06-28-401-001.

2. No additional monitoring or extraction wells shall be placed on Oakland University property without the prior written consent of the President.
3. The Grantee shall be permitted to remediate potentially contaminated soil on Oakland University property and adjacent to the site using soil vapor extraction or another alternative technique of soil vapor extraction fails. Grantee shall be permitted to install up to 25 SVE wells and associated piping for this limited purpose, on Grantor's property. Alternative techniques may include enhanced soil vapor extraction, soil fracturing along with soil vapor extraction or excavation and disposal among others.
4. No contaminated or treated soil shall be placed on Oakland University property.
5. No earthen berms shall be located on Oakland University property.
6. Perini shall add the university as an additional named insured to its \$5,000,000 comprehensive general liability insurance policy.
7. Perini and Chrysler Corporation shall agree to indemnify and hold the university harmless for any claims resulting from the performance of remediation activities at the Superfund Site.
8. Upon termination of the Agreement and if it is not extended, Chrysler shall restore the university property to its original condition and/or reimburse the university for any damage or unusual wear and tear to university property.

Additionally, Chrysler Corporation shall agree to indemnify and hold the university harmless for any environmental claims resulting from the university's ownership of a portion of the property until completion of the remediation.

RESOLVED, that the Access Agreement will be reviewed by legal counsel prior to execution.

Trustee Ann V. Nicholson seconded the motion for approval of the recommendation. The motion was unanimously approved by those present.

B. Grant of Easement to Detroit Edison

Trustee Ross stated that Detroit Edison currently has a utility easement extending approximately one-quarter mile south from Walton Boulevard to provide power for a portion of the east campus. The university now wishes to upgrade the power provision to that portion of the east campus, and, in particular, to Sunset Terrace. He noted that a portion of the line will be installed underground to avoid disturbing the aesthetic properties of the land.

Trustee Ross moved approval of the following resolution:

RESOLVED, that with respect to electric utility service to Sunset Terrace, the Vice President for Finance and Administration is authorized to modify the existing Detroit Edison utility easement and to execute a new Detroit Edison electrical utility easement as shown in Revised Sketch A to the agenda item.

Trustee Howard F. Sims seconded the motion for approval of the recommendation.

Mr. Bunger noted that the Board is voting on the revised sketch distributed to the Trustees at the meeting.

Trustee Ross acknowledged the efforts of Trustee Sims in reviewing the site and proposing substantial improvements to the recommendation.

The motion was unanimously approved by those present.

C. Approval of Amendment to the Oakland University Student Congress Constitution

Trustee Ross stated that this item involves an increase in the number of elected Student Congress members in order to fill the various committee responsibilities.

Trustee Ross moved approval of the following resolution:

WHEREAS, a duly constituted referendum has been conducted; and

WHEREAS, a majority of students voting have approved the revisions set below;
now, therefore, be it

RESOLVED, that the Board of Trustees ratifies the amendments to the Oakland University Student Congress Constitution as follows:

Article I, Section A.1. of the Oakland University Student Congress Constitution be amended to read, "The Legislative branch of the University Student Congress shall initially be composed of thirty voting members as follows:

- a. Twenty-five student members elected at-large by the student body;
- b. One faculty member selected by the University Senate;
- c. One administrative-professional selected by the AP Assembly;
- d. The President of Residence Hall Council or his/her designee shall serve as an ex-officio member;
- e. The President of Commuter Council or his-her designee shall serve as an ex-officio member;
- f. A multicultural representative, chosen by the Multicultural Advisory Board, shall serve as an ex-officio member"; and, be it further

RESOLVED, that additional student members shall be non-voting, while retaining all other rights and responsibilities as Congress members, and shall be elected as stated in the By-laws.

Trustee Nicholson seconded the motion for approval of the recommendation. The motion was unanimously approved by those present.

VII. Other Items that May Come Before the Board

Trustee Ross commented on the significant differences between the search processes of universities and businesses for top-level executives. He noted that actual work experience in a business plays a very important role in determining whether an individual is capable of performing at a high success rate. Trustee Ross referred to June, 1991 when a Board presidential selection process committee recommended the formation of an Advisory Presidential Search Committee for the appointment of the last president. He stated that the Committee, consisting of 15 university representatives, was totally dedicated to the nine-month selection process. Out of 121 candidates, four emerged as the best qualified to serve the university. The campus of each candidate was visited by a three-person team consisting of a Trustee, an academic dean, and a faculty member. Each finalist spent two days visiting Oakland and returned once for Board interviews. Trustee Ross stated that the first Board of Trustees vote resulted in a three-way split over the candidates; a second vote resulted in a presidential selection. However, even though the process was very thorough, two years later the university was placed in a position to search for another president. Trustee Ross also noted that during the selection process the university lost two significant fund-raising employees -- the Vice President for Development and the Director of Development -- which resulted in a dramatic decline in fund-raising for the university. The cost of the selection process and lost contributions to the university is estimated at \$3 to \$4 million.

Trustee Ross stated that the University of Michigan selected its last two presidents from within the institution because of their extensive experience with the faculty, administration, and Board. Additionally, during a presidential search process at Michigan State University, all four finalists withdrew their candidacies, apparently because of the open search process. As a result, MSU selected a person who was not a direct part of the process. Trustee Ross commented that it is his belief that the state legislature and the courts will not address the Open Meetings Act issues on searches in the near future.

Trustee Ross noted that for the past 15 months Oakland University has had an opportunity to witness Interim President Russi's performance. Interim President Russi has significantly improved Oakland's political stance in Lansing for increased state funding. Meetings with industry, business, and community leaders have produced support for Oakland; and the Strategic Plan is being implemented to guide the university's total efforts and resources. Trustee Ross stated that Interim President Russi is an exceptional candidate for the presidency, and that appointing him as the permanent President would alleviate the tremendous time and resources invested in a search process.

Trustee Ross commented that the Open Meetings Act (OMA) had prohibited him from discussing with the other Trustees the proposal he was about to make.

Trustee Ross moved the following resolution:

RESOLVED, that the Chairman of the Board of Trustees is authorized to extend an offer to Dr. Gary Russi and in consultation with the Finance and Personnel Committee and Office of the General Counsel will negotiate terms and conditions of employment, subject to approval by the Board at its next meeting; and, be it further

RESOLVED, that the Board Chairman is authorized to ask for a recommendation from the relevant faculty body concerning the award of academic rank and tenure if these items are changed from current status.

The resolution was seconded by Trustee Doyle.

Trustee Sims asked Mr. Bunger if there would be anything in the rules, Bylaws, ordinances, or controlling documents established by the Board of Trustees that would prevent moving forward with the proposed resolution. Mr. Bunger responded that he knew of nothing.

Trustee Doyle concurred with Trustee Ross' observations that the legislature and courts are not attempting to resolve the Open Meetings Act issues. He stated that it would not serve the university well to go into another academic year without resolving the presidential selection issue.

Trustee Schlaybaugh recommended that the resolution include language to extend an offer for Dr. Russi "to be the permanent President of Oakland University." He explained that based on the proposed resolution, Chairman Fischer and the Finance and Personnel Advisory Committee are to negotiate the terms and conditions of Dr. Russi's employment and present them to the Board at its next meeting for review and approval.

Trustee Ross stated that he did not have knowledge of Dr. Russi's academic standing for the recommendation, which is why he designated authority to the faculty body to recommend concerning Dr. Russi's academic rank and tenure.

There was a discussion, for clarification purposes, on whether the proposal was to elect Dr. Russi as President at the current meeting, with a direction to Chairman Fischer and the Finance and Personnel Advisory Committee to negotiate a contract for presentation and approval at the next meeting; or to elect Dr. Russi as President at the next meeting, assuming that the contractual terms are agreeable to the Board. Trustee Ross stated his intent that a candidate be selected at this meeting, with terms to be negotiated by the Chairman in consultation with the Committee.

At Chairman Fischer's request, Mr. Bunger proffered a possible change in the resolution to add the words underlined below:

RESOLVED, that the Chairman of the Board of Trustees is authorized to extend an offer to Dr. Gary D. Russi to be the permanent President of Oakland University, and in consultation with the Finance and Personnel Advisory Committee and the Office of the General Counsel will negotiate terms and conditions of employment, subject to approval by the Board at its next meeting; and, be it further

Trustee Ross, with the concurrence of Trustee Doyle, accepted the proposed change in the resolution.

Trustee Sims, while recognizing Dr. Russi's commendable service as Interim President, expressed concern about a spontaneous Board decision on a presidential appointment. He requested the opportunity for the Trustees to consider the matter until the next meeting before taking a vote.

Chairman Fischer supported Dr. Russi's election as permanent President based on his tireless efforts and dedication on behalf of the university during his interim presidency.

Student Liaison Garrick B. Landsberg stated that it is in the university's and students' best interest to discontinue the financial drain on university resources for a presidential search. He urged the administration to thoroughly review the search process to avoid similar future problems.

Trustee Sharp stated his belief that there are internal Board-approved rules requiring items to stand 30 days after presentation to the committees. He concurred with Trustee Sims regarding following the proper process in making a decision of this magnitude. Trustee Sharp also stressed

the importance of striving for an answer to the Open Meetings Act issue to alleviate recurrent situations.

Trustee Ross supported Trustee Sharp's views on the importance of OMA clarification, but noted that it will be a lengthy process. He informed the Board that the MSU case has not been set for oral argument at the appellate level and that the legislature does not plan to consider an OMA change until after the November election. Trustee Doyle added that the Presidents Council opposed the OMA amendment bill as submitted by the Senate. Therefore, the legislature will not act until the issue is recommended or an institution, like Oakland University, separately lobbies for changes.

Trustee Sims reiterated the importance of deferring the vote for 30 days to allow sufficient time for the Finance and Personnel Advisory Committee to properly prepare the presidential contract. He stated that the Board could be severely criticized in the future for taking an action as important as naming a President on a spontaneous basis.

Trustee Schlaybaugh stated that with the current focus on the next academic year, it is imperative to communicate who Oakland's permanent leaders are. He commended Interim President Russi's performance over the past year, noting that Dr. Russi portrayed the qualities that the Presidential Search Advisory Committee sought in a new president. Trustee Schlaybaugh stated that he did not believe waiting 30 days would make a difference in the decision to appoint Dr. Russi as president.

Trustee Sims stated that historically the Board has refused to consider lesser proposals on a spontaneous basis, insisting that the administration present them to the committees at least one month in advance unless they were of an urgent nature. He did not view the appointment of a president as an emergency.

At Trustee Ross' request to call the question, Chairman Fischer asked Mr. Bunger to read the full amended resolution and poll the trustees on the motion. Mr. Bunger presented the following amended resolution:

RESOLVED, that the Chairman of the Board of Trustees is authorized to extend an offer to Dr. Gary D. Russi to be the permanent President of Oakland University, and in consultation with the Finance and Personnel Advisory Committee and the Office of the General Counsel will negotiate terms and conditions of employment, subject to approval by the Board at its next meeting; and, be it further

RESOLVED, that the Board Chairman is authorized to ask for a recommendation from the relevant faculty body concerning the award of academic rank and tenure if these items are changed from current status.

There was a discussion on the effect of the resolution. In response to a request, Mr. Bunger stated that the motion would permit an offer to be extended by the Board Chairman to Dr. Russi, and that presumably, if an offer were extended and accepted, there would be some form of contract. He noted, however, that the balance of the terms and conditions of employment would be an important consideration, and if the Board did not approve them at the next meeting, a contract, to whatever extent it existed, would be, in effect, rescinded.

Mr. Bunger then conducted a roll call vote on the resolution with the following results:

| | |
|-------------------------|----------------|
| David J. Doyle | <u>Yes</u> |
| David T. Fischer | <u>Yes</u> |
| Ann V. Nicholson | <u>Yes</u> |
| Louis R. Ross | <u>Yes</u> |
| Rex E. Schlaybaugh, Jr. | <u>Yes</u> |
| James A. Sharp, Jr. | <u>Yes</u> |
| Howard F. Sims | <u>Abstain</u> |

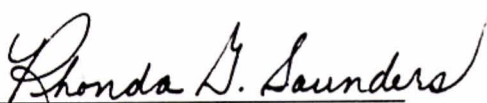
Upon voting, Trustee Sharp stated that he was not happy with the vote being taken at this time. He stated that he would support the motion, because it is in Dr. Russi's interest, but he believed the action would "taint" the beginning of the new presidency.

Mr. Bunger reported that the resolution was approved with six affirmative votes and one abstention.

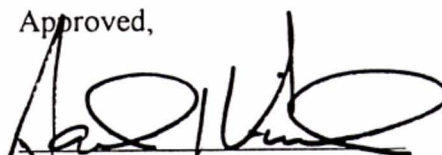
Chairman Fischer stated that he intends that the terms and conditions for the new president will be presented for action at the June 6, 1996, Board meeting.

Trustee Sims, seconded by Trustee Schlaybaugh, moved adjournment of the meeting. The motion was unanimously carried by those present. The meeting adjourned at 4:15 p.m.

Submitted,


Rhonda G. Saunders
Administrative Assistant
Board of Trustees

Approved,


David T. Fischer
Chairman
Board of Trustees