

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

July 30, 1988

The Trustee Policy Committee and the Trustee Finance Committee meetings were held in the Lincoln Room of the Kellogg Center beginning at 8:00 a.m. on Saturday, July 30, 1988. The minutes of the committee 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 John DiBiaggio at 9:50 a.m. in the Lincoln Room of the Kellogg Center.

Trustees present were: Malcolm G. Dade, Jr., Joel Ferguson, Lawrence D. Owen, Dean Pridgeon, Thomas Reed, Barbara J. Sawyer, Kathy Wilbur, and Patrick J. Wilson.

University officers present included: President DiBiaggio, Provost Scott, Secretary Davis, and Vice Presidents Cantlon, Dickinson, Kurz, Schonbein, Turner, and Wilkinson. Faculty Liaison representatives present were: Professors Briedis, Foss, Silverman, and Simon. Student Liaison representatives present were: Koh, Martell, Morgan, Robb, and Selke.

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

1. On a motion by Mr. Owen, supported by Mr. Reed, THE BOARD VOTED to approve the proposed agenda.
2. On a motion by Mr. Reed, supported by Mr. Owen, THE BOARD VOTED to approve the Board Minutes of the meeting of June 10, 1988.
3. The following individuals addressed the Board of Trustees.
 - A. Mr. Dan Selke, Chairperson of Student Council, presented the 1987-88 Annual Report of the Student Council. Mr. Selke commented about the role of Student Council in the governance system at Michigan State and the issues and activities of Student Council during the past year. Mr. David Koh, Chairperson Elect, was introduced.
 - B. Dr. Sandra Gleason, Chairperson of the University Committee on Faculty Affairs, stated that UCFA believes the University should place an extremely high priority on the improvement of faculty salaries at Michigan State in order to remain competitive with public land-grant/AAU and Big Ten institutions. The Committee is pleased with the support provided by the Board of Trustees recommendation last year for improvement of faculty salaries. The ranking of Assistant Professors and Associate Professors with other land-grant institutions has improved. However, UCFA would like the University to have a continued, concerted effort to improve faculty salaries.
4. The report of President DiBiaggio included the following.
 - A. The Michigan Festival will be held on the MSU campus and in downtown East Lansing, August 19-28, 1988. The festival stages will include a children's stage, an arts/jazz stage, a Wharton Gardens stage, a coffeehouse stage, a Taste of Michigan stage, a theatre stage, and the main stage evening concerts. Once again, the 1988 Festival of Michigan Folklife will be a component of the Festival. President DiBiaggio commented that this year's Festival is expected to be one of the premier events of its kind in the nation.
 - B. A multitude of summer activities for people of all ages are taking place at the University. By summer's end, more than a half million visitors will have visited the campus to attend 4-H Exploration Days and other 4-H events, Summer Orientation programs, the Michigan Festival, Ag Expo, meetings of the American Horticultural Society, Summer Sports School, Wolverine Boys State, College Week, Clarion Science Fiction Writers Workshop, and the Cecchetti Ballet Workshop. The University also is conducting a number of programs such as Upward Bound, Aspire, Vetward Bound, Soar and Seek, and the King/Chevez/Parks program to acquaint high school students with the college setting.

Public
Participation

President's
Report

July 30, 1988

President's
Report
continued

- C. President DiBiaggio reported on the University's activities and contributions to the agriculture community related to the drought being suffered this summer in the State of Michigan. The Cooperative Extension Service is providing assistance to farmers with programs regarding financial alternatives, special stress reduction teams and programs, the implementation of programs to deal with the drought's long-term affect, and the impact on the state's forestry industry. Special publications and laboratory testing programs also have been initiated. The President stated that he is proud of the University's commitment to service. A positive benefit of the drought is an awareness of the importance of agriculture to the economy of the state, the nation, and to the world.

A drought management plan has been instituted to prioritize the watering and care of special plants and garden areas on the campus. Commemorative trees and plantings which have the greatest value to the University from a teaching/research and demonstration point and those which would be difficult to replace will receive particular care and protection. President DiBiaggio paid tribute to the staff which has done a monumental job in trying to maintain the beauty of the campus.

- D. President DiBiaggio stated that the consideration of budget guidelines is one of the most important decisions that must be made annually for the university. The budget request was developed with the recognition that the limit of available funds places a burden on the University to assure both access and quality. The University is appreciative of the support provided by the State and will continue to strive to serve its citizens as the land-grant university.

The President remarked about the two options, A and B, which are being presented to the Board of Trustees for consideration and the importance of the Refocusing, Rebalancing, and Refining (R³) document in relationship to the budget.

The important participation of the students, faculty, and administrators in the development of the budget guidelines and their commitment to quality and access was acknowledged by President DiBiaggio.

5. On a motion by Mr. Owen, supported by Mr. Wilson, THE BOARD VOTED to approve the following personnel actions.

A. Appointments

1. Anderson, Matthew J., AY-Associate Professor, Department of Accounting, \$59,000, with Tenure, effective September 1, 1988.
2. Cichy, Ronald F., AN-Professor, School of Hotel, Restaurant and Institutional Management, \$80,000, with Tenure, effective August 15, 1988.
3. Deller, John R., AY-Associate Professor, Department of Electrical Engineering and Systems Science, \$49,000, with Tenure, effective September 1, 1988.
4. Andrews, Mary L., AN-Associate Professor, Department of Family and Child Ecology; Dean's Office, College of Human Ecology, \$56,400, with Tenure, effective July 1, 1988.
5. Garner, David M., AY-Professor, Department of Psychiatry, \$56,000, with Tenure, effective September 1, 1988.
6. Bagdasarian, Michael, AN-Professor, Department of Microbiology and Public Health, with Tenure, no pay status, effective June 8, 1988.

Tenure in a paid appointment at MSU will be granted only after all Immigration and Naturalization Service regulations have been met for acquiring permanent residency, and Dr. Bagdasarian has signified his intention of and moved in the direction of acquiring U.S. citizenship.

Personnel
Actions

Appointments

July 30, 1988

A. Appointments (continued)

7. Corey, Kenneth E., AN-Professor and Dean, College of Social Science; Department of Geography, \$110,000, with Tenure, effective July 1, 1989.
8. Meinert, Roland G., AN-Professor, Department of Social Work, \$70,600, with Tenure, effective September 1, 1988.
9. Heathcote, George M., AN-Head Basketball Coach, Intercollegiate Athletics, \$86,390, Extension of Contract, effective July 1, 1989 to June 30, 1992.

Personnel
ActionsAppointments
continued

B. Other Personnel Actions

1. Von Tersch, Lawrence W., AN-Professor and Dean, Dean's Office, College of Engineering; Department of Electrical Engineering and Systems Science, continuation as Dean of the College of Engineering; to change from \$96,700 to \$105,000, effective July 1, 1988 to June 30, 1989; for a change in salary from \$105,000 to \$101,700, effective July 1, 1989; and for a change in retirement date from July 1, 1989 to July 1, 1990.

Pursuant to University policy, Professor Von Tersch would have relinquished administrative duties as Dean as of July 1, 1988. It is recommended that he continue the administrative duties for the period specified above.

2. Sommers, Lawrence, AN-Professor, Department of Geography, to add title of Acting Assistant Provost for Academic Services, Office of Assistant Provost for Academic Services, and to change from \$74,680 on an academic year appointment basis to \$99,250 on an annual appointment basis, effective July 1, 1988 to August 31, 1988.

Other Personnel
Actions

6. On a motion by Mr. Wilson, supported by Ms. Wilbur, the BOARD VOTED to approve the Gift, Grant and Contract Report, for the period May 16, 1988, through July 1, 1988, with a total value of \$10,478,749.41. A copy of the report is on file in the Office of the Secretary of the Board of Trustees.

Gift, Grant and
Contract Report

7. Mr. Wilson, Chairperson of the Trustee Policy Committee, presented the report and recommendation of the Committee.

Trustee Policy
Committee

- A. On a motion by Mr. Wilson, supported by Mr. Reed, the BOARD VOTED to approve the change in the policy statement, "Tenure System - Granting Tenure," (Board of Trustees Policy Manual 03-17-08. A copy is on file in the Office of the Secretary of the Board of Trustees.)

Change in Policy
Statement -
Tenure System -
Granting Tenure

- B. On a motion by Ms. Wilbur, supported by Mr. Pridgeon, the BOARD VOTED to approve the delegation of authority to the President to approve or disapprove agreements to be negotiated between the University and Better Trees, Inc., Biomechanical Design, Inc., and a third company based on blood technology.

Delegation of
Authority to
President

8. Mr. Owen, Chairperson of the Trustee Finance Committee, presented the report and recommendations of the Committee.

Trustee Finance
Committee

- A. On a motion by Mr. Owen, supported by Mr. Dade, the BOARD VOTED to approve the Bid and Contract recommendations of the Committee.

Bids & Contracts

1. A contract in the amount of \$1,047,000 be awarded to Kares Construction Company of Lansing, Michigan, and that a budget in the amount of \$1,235,000 be established for Upgrading Campus Animal Care Facilities.
2. A contract in the amount of \$747,700 be awarded to Forrester Construction Company, Inc., of Flint, Michigan, and that a budget in the amount of \$950,000 be established for construction of a New Animal Care Facility in the Food Science Building.
3. A contract in the amount of \$169,120 be awarded to Moore Trospen Construction Company of Holt, Michigan, and that a budget in the amount of \$220,000 be established for construction of a Wine Research Facility for the Horticulture Department.

Budget for
Upgrading Campus
Animal Care
FacilityConstruction of
New Animal Care
Facility in Food
Science BuildingConstruction of
Wine Research
Facility

July 30, 1988

Trustee Finance
Committee
Bids & Contracts
continued
Construction of
Farms Main. Bldg.

Construction of
Conference Center
at SW MI Research
and Extension
Center

Replacement of
Roofing in
Spartan Village

Remodel Tollgate
Farmhouse

Approval of
Kellogg Center
Renovation

Appointment of
Architects/
Engineers for
Unit 4 Addition
T.B. Simon Power
Plant

Acceptance of
Gift from
Americana
Foundation

Exchange of land
with Lansing and
East Lansing
Collins and
Forest Roads

Appointment of
Endowment Realty
Investors, Inc.
and Ridgewood
Energy Corp.

Appointment of
Security Pacific
National Trust Co.
for Student Fee
Revenue Bonds
1985 Series B & C

Approval of
1988-89 Budget
Guidelines and
Housing Rates

4. A contract in the amount of \$194,886 be awarded to Tailored Building Systems of the Post Building & Supply Company of Nunica, Michigan, and that a budget in the amount of \$385,000 be established for construction of a University Farms Maintenance Building on the Monroe Farm.
 5. A contract in the amount of \$437,750 be awarded to Jack W. O'Brian Construction Company of Benton Harbor, Michigan, and that a budget in the amount of \$494,638 be established for construction of a Conference Center at the Southwest Michigan Research and Extension Center.
 6. A contract in the amount of \$139,927 be awarded to Royal Roofing Company, Inc., of Detroit, Michigan, and that a budget in the amount of \$159,000 be established for Replacement of Roofing on Buildings 1420, 1426, 1528, 1570, 1616, and 1632 in Spartan Village.
 7. A contract in the amount of \$189,783 be awarded to Beresh & Riedel, Inc., of Livonia, Michigan, and that a budget in the amount of \$259,000 be established for Remodeling the Farmhouse at the Tollgate Farm 4-H Youth Center.
- B. On a motion by Mr. Owen, supported by Ms. Sawyer, the BOARD VOTED to approve the full scope of the Kellogg Center renovation and expansion project including provision of parking facilities for approximately 1,000 vehicles, approval of the Phase III budgets, and approval of a resolution declaring intent to issue bonds to finance a portion of the project.
 - C. On a motion by Mr. Owen, supported by Ms. Sawyer, the BOARD VOTED to approve the appointment of Black & Veatch Engineers-Architects, 2001 Commonwealth Boulevard, Ann Arbor, Michigan as the Engineer/Architect (Professional Services Contractor) for the Unit 4 Addition to the T. B. Simon Power Plant.
 - D. On a motion by Mr. Owen, supported by Mr. Reed, the BOARD VOTED to approve the acceptance of a gift from the Americana Foundation of 10.01 acres, more or less, in Novi, Michigan.
 - E. On a motion by Mr. Owen, supported by Mr. Dade, the BOARD VOTED to approve the exchange of 2.16 acres of Michigan State University land for 2.06 acres of road right-of-way to be vacated by the cities of Lansing and East Lansing, and the transfer of 0.70 acres from MSU to the city of Lansing to be used for additional road right-of-way for the realignment and reconstruction of Collins and Forest Roads. This project is to be solely funded by the city of Lansing and would be scheduled for bidding in September 1988 with the major work to be accomplished in calendar year 1989. Net loss of University property would be 0.80 acres.
 - F. On a motion by Mr. Owen, supported by Mr. Reed, the BOARD VOTED to approve the appointment of Endowment Realty Investors, Inc. (organized by The Common Fund) as a realty investment manager with an allocation of \$2,300,000, and that Ridgewood Energy Corporation be appointed as an oil and gas investment manager with an allocation of \$2,000,000. Both of these appointments are subject to completion of appropriate legal documents as reviewed by the Office of the General Counsel.
 - G. On a motion by Mr. Owen, supported by Ms. Sawyer, the BOARD VOTED to approve the appointment of Security Pacific National Trust Company (New York) as Trustee, Paying Agent, and Custodian for the University's Student Fee Revenue Bonds 1985 Series B and C, subject to such agreements and other instruments acceptable to the Office of the General Counsel.
 - H. On a motion by Mr. Owen, supported by Mr. Dade, the BOARD VOTED to approve the 1988-89 Budget Guidelines and University Housing Rates as presented in Option B.

July 30, 1988

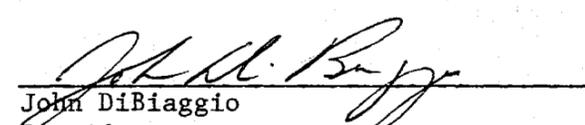
Mr. Owen commented that this budget is noteworthy for four reasons: the budget is balanced and matches income with expenses and does not involve deficit financing; the University has undertaken and is continuing significant efforts in cost containment and expense reduction; this budget maintains the focus on undergraduate education, targeting research capabilities and the outreach services which are consistent with the land-grant mission; and, the tuition increases implicit in this budget range about 9.8 percent, coupled with the housing increase of 3.8 percent, for an overall increase of approximately 6.7 percent.

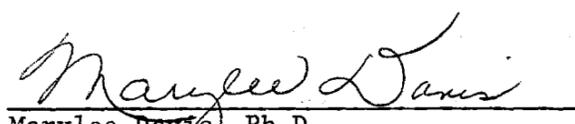
Mr. Owen expressed appreciation to both the legislature and the Governor for the significant increases in support received from the State over the past five years.

Mr. Wilson commented that the Trustees are impressed with the credibility that has been established between the offices of the Provost and the Vice President for Finance and Operations with students, faculty, deans, and Trustees in the budget preparation. The Trustees are committed to quality and access and in maintaining the investment the faculty, staff, and people of the State of Michigan have made to make this a first-rate University. Michigan State University is vital to the State and to the quality of life of the people of the state and nation.

Ms. Wilbur stated she was pleased that two budget proposals were presented to the Board of Trustees in response to last year's commitment of keeping tuition at a reasonable rate this year. Most importantly, the Board of Trustees has approved a tuition recommendation that will allow the University to move forward. The difficult decisions which have been made impact many people and, with the help of the administration, have been done with a great deal of sensitivity and care. She emphasized with the commitment to higher education by the State of Michigan, the University may hope to do better in the years to come.

9. No additional comments were made by the Chairperson or Trustees.
10. The meeting was adjourned.


John DiBiaggio
President


Marylee Davis, Ph.D.
Secretary

Approval of
1988-89 Budget
Guidelines and
Housing Rates
continued