

MINUTES OF THE MEETING
OF THE
MICHIGAN STATE UNIVERSITY
BOARD OF TRUSTEES

July 29, 1994

The Trustee Finance Committee and the Trustee Policy Committee meetings were held in the Board Room of the Administration Building beginning at 9:00 a.m. on Friday, July 29, 1994. Minutes of the meetings are on file in the Office of the Secretary of the Board of Trustees.

The meeting of the Board of Trustees was called to order by President McPherson at 10:35 a.m. in the Board Room.

Trustees present: Dolores M. Cook, Dorothy Gonzales, Russell G. Mawby, Barbara J. Sawyer-Koch, John D. Shingleton, and Bob Traxler. Trustees absent: Joel Ferguson and Robert E. Weiss.

University officers present: President McPherson, Provost Simon, Secretary Hesse, Acting General Counsel Kiley, Vice Presidents Denbow, Meyer, Pierre, Turner, and Wilkinson. Faculty Liaison representatives present: Etta Abrahams and Sheila Grimes. Student Liaison representatives present: Jim Sterns, Brad Thaler, and Jamal Ware.

All actions taken were by unanimous vote of the Trustees present, unless otherwise noted.

1. President McPherson recommended that the agenda be amended to have the Executive Session follow Public Participation at the end of the meeting.

Amend Agenda

On a motion by Dr. Mawby, supported by Ms. Sawyer-Koch, **THE BOARD VOTED to approve** the amended agenda.

2. On a motion by Ms. Gonzales, supported by Ms. Sawyer-Koch, **THE BOARD VOTED to approve** the minutes of the Board meeting of June 10, 1994.

3. There were no requests to speak on issues germane to the agenda.

Public Participation

4. President McPherson's report included four topics: Extended Day, Distance Learning, the Americans With Disabilities Act, and Student Retention.

President's Report

A. Following the President's introductory comments, Provost Simon commented on extending the instructional day to accommodate part-time and non-traditional students. Assistant Provost Steidle reported on the results of a recent MSU study of traditional students. Faculty teaching loads, class size, and the effect on other University support services are factors significant to the extended classroom day.

B. The second topic involved a discussion of how distance learning can be used more effectively to bring MSU's expertise to the people in the State and internationally with non-credit instruction, certificate programs, and programs impacting some activities in grades K-12.

C. Vice President Wilkinson reported on the status of the University's response to the requirements of the Americans With Disabilities Act (ADA). An institutional self-study of programs and facilities was conducted under the leadership of Dr. Keith Grotz, Dr. Robert Banks, Ms. Pamela Heatlie, and others. An Executive Summary of information from that study will be prepared for the Board of Trustees.

D. President McPherson commented on retention of students and his belief that an attitude has to permeate the University community of the importance of good study habits and attending classes. Dr. Steidle reported on a new program with an emphasis of cooperative learning that is underway with a select group of non-preference students living in Rather Hall.

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Personnel Actions

5. Personnel Actions were presented by Provost Simon:

Appointments

A. Appointments

- 1) Beede, David, AN-Clinton E. Meadows Endowed Chair in Dairy Science, Department of Animal Science, \$110,000, with Tenure, effective September 1, 1994.
- 2) Pivarnik, James M., AY-Associate Professor, Departments of Physical Education and Exercise Science; Osteopathic Medicine, \$48,000, with Tenure, effective August 16, 1994.
- 3) Garner, Ruth A., AN-Professor, Department of Teacher Education, \$96,138, with Tenure, effective August 16, 1994.
- 4) Mason, Ronald H., AN-Head Hockey Coach, Intercollegiate Athletics, \$101,130, Subject to Contract, effective July 1, 1997 to June 30, 1998.

Provost Simon commented on the significance of the appointment of David Beede in the Meadows Endowed Chair.

On a motion by Dr. Mawby, supported by Mr. Shingleton, **THE BOARD VOTED to approve** the appointment recommendations.

Other Personnel Actions

B. Other Personnel Actions

- 1) Armstrong, Carole, AY-Librarian IV and Assistant Director for Human Resources, Libraries, for a change in title to Acting Director; and to change from an academic year appointment basis at a salary rate of \$62,800 to an annual year appointment basis at a salary rate of \$81,000, effective July 1, 1994.
- 2) Kiley, Michael J., AN-Associate General Counsel, General Counsel Office, for a change in title to Acting General Counsel and Acting Vice President for Legal Affairs; and for a change in salary rate from \$74,675 to \$90,000, effective April 30, 1994.
- 3) Mortimore, Doretha, AN-Associate Vice President and Director of Development, University Development, for a change in title to Interim Vice President for University Development and President of MSU Foundation; and for a change in salary rate from \$90,177 to \$97,500, effective October 1, 1994.

In response to Trustee Cook's inquiry about the title of Acting versus Interim, Provost Simon responded that Acting has traditionally been used for academic administrators, but there is no functional difference in the titles.

On a motion by Mr. Shingleton, supported by Ms. Cook, **THE BOARD VOTED to approve** the Other Personnel Actions.

Information Report

C. An Information Report of Academic Personnel Actions of June 15, 1994 was distributed with the Board Agenda and is included with the agenda materials in the Office of the Secretary of the Board of Trustees.

Gift, Grant and Contract Report

6. The Gift, Grant and Contract Report was presented by Vice President Pierre for the period of May 14, 1994 through July 1, 1994. The report is a compilation of 226 Gifts, Grants and Contracts, 26 Consignment Equipment-Gifts, and 1 Consignment Equipment-Loan with a total value of \$18,181,189.05.

Dr. Pierre commented that this first report of the fiscal year exceeds last year's report by \$2 million. He called attention to the \$2.8 million grant to the Plant Research Lab that is part of a \$4 million grant received annually from the U.S. Department of Energy. The Plant Research Lab, a legacy of President Hannah's from the 1960s, is identified as a jewel in the crown of the University.

On a motion by Dr. Mawby, supported by Mr. Traxler, **THE BOARD VOTED to approve** the Gift, Grant and Contract Report. The report is included with the Board Agenda in the Office of the Secretary of the Board of Trustees.

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7. Trustee Finance Committee reports and recommendations were presented by Committee Chairperson Traxler as follows:

A. Bid and Contract Awards were recommended as follows:

- 1) A contract in the amount of \$334,500 be awarded to Kares Construction Company, Inc., of Lansing, Michigan, and that a budget in the amount of \$442,000 be established for the project entitled: Campus - New Communication Duct Line Along Red Cedar Road.
- 2) A contract in the amount of \$276,850 be awarded to Mid-Michigan Construction Corp., of Owosso, Michigan, and that a budget in the amount of \$342,000 be established for the project entitled: Clinical Center - Alterations in Lobby to Relocate Pharmacy.
- 3) A contract in the amount of \$160,929 be awarded to Dalton Roofing Service, Inc., of Lansing, Michigan, and that a budget in the amount of \$205,000 be established for the project entitled: Holden Hall - Replace Roofs on Sections 13, 17-23, and 25-26.
- 4) A contract in the amount of \$1,942,002 (Base Bid: \$1,889,000 plus Alternate No. 1: \$630, Alternate No. 2: \$42,970 and Alternate No. 3: \$9,402) be awarded to Design & Build, Inc. of Lansing, from Lansing, Michigan, and that a budget in the amount of \$3,521,000 be established for the project entitled: Revitalization of Michigan Animal Agriculture - Infectious Disease Containment Facility.
- 5) A contract in the amount of \$236,196 be awarded to Schreiber Corporation, of Detroit, Michigan, and that a budget in the amount of \$285,000 be established for the project entitled: Spartan Village -Replace Roofs on Buildings 1515-17, 1526, 1568-69, 1571-72, and 1638.

On a motion by Mr. Traxler, supported by Mr. Shingleton, **THE BOARD VOTED to approve** the Bid and Contract Award recommendations.

- B. It was recommended that funds in the amount of \$5 million be invested in the Fidelity Copernicus II Fund, L.P. Funds for this investment are available in the internally invested cash of the Common Investment Fund.
- C. It was recommended that the operating budgets for the Agricultural Experiment Station be increased from \$30,783,742 to \$30,948,106, and that the MSU Extension budget be increased from \$34,238,368 to \$34,383,550.
- D. It was recommended that the Board of Trustees accept from Consumers Power Company a fee interest in 12.348 acres of land located between College Road and Collins Road in East Lansing in exchange for a 5,260 ft. easement of land located in Ross Township, Kalamazoo County, for the construction of a power line.

On a motion by Mr. Traxler, supported by Mr. Shingleton, **THE BOARD VOTED to approve** the recommendations.

- E. At the Committee meeting, Vice President Wilkinson reported on oil and gas investments which outlined a change in structure of the University's investment in Resource Investors Management Company, and the liquidation of its investment in Ridgewood Energy Corporation.

8. The Trustee Policy Committee report was presented by Trustee Cook as follows:

- A. Provost Simon reported to the Committee on the accreditation process and the review that will be conducted by the North Central Association of Colleges and Schools during the 1995-96 academic year. The self-study process has been initiated with the academic and support units and Assistant Provost Steidle will coordinate a review of issues related to student outcome assessments which is a measurement of student academic performance and satisfaction with their educational experience.

Trustee Finance Committee

Bid and Contract Awards

Campus - New Communication Duct Line

Clinical Center Alterations - Pharmacy

Holden Hall Replace Roofs

Revitalization of MI Animal Agriculture - Infectious Disease Containment Facility

Spartan Village Replace Roofs

Funds invested in Fidelity Copernicus II Fund

Increase operating budgets for Agricultural Experiment Station & MSU Extension

Land exchange with Consumers Power Company

Report on Oil and Gas Investments

Trustee Policy Committee

Report on North Central Association Accreditation Process

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Chairperson's
Report and
Trustees' Comments

9. Chairperson's Report and Trustees' Comments

- A. Trustee Shingleton commented on his favorable impressions of faculty and facilities visited on the tour of University buildings that was arranged for the Trustees. He also expressed concern for the condition of some buildings.

Mr. Shingleton supported the areas of emphasis President McPherson outlined in his report, but is aware that each issue will require financial resources.

- B. Trustee Sawyer-Koch reiterated her interest in interaction with academic and nonacademic programs on campus.

Ms. Sawyer-Koch recommended that the Board accept the proposed 18-month planning calendar as presented. Following discussion, it was determined that Secretary Hesse will work with Board members to establish the 1994-95 calendar.

- C. Trustee Mawby commented on the success of Ag Expo 1994 and the ground breaking for the Animal Agriculture initiative.

Dr. Mawby reported the death of Dr. Richard Upjohn Light and commented that his gift of Lux Arbor complements KBS, Kellogg Forest, and Russ Forest in Cass County as wonderful resources for research, teaching, and outreach activities. Dr. Mawby suggested a Board resolution of appreciation be presented to the Light family and consideration of an appropriate memorial to Dr. Light.

- D. Trustee Gonzales thanked President McPherson and his staff for their attention to the important issues of recruitment and retention. Ms. Gonzales said the President's report included issues "near and dear to my heart," especially evening classes.

Ms. Gonzales thanked President McPherson for greeting the Upward Bound students at a recent event.

- E. Trustee Traxler commented that, although he supports privatization of the MSU Bookstore and believes it was a correct decision, in the future he would like the Board to have input on matters that involve process and policy.

- F. Trustee Cook supported Mr. Traxler's comments regarding privatization of the MSU Bookstore.

Ms. Cook commented that Dr. Light was an extraordinary person who did many marvelous things during his 90-year lifetime and Michigan State benefitted from his generosity.

Trustee Cook is delighted that the lower courts upheld the integrity of the Board in the Open Meetings Act lawsuit, and thanked the Legal Counsel staff. She requested a regular report or update from Legal Counsel on matters anticipated to come before the Board. The report could be presented at a public meeting when appropriate or during an Executive Session.

Trustee Cook expressed appreciation to Vice President Richard Meyer for his extraordinary service and contributions to the University.

Public
Participation

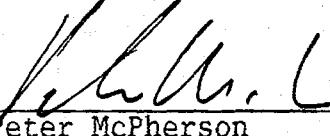
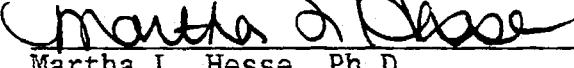
10. The following individuals addressed the Board of Trustees:

- A. Rondy Murray, staff member and President of the Clerical-Technical Union of MSU, expressed disappointment that MSU and the CTU were in disagreement about the handling of privatization of the MSU Bookstore. She was hopeful President McPherson's Principle "make people matter" would change the way labor relations are conducted at the University.

- B. Janet Watson, an employee of the MSU Bookstore, reported how she and other employees assisted when informed by management of the financial situation of the Bookstore. She spoke of her love for the bookstore and working with students. Ms. Watson asked the Board to give the employees an opportunity to prove they can put the Bookstore back in good financial standing.

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- C. Janice Smith, an almost 27-year MSU employee with most of those years in the MSU Bookstore, presented a financial report of the past 10 years. She is concerned that appropriate time was not taken to evaluate the Bookstore and believes the decision needs to be reevaluated. The Bookstore has had a long tradition at the University, having been established by faculty and staff in 1896.
11. President McPherson announced that a request had been received for two sequential Executive Sessions for the Board to consult with its attorney regarding settlement strategy in connection with specific pending litigation. These sessions are exempt from disclosure under Section 8(e) of the Michigan Open Meetings Act.
- On a motion by Dr. Mawby, supported by Ms. Sawyer-Koch, **A ROLL CALL VOTE** of the Board was conducted by Secretary Hesse.
12. The meeting adjourned at 12:20 p.m. Following the Executive Session, Board Members were joined at lunch by Faculty and Student Liaisons and Executive Advisory Council members.

Public
Participation
continuedRequest for
Executive Sessions
Peter McPherson
President
Martha L. Hesse, Ph.D.
Secretary