

MINUTES OF THE MEETING
of the
MICHIGAN STATE UNIVERSITY
BOARD OF TRUSTEES
March 3-4, 1983

The Board opened its meeting with a work session in the Lincoln Room, Kellogg Center, at 6:15 p.m., March 3.

Present: Trustees Bruff, Crim, Fletcher, Lick (arrived at 6:45 p.m.), Martin (arrived at 6:45 p.m.) and Reed; President Mackey, Provost Winder, Vice Presidents Breslin, Cantlon, Dickinson, Schonbein, Stewart, Thompson and Turner; Associate Vice President and Secretary Wilkinson, General Counsel Carr, Assistant to the President Carlisle, Faculty Liaison Group, Student Liaison Group, and Deans John Welser and James Anderson.

Absent: Trustees Howe and Sawyer.

1. Annual Calendar

A. Academic Program Review

1. College of Veterinary Medicine

Dean John Welser presented materials relating to the instructional, research and public services programs of the College of Veterinary Medicine (information on file in the Secretary's Office). Dean Welser responded to several Trustee questions concerning specific needs of the College and the relative position of the College in comparison to those at other institutions.

2. College of Agriculture and Natural Resources, including Agricultural Experiment Station and the Cooperative Extension Service

Dean James Anderson made a slide presentation on the instructional, research and public service programs of the College of Agriculture and Natural Resources, the Agricultural Experiment Station, and the Cooperative Extension Service (copy of material on file in the Secretary's Office). Dean Anderson answered questions concerning the State support for these programs and the approach of informing the Legislature and the public of the importance of agriculture to the State's economy.

Academic
Program Review

College of
Veterinary
Medicine

College of
Agriculture &
Natural
Resources,
including
Agr. Exp. Sta.
& Coop. Ext.
Serv.

The Board Investment Committee met in the Lincoln Room, Kellogg Center, at 8:17 a.m., March 4.

President Mackey called the meeting to order at 9:20 a.m.

Trustee Bruff arrived at 9:30 a.m.

Absent: Trustee Sawyer.

2. Approval of the Proposed Agenda

Trustee Fletcher moved approval of the proposed agenda. Seconded by Trustee Martin. Approved by a vote of 6 to 0.

3. Approval of the January 28, 1983, Minutes

Trustee Fletcher moved approval of the January 28, 1983, Minutes. Seconded by Trustee Howe. Approved by a vote of 6 to 0.

4. Annual Calendar, cont.

B. Annual Reports

1. Research Development

Vice President John Cantlon responded to questions relating to the Annual Research Report which has been distributed to the Board of Trustees prior to the meeting (copy on file in the Secretary's Office). In response to Trustee questions, Vice President Cantlon summarized the research space needs of the University. It was requested by Trustee Crim that the Administration develop a proposal on this subject for future consideration by the Board of Trustees and the Legislature.

Annual Reports

Research
Development

The Board recessed at 9:55 a.m. for a meeting of the Land and Physical Facilities Committee.

The Board reconvened at 11:10 a.m.

Annual Reports,
cont.

Development
Fund

5. Annual Calendar, cont.

B. Annual Reports, cont.

2. Development Fund

Vice President Joseph Dickinson responded to questions relating to the Annual Development Fund Report which was distributed to the Board of Trustees prior to the meeting. Vice President Dickinson answered several questions concerning our relative position to other universities, the support of alumni in comparison to other universities, and the recent development of in-house fund raising campaigns by various businesses.

6. Annual Calendar, cont.

A. Academic Program Review, cont.

3. Academic Programs: Michigan State University

President Cecil Mackey commented on the Academic Program Paper which had been distributed with the agenda. He indicated to the Board that we intend to use this document as a basic working document in our academic planning. Trustee Fletcher requested this item be placed on next month's agenda for discussion by the Trustees.

Academic
Program Review,
cont.

Academic
Programs: MSU

Waiver of the
Sophomore
Housing
Regulation for
the 1983-84
School Year

7. Waiver of the Sophomore Housing Regulation for the 1983-84 School Year

President Mackey commented on a document written by Vice President Moses Turner and Associate Vice President Roger Wilkinson concerning the waiver of the sophomore housing regulation for the 1983-84 school year. He indicated that this regulation had been administratively waived for several years and that we intend to continue with this practice for the 1983-84 school year unless there was concern expressed by the Trustees. Since none was expressed, he indicated that this decision would be announced to the University community.

Trustee Howe indicated her support for the waiver of the regulation and said that she has observed that "University Supervised Housing" is an inappropriate name for this type of housing since this housing, in fact, is not supervised by the University. She stated that she has responded to several inquiries on this subject, pointing out to the students and their parents that this type of housing is not supervised by the University's Administration.

The Board recessed at 12:00 Noon.

The Board reconvened for its Action Session at 1:22 p.m. in the Board Room, Administration Building.

Trustee Martin arrived at 1:32 p.m.

Absent: Trustee Sawyer.

8. Recognition of Trustee GPA Awards

In an informal ceremony President Mackey presented Trustee GPA Awards to the following students graduating at the top of their class at the 1983 winter term commencement:

Third highest - David R. Kaplan

Fourth highest - Paul Costantino

The first highest, Amy R. Scheiner, and the second highest, Jeffrey S. Whitaker, were unable to participate in this ceremony.

9. Public Comments

- a. Laretta Reeves, a student in Psychology and a member of the PIRGIM Board of Directors, Brian Romer, a student in Marketing and a member of the PIRGIM Board of Directors, and Patricia Scott, Instructor, Food Science and Human Nutrition, addressed the Board concerning funding for PIRGIM (copies of their presentations are on file in the Secretary's Office).
- b. Eugene Henderson, Jr., Ph.D. candidate in Administration and Higher Education, expressed his concerns of the part he feels The State News is playing in racial disharmony on campus. Mr. Henderson suggested to the Board they evaluate The State News' hiring and promotional process as well as to monitor articles and advertisements printed in the newspaper that degrade minorities (a copy of his presentation is on file in the Secretary's Office).
- c. Frank Andrews, President, Lyman Briggs College Alumni Association, addressed the Board on behalf of the LBC Alumni Association regarding the future of the Lyman Briggs Program (a copy of material given to the Board is on file in the Secretary's Office).

Recognition of
Trustee GPA
Awards

Public Comments

10. Biennial Organization of the BoardBiennial
Organization
of the Board,
deferred

Trustee Bruff moved to defer this item until the next meeting of the Board of Trustees. Seconded by Trustee Fletcher. Approved by a vote of 7 to 0.

A. PERSONNEL CHANGESAppointments

Appointments

1. Robert G. Gast, Professor, Crop and Soil Sciences; Associate Dean/Director, Agricultural Experiment Station, with tenure, at a salary of \$68,000 per year on an AN basis, effective April 16, 1983.
2. Jack Meyer, Professor, Economics, with tenure, at a salary of \$42,500 per year on an AY basis, effective September 1, 1983.
3. Daniel R. Ilgen, Professor and John A. Hannah Professor, Management; Psychology, with tenure, at a salary of \$55,000 per year on an AY basis, effective September 1, 1983.

Motion made by Trustee Bruff, seconded by Trustee Howe, to approve the appointments. Approved by a vote of 6 to 1. Trustee Fletcher voted No.

B. GIFT, GRANT AND CONTRACT REPORTGift, Grant &
Contract Report

Gifts and Grants totaled: \$9,761,163.

Approved by a vote of 7 to 0 on motion by Trustee Lick, seconded by Trustee Martin.

C. BIDS AND CONTRACT AWARD1. Kellogg Biological Station - Student HousingKellogg
Biological
Station -
Student Housing

The following bids were received on February 3, 1983, for Dormitories at the Kellogg Biological Station. This project consists of construction of two buildings with a total of fourteen four-person suites plus a laundry room, activities/game room, and bookstore/commissary. Also included are solar collectors for preheating water and additional parking space. This project is part of the facilities and program development grant funded by the Kellogg Foundation.

<u>Contractor</u>	<u>Base Bid</u>
Foster Schermerhorn Barnes, Inc.	\$ 815,900
Hoffman Construction Company	824,400
Pearson Construction Company, Inc.	833,400
Grandview of Western Michigan, Inc.	833,840
O'Neal Construction, Inc.	842,500
Van Allen Builders	845,829
Docsa-Smith Associates, Inc.	852,000
Osterink Construction Company	858,530
Elmridge Construction Company	872,000
Whitaker Construction Company	878,400
Miller-Davis Company	886,000
Johnson-Klein Associates, Inc.	887,800
Triangle Associates, Inc.	890,900
Wagner-Flook Builders, Inc.	899,700
Hanel-Vance Construction Co.	915,400
Vector Construction, Inc.	935,000
De Young & Bagin Construction Co.	936,400
Brown Brothers Enterprises, Inc.	1,020,419

Kingscott Associates, Inc., the professional services contractor, estimated the construction bid cost at \$723,300 in October 1982.

Notification and/or plans and specifications were sent to the offices of Dodge Reports in Detroit, Kalamazoo, Grand Rapids, Lansing, and Flint, the Builders Exchange in Detroit, Kalamazoo, Grand Rapids, and Lansing, the Inner-City Business Improvement Forum, the Greater Lansing Minority Business Association, the Association of Minority Contractors and the Michigan Minority Business Development Council. Advertisements for bids were placed in the Lansing State Journal, Detroit Free Press, Kalamazoo Gazette and Battle Creek Inquirer. No minority contractors submitted bids.

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C. BIDS AND CONTRACT AWARD, cont.

March 3-4, 1983

Kellogg
Biological
Station -
Student Housing,
cont.

1. Kellogg Biological Station - Student Housing, cont.

Because the bids exceeded the funds available for this phase of the program, it is recommended that the bids be rejected and the professional services contractor be directed to redesign and rebid the project. The rebid will be limited to the original eighteen bidders following the procedures as recommended by the American Institute of Architects and Associated General Contractors of America. This is also the same procedure the University indicated it follows in its response to the Auditor General's recommendation on precontract negotiation contained in the audit report for the period July 1, 1967, through June 30, 1976.

RESOLVED that the above bids be rejected and project
be redesigned and rebid as recommended.

Approved by a vote of 7 to 0 on motion by Trustee Fletcher, seconded by Trustee Lick.

D. OTHER ITEMS FOR ACTION

1. Revisions of Additional Work for Pay Policy

It is recommended that the Board of Trustees approve and give immediate effect to the following revisions (deletions are crossed out; new wording is underlined):

ADDITIONAL WORK FOR PAY

Consulting and Other Outside Work

Full-time faculty members are compensated for full-time service to the University. They may have appointments in instruction, research, extension, public service, etc. and have assignments involving a combination of these responsibilities. Whatever the character of the appointments, the University expects that each full-time faculty member will carry a reasonable and full-time load, assuming a proper share of the total functions and responsibilities of the department, college and the University.

Through consulting relationships with government, industry, public organizations and others off campus, University employees can be an invaluable resource. The University encourages the lending of such assistance where it does not interfere with the employees' performance of University duties and where no conflicts of interest exist.

The following guidelines are intended (1) to provide for certain employees to engage in a limited amount of outside work for pay and (2) to protect the integrity of the employee-University work relationship. Individual colleges or other units are authorized to ~~promulgate more specific guidelines or to require additional reporting as their circumstances dictate~~ establish lower maximum time limits for outside work for pay than stipulated in point 11, below, and to promulgate more specific guidelines or to require additional reporting as their circumstances dictate.

1. "Outside work" is defined as work for other than Michigan State University.
2. In this context, "work" is understood to include consulting, advising, research, demonstrating, or teaching in the general area of competence for which the person is employed by the University. Not included is appearance on the program of a scientific or scholarly meeting attended mainly by professional peers.
3. Prior written approval of the department chairperson and dean must be obtained if the work is done during the regular employment period.
4. Outside work for pay shall be reported for full-time ~~board-appointed~~ employees of the University.
5. Such work must not interfere with the faculty member's normal University duties, including those non-classroom responsibilities expected of all faculty members.
6. The work must be related to the faculty member's normal University duties, including those non-classroom responsibilities expected of all faculty members.
7. "Pay" is defined as any salary, fee, honorarium, or monetary gift or contribution beyond actual expenses.

continued - - -

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A Revisions of
F Additional Work
for Pay Policy

V
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D. OTHER ITEMS FOR ACTION, cont.

March 3-4, 1983

1. Revisions of Additional Work for Pay Policy, cont.Revisions of
Additional
Work for Pay
Policy, cont.

8. The following classes of outside work for pay require authorization:
 - a. That performed during times considered to be normal working periods for the employee by the University unit in which the person is employed (to be determined by the unit administrator).
 - b. That performed outside normal working periods but potentially affecting the performance of the person's University assignment (based on the judgment of the unit administrator).
9. If, in the opinion of the dean, the outside consulting work interferes with the regular University duties of the faculty member, the appointment of a temporary faculty member in the University may be changed to a part-time basis, and the ~~tenured~~ tenure system faculty member may be requested to take a leave of absence.
10. Outside work for pay shall be authorized by the department chairperson and the dean or, in the case of faculty not assigned to colleges, the appropriate unit administrator.
 - a. Such work must contribute to the effectiveness of the faculty member's regular academic work for the University.
 - b. Equipment, supplies, materials, or clerical services of the University may not be used in the furtherance of outside work for pay.
11. The total amount of time expended by the faculty member on outside activities for pay and overload pay time through ~~continuing education~~ Lifelong Education Programs should not exceed ~~16~~ 32 hours in any month. Under special circumstances and with permission of the dean or unit administrator, the monthly time limit may be exceeded, provided the aggregate of such time for the period of authorization does not exceed an average of ~~16~~ 32 hours per month.
12. If consulting work for pay is undertaken, it must be with the understanding that it is subject to termination at any time the University considers such action to be advisable.
13. A special form is available from the departmental office for use by the employee seeking authorization to perform outside work for pay. Completed forms shall be maintained for three years in the dean's office (in the appropriate administrator's office for faculty not assigned to colleges.)

Each dean or other appropriate administrator is required to maintain a record in the dean's office of all consultative services of the academic personnel in the college or administrative division.

This policy cannot be used as the basis for establishing and maintaining a private practice or separate business by faculty.

This policy does not give approval for private practice for the faculty members in the College of Veterinary Medicine.

Faculty physicians in the Colleges of Human Medicine and Osteopathic Medicine are excluded from this policy but are covered by the elements of their Medical Service Plan, which follows next.

Faculty members of the Colleges of Human Medicine, Osteopathic Medicine and Veterinary Medicine may engage in "outside work for pay" under this policy. However, private practice by faculty in the College of Veterinary Medicine is not approved. For faculty in the Colleges of Human Medicine and Osteopathic Medicine, if "outside work for pay" includes patient care or regularized administrative or consulting activities significantly related to, but not directly involved in the provision of patient care, the income derived therefrom is subject to the provisions of the Michigan State University Medical Service Plan of the College of Human Medicine and the College of Osteopathic Medicine, which follows next.

RESOLVED that the above recommendation be approved.

Approved by a vote of 7 to 0 on motion by Trustee Howe, seconded by Trustee Lick.

D. OTHER ITEMS FOR ACTION, cont.

March 3-4, 1983

Agreement with
the Operating
Engineers,
Local 547

2. Agreement with the Operating Engineers, Local 547

The membership of Local 547 has ratified a tentative agreement reached on January 18, 1983. This agreement covers a contract for a three-year period beginning December 16, 1982, through December 15, 1985. The terms of this agreement are as follows:

- a. Effective December 16, 1982, a 10¢ per hour across-the-board adjustment will be granted. This represents the roll-in of the previous cost-of-living allowance.
- b. Effective March 16, 1983, wages will be increased 5%.
- c. Wage and benefit reopeners are provided in the second and third years of the contract.
- d. Effective in the fall of 1983, a training program will be established under the guidance of a joint committee consisting of members of Local 547 and Physical Plant administrators.

It is recommended that the Board of Trustees approve this three-year contract.

RESOLVED that the above contract be approved.

Approved by a vote of 7 to 0 on motion by Trustee Martin, seconded by Trustee Lick.

Budget
Adjustments

3. Budget Adjustments

Deferral of the state appropriation payment scheduled for March, along with the continuing deferral of the January and February payments, will result in an additional loss of interest income of \$257,000 through March 31. It is recommended that the final installment to the 1982-83 Cash Management Plan be increased by the above amount and that these funds be withdrawn from operating accounts effective March 31, 1983.

RESOLVED that the 1982-83 Cash Management Plan be adjusted and implemented as recommended.

Approved by a vote of 7 to 0 on motion by Trustee Howe, seconded by Trustee Martin.

E. REPORTS TO THE BOARD

Board Committee
Reports

1. Board Committee Reports

Investment
Committee

a. Investment Committee

Associate Vice President Wilkinson reported that the Investment Committee heard from its investment consultants, Cambridge, Associates, Inc., on investment performance for the period ending December 31, 1982. The Committee also received a report from one of the investment managers, McCowan Associates, Inc.

The Committee considered an investment objectives document and recommends that the document be approved by the Board of Trustees (copy on file in the Secretary's Office).

Approved by a vote of 7 to 0 on motion by Trustee Fletcher, seconded by Trustee Reed.

Land and
Physical
Facilities
Committee

b. Land and Physical Facilities Committee

Trustee Lick reported that the Land and Physical Facilities Committee during this morning's meeting tabled for consideration, to this time, Trustee Reed's motion to reject an offer from Louis J. Eyde Limited Family Partnership, and George F. Eyde Limited Family Partnership, for the purchase of 11.9 acres owned by Michigan State University on the west side of Collins Road between Dunkel Road and Forest Road for \$350,000.

Trustee Reed moved to reject the offer, seconded by Trustee Fletcher. Approved by a vote of 4 to 3. Trustees Bruff, Howe and Martin voted No.

Trustee Bruff moved a substitute motion to reject the offer and to authorize the Administration to continue to negotiate a sale or lease on terms and conditions with the following framework:

1. \$400,000.
2. Motor Wheel as owner or tenant.
3. No construction prior to closing.
4. To the extent legally possible, condition use to the purpose stated by the purchaser.
5. First right of refusal on part of MSU if owner resells.

The negotiated purchase agreement shall be subject to the approval of the MSU Board of Trustees.

Seconded by Trustee Howe. Approved by a vote of 5 to 2. Trustees Reed and Fletcher voted No.

E. REPORTS TO THE BOARD, cont.

March 3-4, 1983

2. President's ReportPresident's
Reporta. Waiver of Sophomore Housing Regulation for 1983-84 School YearWaiver of
Sophomore
Housing
Regulation for
1983-84 School
Year

President Mackey said that during the morning meeting he had commented on a document written by Vice President Moses Turner and Associate Vice President Wilkinson recommending the waiver of the sophomore housing regulation for the 1983-84 school year.

President Mackey stated that the above matter is one that does not normally come to the Board for action, but in view of the unusual economic circumstances and the possible implications, he wanted the Board to be aware of this matter before the Administration took action. He then stated that since the Board did not object to this action we are announcing this administrative decision.

b. Tenure Policy

Tenure Policy

President Mackey reported to the Board on a meeting he had with the Tenure Committee and a procedure that the Tenure Committee, the Provost, and he had agreed to as a result of that meeting.

President Mackey said because of certain ambiguities under the Board Bylaws concerning matters of jurisdiction of various entities, a number of problems have occurred.

President Mackey stated that a set of issues will be framed and discussed within the appropriate bodies of the governance system and with the Administration and then brought before the Board with the understanding this will probably involve proposals for change in the language of the Tenure Policy.

c. Faculty Affairs CommitteeFaculty Affairs
Committee

President Mackey stated that the Faculty Affairs Committee in advising the Provost raised an issue which has been previously discussed with the Trustees. This issue is the question of the organizational structure of the three core disciplinary colleges in the University, Social Sciences, Natural Sciences, and Arts and Letters, and whether they should be combined into a single liberal arts college. President Mackey commented that Provost Winder will develop a proposal for review by the appropriate academic governance bodies. He wanted the Board to be aware that this was being discussed.

d. Philadelphia Stars Lawsuit SettlementPhiladelphia
Stars Lawsuit
Settlement

President Mackey responded to the resolution passed by the Board at its January 28 meeting on this matter. He stated that Legal Counsel Carr was able to conduct negotiations successfully with the Philadelphia Stars and the United States District Court for the Eastern District of Pennsylvania to remove the confidentiality order, and there has been a general public release of the agreement of settlement.

President Mackey stated that a report of his review of the Philadelphia Stars lawsuit settlement, and a memorandum from Legal Counsel Carr regarding the practice generally followed by a number of universities in and out of the state in handling lawsuit settlements had been forwarded to the Board (copy on file in the Secretary's Office).

Trustee Bruff offered the following motions that pertain to the subject matter of the motions offered at the January 28 Board meeting dealing with the Philadelphia Stars lawsuit settlement and President Mackey's report to the Board today regarding same.

Trustee Bruff moved that the MSU Board of Trustees accepts the report of the President regarding the Philadelphia Stars lawsuit and acknowledges the authority of the President to settle said lawsuit on the basis of the existing past practice of the University on resolving litigation. Seconded by Trustee Lick. Approved by a vote of 4 to 3. Trustee Fletcher, Howe and Reed voted No.

Trustee Bruff moved that the MSU Board of Trustees adopt a policy for MSU regarding confidentiality in litigation that conforms with provisions of the State and Federal Freedom of Information Acts. Seconded by Trustee Howe. Approved by a vote of 7 to 0.

Trustee Bruff moved that whenever possible, prior to resolution of litigation on matters of public concern involving MSU, the MSU Board of Trustees shall receive timely counsel and further, on a monthly basis the Board shall be advised of the resolution of all litigation involving MSU. Seconded by Trustee Howe. Approved by a vote of 6 to 1. Trustee Fletcher voted No.

continued - - -

2. President's Report, cont.d. Philadelphia Stars Lawsuit Settlement, cont.

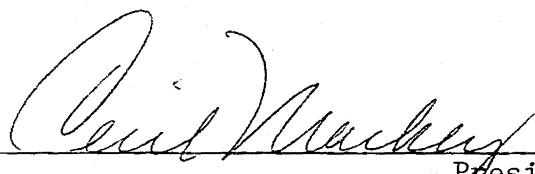
Trustee Fletcher requested that the record show that, in his opinion, approval of the above actions does not serve the best interest of the University and that the Board is engaging in a surrender of its policymaking responsibilities in what it has done in approving these items.

e. Personal Income Tax Increase

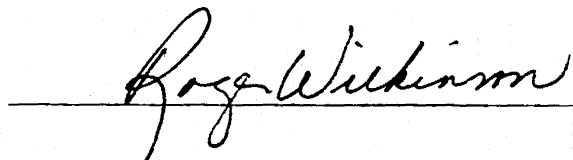
President Mackey reported on activities that have taken place consistent with the Resolution on Personal Income Tax Increase passed by the Board at its January 28 meeting. He said that meetings have been held on campus with students, faculty and staff, as well as with union leadership. He has submitted an article to The State News on the subject, and has sent letters to each faculty member urging them to consider the importance of this proposal. President Mackey said that the Governor's program looks toward the future of the State and the future of Michigan State University. He said the response has been gratifying.

President Mackey stated that he has participated in one of a series of press conferences held around the State regarding a personal income tax increase, and he is a member of the Committee to Save Michigan. This Committee has as its objective tax revision and a turnaround in the State's economy.

Adjourned at 3:02 p.m.



President



Secretary

Philadelphia
Stars Lawsuit
Settlement,
cont.

Personal
Income Tax
Increase