

MINUTES OF THE MEETING  
of the  
MICHIGAN STATE UNIVERSITY  
FINANCE COMMITTEE  
August 15, 1974

President Wharton called the Finance Committee meeting to order at 7:05 p.m.

Present: Trustees Carrigan, Huff, Martin, Merriman, Radcliffe, Stack, Stevens, and Thompson; President Wharton, Executive Vice President and Secretary Breslin, Vice President Wilkinson, Provost Cantlon, Vice Presidents Muelder, Nonnamaker, and Scott, Assistant to the President Ballard, Attorney Carr.

Absent: No one.

1. At the May 17, 1974 Board meeting the Trustees approved the purchase of several parcels of land for a new horticulture research center. At that time action on the option on the 80-acre Kooiman property was delayed pending a further analysis of the desirability of acquiring the property. Executive Vice President Breslin reported that on July 23 Trustees Merriman and Huff and Dean L. L. Boger visited the property and it was their recommendation that the University exercise its option to purchase the Kooiman property at a cost of \$80,000. Purchase of additional land in Ionia Co. for Hort. approved

Motion was made by Trustee Huff, seconded by Trustee Radcliffe, and unanimously carried to approve the purchase of the Kooiman property at a cost of \$80,000.

2. Vice President Wilkinson reported that Assistant Vice President Terry has been requested to represent the various state universities at a meeting (coordinated by Tom Ford, analyst for the Senate Fiscal Agency) with representatives from the Council of State College Presidents and the State departments of State, Administration, Treasury, and Auditor General to discuss a proposed plan whereby under Act 122, Public Acts of 1941 as amended by Act 188, Public Acts of 1970, State agencies would take over the collection of University receivables. It was the consensus of the Trustees that Mr. Terry should attend the meeting without making any commitments on behalf of the University. Trustee Huff also asked that the minutes show that the Board is not ready at this point to accept the language of the Act as being applicable to MSU. Public Acts 122 (1941) and 188 (1970) re Univ. receivables discussed

Adjourned

MINUTES OF THE  
EXECUTIVE SESSION OF THE  
MICHIGAN STATE UNIVERSITY  
BOARD OF TRUSTEES  
August 15, 1974

Immediately following the Finance Committee meeting, President Wharton convened an executive session of the Trustees. In addition to all Trustees and President Wharton, Executive Vice President and Secretary Breslin attended the meeting.

1. In view of recent media reports that public education institutions are alleged to have made contributions to a partisan political candidate, President Wharton asked that the terms and conditions within which he would serve as University President, approved by the Trustees December 12, 1969, be revised as follows: Contributions to partisal political can-candidates ex-cluded from Pres.Wharton's reimbursable expenses

"d. Reimbursement of all costs of entertainment and expenses incurred for the benefit of the University, BUT SPECIFICALLY EXCLUDING CONTRIBUTIONS TO OR IN BEHALF OF PARTISAN CANDIDATES FOR OFFICE."

On motion by Trustee Huff, seconded by Trustee Thompson, the recommended revision to the December 12, 1969 Board action was unanimously approved.

2. President Wharton presented and discussed his recommendations for the salaries for University vice presidents and the provost for 1974-75 which he would present in the open session. 7-1-74 salaries for vice presi-dents and pro-vost discussed

On motion by Trustee Thompson, seconded by Trustee Martin, it was voted that President Wharton's salary for 1974-75 be set at \$57,500. Pres. Wharton's 7-1-74 salary approved

MINUTES OF THE SPECIAL MEETING  
of the  
MICHIGAN STATE UNIVERSITY  
BOARD OF TRUSTEES  
August 15, 1974

Present: Trustees Carrigan, Huff, Martin, Merriman, Radcliffe, Stack, Stevens, and Thompson; President Wharton, Executive Vice President and Secretary Breslin, Vice President Wilkinson, Provost Cantlon, Vice Presidents Muelder, Nonnamaker, and Scott, Assistant to the President Ballard, Attorney Carr.

Absent: No one.

The Board convened in the Heritage Room, Kellogg Center, at 8:35 p.m.

1. Motion was made by Trustee Thompson, seconded by Trustee Radcliffe, to adopt the agenda. Unanimously carried.

2. On July 9 bids were received for the final work on the conversion of the remaining areas of Fee Hall (excluding student apartment areas) to academic space for medical programs.

The following bids were received:

	Base Bid	Alt. No. 1 (ADD)
<u>General Contractors</u>		
Charles Featherly Construction Co.	\$680,000	\$ 12,800
Granger Construction Co.	735,000	15,000
The Christman Co.	738,600	15,960
Hanel-Vance Construction Co.	741,900	15,440
Clark Construction Co.	793,000	21,000
<u>Mechanical Contractors</u>		
Bosch Plumbing and Heating Co.	\$565,322	--
Dard, Inc.	619,000	--
<u>Electrical Contractors</u>		
Quality Electric, Inc.	\$245,621	\$ 1,520
Hall Electric Co.	255,021	950
Hatzel and Buehler, Inc.	274,280	440
Root Electric	277,716	500
Superior Electric of Lansing, Inc.	279,479	1,049
Kent Electric Co.	299,750	200
Lansing Electric Motors Construction, Inc.	336,685	--

Alternate No. 1 provided for replacement of existing corridor doors.

The bidding documents specified that bids submitted would be valid for 30 days (until August 8). The total amount of the low base bids received exceeded the funds available and it was decided that, in the best interest of the University, we should review the work and eliminate or change items then negotiate with the low bidders to reduce the cost of the project to the available funds. Therefore, the low bidders were asked to extend the award time from 30 to 60 days. The general trades and mechanical trades contractors agreed to the time extension, but the electrical contractor advised that he could not grant the additional 30 days for award without possible price escalation consideration.

Pre-contract bulletins were issued defining work which could be eliminated or adjusted. Negotiations were completed resulting in a total cost reduction of \$92,549 from the base bids.

To avoid the possible escalation requirement of the electrical contractor, we prepared contracts based on bids and pre-contract bulletin reductions within the 30-day time limitation required in the bidding documents.

RESOLVED that the Board confirms the awarding of a single contract to the Charles Featherly Construction Co. of Lansing, Michigan, in the amount of \$1,398,394 which assigns Bosch Plumbing and Heating Co. of Grand Rapids, Michigan, as the mechanical contractor and Quality Electric, Inc. of Lansing, Michigan, as the electrical contractor or grant the option of writing separate contracts in lieu of assignment with the Charles Featherly Construction Co. assuming the responsibility for project coordination and scheduling at no additional cost to the University, and that the following base bids be reduced as follows:

Charles Featherly Construction Co.		
Base Bid	\$680,000	
Less Pre-contract bulletin 1-G	<u>27,207</u>	\$ 652,793
Bosch Plumbing and Heating Co.		
Base Bid	\$565,322	
Less Pre-contract bulletin 1-M	<u>56,697</u>	508,625
Quality Electric, Inc.		
Base Bid	\$245,621	
Less Pre-contract bulletin 1-E	<u>8,645</u>	236,976
		<u>\$1,398,394</u>

and that the project budget be established as follows:

Construction Contract	\$1,398,394
Contingencies	30,606
Engineering, Supervision, and Expediting	<u>71,000</u>
	<u>\$1,500,000</u>

State funds as provided for this project of \$1,455,000 are available and \$45,000 will be provided from University alterations and improvements accounts.

Contracts  
awarded for  
final work in  
Fee Hall  
conversion for  
medical programs

Minutes of the Special Meeting, cont.

August 15, 1974

2. Bids for Conversion of Fee Hall, cont.Fee Hall Contract  
cont.

Funds are not provided in this budget to make the changes in the doors as outlined in Alternate No. 1. Should it later be determined that this change is necessary, this alternate will cost approximately \$14,320 and will be funded through an alteration and improvement allocation.

Unanimously approved. Motion by Trustee Merriman, seconded by Trustee Huff.

## 3. In accordance with the guidelines adopted at the July 19, 1974 Board meeting, the following 1974-75 budgets are recommended for approval.

1974-75 budgets  
approvedA. UNIVERSITY GENERAL

<u>Estimated Revenues</u>		<u>Estimated Expenditures</u>	
State Appropriation	\$ 85,665,800	Salaries	\$ 89,389,915
Federal Funds:		Labor	9,709,910
Morrill-Nelson	250,000	Supplies & Services	26,283,665
University Funds:		Equipment	2,251,510
Student Fees	\$33,301,200		
Application Fees	360,000		
Departmental			
Receipts	1,208,000		
Interest Income	1,800,000		
Recovery on Research			
Contracts	4,400,000		
Equity	650,000		
	<u>41,719,200</u>		
	<u>\$127,635,000</u>		<u>\$127,635,000</u>

B. COOPERATIVE EXTENSION SERVICE

<u>Estimated Revenues</u>		<u>Estimated Expenditures</u>	
Federal:		Salaries	\$9,900,000
Smith-Lever Amended		Fringe Benefits	<u>1,228,000</u> \$11,128,000
(Requires matching)	\$ 3,894,343	Travel & Maintenance	1,600,877
Federal Retirement	496,000		
AMA Federal			
(Requires matching)	128,711		
Nutrition Education	1,571,083		
Rural Development	<u>42,740</u>		
	\$ 6,132,877		
State Appropriations	6,401,000		
County Grants	<u>195,000</u>		
	<u>\$12,728,877</u>		<u>\$12,728,877</u>

1974-75  
budgets, cont.

3. 1974-75 Budgets, cont.

C. AGRICULTURAL EXPERIMENT STATION

<u>Estimated Revenues</u>		<u>Estimated Expenditures</u>	
Federal Grants:		Salaries	\$ 5,961,522
Hatch		Fringe Benefits	<u>800,000</u> \$ 6,761,522
(Requires matching)	\$ 1,516,593		
Hatch R.R.F.		Project Expense	2,071,812
(Requires matching)	286,004		
McIntire-Stennis			
(Requires matching)	72,710		
Rural Development			
Title V	<u>42,727</u>		
	\$ 1,918,034		
State Appropriations:			
Regular State	\$ 5,482,300		
Field Crop Research:			
Bean & Beet	80,000		
Soft White Winter			
Wheat	75,000		
Sod Production	35,000		
Horticulture Crop Research:			
Vetegable & Fruit	120,000		
Extending Peach Tree			
Life	24,000		
Weather Adaptibility	36,000		
Livestock Research:			
Livestock Production	50,000		
Beef Cattle Forage	75,000		
Cattle & Swine			
Infertility	75,000		
Calf Mortality	50,000		
Pest Control:			
Pesticide Research	500,000		
Control of Fruit Pests	60,000		
Accelerated Tree Growth &			
Nursery Stock	75,000		
Rural & Community			
Development	38,000		
Municipal & Agri-			
cultural Wastes	<u>140,000</u>		
			<u>\$ 8,833,334</u>
			<u>\$ 8,833,334</u>

D. INTERCOLLEGIATE ATHLETICS

Authorized Expenditures \$2,399,500

RESOLVED that the 1974-75 General Fund, Cooperative Extension Service, Agricultural Experiment Station, and Intercollegiate Athletics budgets be approved as submitted.

Unanimously approved. Motion by Trustee Huff, seconded by Trustee Martin.

7-1-74 faculy  
salaries  
approved

4. Faculty Salaries

Provost Cantlon recommends that faculty salaries, as shown on the lists submitted to the Trustees, be approved.

RESOLVED that the faculty salaries, to be effective July 1, 1974 unless otherwise noted, be approved as recommended. Changes in University officers' salaries are included in this resolution.

Unanimously approved. Motion by Trustee Huff, seconded by Trustee Martin.

7-1-74 A-P  
salaries  
approved

5. Administrative-Professional Salaries

Executive Vice President Breslin recommends that Administrative-Professional salaries, as shown on the list submitted to the Trustees, be approved, effective July 1, 1974.

RESOLVED that the Administrative-Professional salaries, to be effective July 1, 1974, be approved as recommended.

Unanimously approved. Motion by Trustee Martin, seconded by Trustee Merriman.

Minutes of the Special Meeting, cont.

August 15, 1974

6. Provost Cantlon recommends that the following Graduate and Undergraduate Assistant stipends be approved.

Fall Term 1974  
Graduate and  
Undergrad. Asst.  
stipends  
approved

GRADUATE ASSISTANT STIPENDS  
Effective Fall Term 1974

<u>LEVEL I</u>	<u>NINE MONTHS</u>	<u>MONTHLY</u>
1/4 time	\$1600 - 2100	\$177.78 - 233.33
1/2 time	\$3200 - 4200	\$355.56 - 466.67
3/4 time	\$4800 - 6300	\$533.33 - 700.00
<u>LEVEL II</u>		
1/4 time	\$1750 - 2250	\$194.44 - 250.00
1/2 time	\$3500 - 4500	\$388.89 - 500.00
3/4 time	\$5250 - 6750	\$583.33 - 750.00
<u>LEVEL III (SENIOR)</u>		
1/4 time	\$1850 - 3100	\$205.56 - 344.44
1/2 time	\$3700 - 6200	\$411.11 - 688.89
3/4 time	\$5550 - 9300	\$616.67 - 1033.33

UNDERGRADUATE ASSISTANT STIPENDS  
Effective Fall Term 1974

	<u>MINIMUM</u>	<u>MAXIMUM</u>
Per hour	\$ 2.07	\$ 4.00
Per month	\$89.00	\$172.00

RESOLVED that the Graduate and Undergraduate Assistant stipends, to be effective fall term 1974, be approved as recommended.

Unanimously approved. Motion by Trustee Merriman, seconded by Trustee Thompson.

7. The Administration recommends that all student employees receive an across-the-board increase of 15¢ an hour, effective September 22, 1974. The new minimum student wage rate will be \$2.05 per hour.

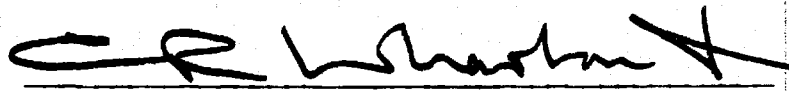
8% student pay  
increase  
approved

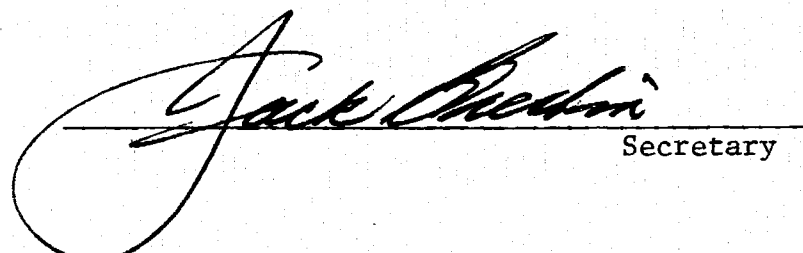
RESOLVED that all student employees receive a 15¢ per hour wage increase, effective September 22, 1974.

Motion was made by Trustee Thompson, seconded by Trustee Radcliffe, to approve the above resolution.

During the discussion it was pointed out that the increases at the top level of the student wage scale would amount to only about 5%. Trustee Thompson amended his motion, which was seconded by Trustee Carrigan, to approve an across-the-board 8% increase to the student wage scale, making the minimum student wage \$2.05 per hour and the maximum \$3.38 per hour. Unanimously approved.

Adjourned at 9:40 p.m.

  
President

  
Secretary