

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

December 6, 1991

The Trustee Policy Committee and the Trustee Finance Committee meetings were held in the Board Room of the Administration Building beginning at 8:30 a.m. on Friday, December 6, 1991. 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 10:45 a.m. in the Board Room of the Administration Building.

Trustees present were: Dolores M. Cook, Joel Ferguson, Dean Pridgeon, Thomas H. Reed, Melanie Reinhold, Barbara J. Sawyer, John D. Shingleton, and Robert E. Weiss.

University officers present included: President DiBiaggio, Provost Scott, Secretary Davis, General Counsel Kurz; Vice Presidents Guyer, Meyer, Pierre, Turner, and Wilkinson. Faculty Liaison representative present was: Grandstaff. Student Liaison representatives present were: Edelmann, Kemnitz, Tetens, and Tingson.

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

1. On a motion by Ms. Cook, supported by Ms. Reinhold, **THE BOARD VOTED to approve** the proposed agenda.
2. On a motion by Mr. Pridgeon, supported by Mr. Reed, **THE BOARD VOTED to approve** the Minutes of the October 11, 1991, Board meeting.
3. Trustee GPA Award recipients for Fall Term 1991 were congratulated for their exceptional academic performance. Awards were presented to Michele L. Meyers, Dawn L. Graham, and Jeffrey D. Strickler; Michael D. Fisher was unable to be present.
4. The following individuals addressed the Board of Trustees on the subjects listed:
 - A. Mr. Ben Emery, a student and member of Students for Quality Education, introduced a video tape presentation and commented regarding the class, Arts and Humanities 201 (IAH 201). He presented the Board with petitions that had been signed by students requesting University governance to reject proposals for required videotape courses.
 - B. Dr. W. Fred Graham, faculty member in the Department of Religious Studies, expressed his ongoing concern and support for the continuation of his department.
 - C. Professor Kenneth W. Harrow, faculty member in the Department of English and member of the Red Cedar Neighborhood Association, conveyed the association's unanimous opposition to the projected widening of Kalamazoo Street.
 - D. Mr. Philip Schloop, Business Manager, I.U.O.E. Local 547, AFL-CIO, commented on the role of the Anti-Discrimination Judicial Board (ADJB).
 - E. Mr. Kenneth G. McIntyre, an attorney substituting for his partner, Mr. Donald Reisig who represents Mr. George Perles, requested the Board to reject the proposed personnel action resolution regarding Mr. Perles.
 - F. Mr. Jerry Sutton, representative of State First Financial Inc., presented his viewpoints regarding the alternative retirement investment options being offered to MSU employees.
5. President DiBiaggio commented on the exceptional accomplishments of Dr. Henry G. Blosser and Mr. Kenneth Beachler as he recognized their presence in the audience. Dr. Blosser will receive the Tom W. Bonner Award, the top American award in nuclear physics, from the American Physical Society at its spring meeting in Washington, D. C. Mr. Beachler, Executive Director of the Wharton Center for Performing Arts, will be retiring in September 1992, after serving the University in various capacities since his graduation from the College of Communication Arts in 1963.

Trustee GPA Award
Recipients

Public
Participation

President's
comments regarding
Dr. Henry Blosser
& Mr. Kenneth
Beachler

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Request for
Executive Session

6. President DiBiaggio announced that Vice President Roger Wilkinson had requested a motion for the Board of Trustees to meet in Executive Session as authorized in Public Act 267 of 1976 to consider the purchase and lease of real property. On a motion by Mr. Reed, supported by Ms. Sawyer, **A ROLL CALL VOTE was conducted** by President DiBiaggio and passed unanimously.

President DiBiaggio announced the Board would reconvene at 1:00 p.m. following the Executive Session and lunch.

7. On a motion by Mr. Pridgeon, supported by Ms. Sawyer, **THE BOARD VOTED to reconvene.** The meeting was reconvened by President DiBiaggio at 1:00 p.m.

Trustees present were: Dolores M. Cook, Joel Ferguson, Dean Pridgeon, Thomas H. Reed, Melanie Reinhold, Barbara J. Sawyer, John D. Shingleton, and Robert E. Weiss.

University officers present included: President DiBiaggio, Provost Scott, Secretary Davis, General Counsel Kurz; Vice Presidents Guyer, Meyer, Pierre, Turner, and Wilkinson. Faculty Liaison representative present was: Grandstaff. Student Liaison representatives present were: Edelmann, Kemnitz, Tetens, and Tingson.

President's
Report

8. The report of the President included the following:
- A. President DiBiaggio expressed appreciation to Trustee Thomas Reed for his leadership as Chairperson of the Board. Mr. Reed has been an outstanding advocate for the University during his tenure and service as a Board member, especially when visiting Michigan State's international programs.
 - B. President DiBiaggio commented on the distinguished career of Dr. Walter Adams who would be addressing the students receiving undergraduate degrees at commencement on Saturday. Dr. Kenneth Corey, Dean of the College of Social Science, will be the speaker at the graduate ceremony.
 - C. Michigan State University is one of a few finalists being considered to host the 1992 Presidential debates. A site visit by the Executive Director of the Commission on Presidential Debates has taken place, and the final site locations are expected to be announced in the Spring.
 - D. Dr. Judith Lanier, Dean of the College of Education, is one of three recipients of the 1991 Harold W. McGraw Jr. Prize in Education award in recognition of her achievements in educational reform.

Personnel Actions

9. Personnel Actions

Approval of
appointments &
other personnel
actions

- A. A motion was introduced by Ms. Sawyer, supported by Mr. Pridgeon, to **APPROVE the appointments and other personnel actions** as listed on the agenda.

Approval to divide
the question

- B. On a motion by Mr. Ferguson, supported by Mr. Weiss, **THE BOARD VOTED to divide the question** so that all personnel actions up to and through the Executive Management position of Director of the Office of Intellectual Property could be voted upon separately from the remaining personnel items. The motion to divide **the question** passed unanimously.

Approval of appts.,
faculty promotions
and tenure
recommendations

- C. **THE BOARD VOTED** unanimously to approve the Appointments, Faculty Promotions and Tenure Recommendations, and the first item of Other Personnel Actions as follows:

Appointments

1) Appointments

- a. Graham-Tomasi, Theodore, AN-Associate Professor, Department of Agricultural Economics, \$58,000, with Tenure, effective October 1, 1991.
- b. Skeen, Anita C., AY-Associate Professor, Department of English, \$37,500, with Tenure, effective September 1, 1991.

2) Faculty Promotions and Tenure Recommendations

Most of the recommendations for faculty members whose current probationary appointments in the tenure system end on August 31, 1992, were made at the Board meeting on June 7, 1991. A tenure action was delayed last spring on recommendation of the college for the faculty members named below.

The following actions are recommended by the Departmental Chairpersons, the Deans, and the Provost in accordance with the tenure rules.

Faculty Promotions
and Tenure
Recommendations

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Personnel Actions
continued

The following promotions which include the award of tenure are recommended to be effective January 1, 1992.

Promotions with
Tenure

- a. Pecchenino, Rowena A., promotion to Associate Professor, Department of Economics, College of Business.
- b. LaPine, Peter R., promotion to Associate Professor, Department of Audiology and Speech Sciences, College of Communication Arts and Sciences.
- c. Lira, Carl T., promotion to Associate Professor, Department of Chemical Engineering, College of Engineering.
- d. Beers, Timothy C., promotion to Associate Professor, Department of Physics and Astronomy, College of Natural Science.

3) Other Personnel Actions

Other Personnel
Actions

- a. It is recommended that an Executive Management position, titled Director, Office of Intellectual Property, be established effective January 1, 1992.
- b. Further it is recommended that the appointment approval and all other personnel actions relating to this position be delegated to the President with the authority to redelegate in accordance with a plan for redelegation filed with the Board of Trustees.

Dr. Pierre commented on the anticipated responsibilities of the position as well as the benefits to the University.

- D. The personnel items related to Director of Intercollegiate Athletics and Head Football Coach George Perles were presented by Dr. Scott. The following discussion occurred:

Director of
Intercollegiate
Athletics and
Head Football
Coach

On January 23, 1990, the Board of Trustees resolved that in addition to his head football coaching duties, George J. Perles would assume with no additional salary, the responsibilities of the Athletic Director, effective July 1, 1990. This arrangement was subject to a one year review based on criteria to be developed by the administration in consultation with the Athletic Council and approved by the Board of Trustees.

On July 20, 1990 and June 7, 1991, the Board approved evaluation criteria for the Director of Intercollegiate Athletics and for review of the arrangement of the dual position of Director of Intercollegiate Athletics and Head Football Coach. The review was to begin July 1, 1991 by the Office of the Provost and thereafter transmitted to the President for consideration.

On November 21, 1991, Provost Scott recommended to the President a separation of the positions of Director of Intercollegiate Athletics and Head Football Coach and that Mr. George Perles relinquish his contract as Head Football Coach to be Director of Intercollegiate Athletics.

The President concurred with the recommendation and on November 27, 1991, Mr. Perles was formally offered the position of Athletic Director under specific terms and conditions which he rejected. The Provost then recommended to the President, and the President concurred, that Mr. Perles relinquish his duties as Athletic Director with the understanding that the University would honor the provisions of his written contract as Head Football Coach. (Correspondence and related materials are included with the Board Agenda in the Office of the Secretary of the Board of Trustees).

To remove any question regarding the President's authority to take final action regarding the recommendation of the Provost on this matter and so that there is no question regarding the relationship between the position of Director of Intercollegiate Athletics and Head Football Coach, and the current status of Mr. George Perles, the following resolution was presented:

- 1) The Board of Trustees reaffirm and ratify the President's decision to separate the position of Director of Intercollegiate Athletics from the position of Head Football Coach effective December 1, 1991;
- 2) The Board of Trustees reaffirm and ratify the President's decision that Mr. George Perles continue as the Head Football Coach of Michigan State University pursuant to his written contract as Head Football Coach, the terms of which are currently in force, given that Mr. Perles rejected the offer of an appointment as Director of Intercollegiate Athletics under specified terms and conditions; and

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Director of Inter-
collegiate Athletics
& Head Football
Coach continued

- 3) The Board of Trustees approve the appointment of Mr. George Perles as Director of Intercollegiate Athletics on an interim basis, effective December 1, 1991, until such time as a new Director of Intercollegiate Athletics is appointed.

On a motion by Mr. Pridgeon, supported by Ms. Sawyer, **THE BOARD VOTED 6 to 2 to approve** the personnel actions related to Director of Intercollegiate Athletics and Head Football Coach Perles. Mr. Ferguson and Mr. Weiss voted in opposition of the action.

Motion to delegate
authority to
President

- E. A motion was made by Mr. Pridgeon and supported by Ms. Cook to delegate to the President authority for the appointments and other personnel actions of the Director of Intercollegiate Athletics and three Head Men's Coaches as set forth below.

Delegation: On October 24, 1981, the Board of Trustees voted to continue to approve, without delegation, appointments for the following positions and delegated to the President authority for other personnel actions, including salary increases, leaves, resignations and terminations for these positions:

Director of Intercollegiate Athletics
Head Men's Basketball Coach
Head Football Coach
Head Hockey Coach

Redelegation: It is now recommended that the Board of Trustees delegate to the President the authority for these appointments and other personnel actions, including contract terms, salary increases, leaves, resignations and terminations.

Amend previous
motion to separate
positions

- F. On a motion by Ms. Cook, supported by Mr. Reed, **THE BOARD VOTED to amend** the previous motion to separate the position of Director of Intercollegiate Athletics from the Head Coaches positions. The vote was 4 to 4 (Trustees Cook, Pridgeon, Reed, and Sawyer, affirmative; Trustees Ferguson, Reinhold, Shingleton, and Weiss in opposition) so the question returned to the original motion to vote on the four positions.

Vote on original
motion to delegate
authority to
President

- G. **THE BOARD VOTED** again 4 to 4 (Trustees Cook, Pridgeon, Reed, and Sawyer, affirmative; Trustees Ferguson, Reinhold, Shingleton, and Weiss in opposition) on the original motion to delegate to the President as stated above.

During the discussion and in response to Ms. Sawyer's suggestion, Chairperson Reed indicated he would appoint a committee to review the delegation document.

Gift, Grant and
Contract Report

10. On a motion by Mr. Reed, supported by Ms. Sawyer, **THE BOARD VOTED to approve** the Gift, Grant and Contract Report for the period September 14, 1991, through November 8, 1991, with a total value of \$26,547,876.79. The report is included with the Board Agenda in the Office of the Secretary of the Board of Trustees.

Trustee Policy
Committee

11. The reports and recommendations of the Trustee Policy Committee were presented by Mr. Ferguson, the Committee Chairperson.

Approval of
revision of Course
Fee Courtesy Policy

- A. On a motion by Mr. Ferguson, supported by Ms. Sawyer, **THE BOARD VOTED to approve** the revision of the University Course Fee Courtesy policy. The revisions are technical changes in the policy to accommodate the University's transition to the Semester Calendar. The revised policy is included with the Board Agenda in the Office of the Secretary of the Board of Trustees.

Approval of amend-
ments to Bylaws for
Academic Governance

- B. On a motion by Mr. Ferguson, supported by Mr. Weiss, **THE BOARD VOTED to approve** the amendments to the University Bylaws for Academic Governance. The revisions in the Bylaws, recommended by the University Committee on Academic Governance, are to clarify the role and functions of the Office of the Secretary for Academic Governance. A copy of the amendments is included with the Board Agenda in the Office of the Secretary of the Board of Trustees.

Approval of revisions
of Retirement Policy
for Faculty and
Academic Staff
regarding age
requirements

- C. On a motion by Mr. Ferguson, supported by Mr. Shingleton, **THE BOARD VOTED to approve** the revision of the Retirement Policy for Michigan State University Faculty and Academic Staff to discontinue the requirement that individuals must relinquish administrative responsibilities upon the attainment of age 65 and discontinuation of the terminal leave program. The revised policy is included with the Board Agenda in the Office of the Secretary of the Board of Trustees.

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Trustee Policy
Committee cont.Approval of
delegation to Pres.
to negotiate with
Electronic Tracking
SystemsReport on Knight
Commission
Principles and
SpARCTrustee Finance
CommitteeAddition to
Public Safety Bldg.Establish Wade
Brinker Chair in
Veterinary Medicine
as Endowment FundApproval of
investment actionsApproval of
revision of
Investment PolicyApproval to include
Fidelity and
Vanguard in
Retirement PlanAdoption of
Tuition & fee
refund policy,
deferred payment
schedule and
interest charges

- D. On a motion by Mr. Ferguson, supported by Mr. Reed, **THE BOARD VOTED to approve** that the Board of Trustees delegate to the President the authority to approve or disapprove an agreement to be negotiated between the University and Electronic Tracking Systems.
- E. At the morning Committee meeting, the relationship between the Knight Commission Principles and the Spartan Athletic Review Committee (SpARC) recommendations was reported on by President DiBiaggio, Provost Scott, Associate Provost Simon, Professor Michael Schechter, Chairperson of the SpARC, and Dr. Michael Kasavana, Big Ten Representative.
12. Ms. Sawyer, Chairperson, presented the reports and recommendations of the Trustee Finance Committee.
- A. On a motion by Ms. Sawyer, supported by Mr. Pridgeon, **THE BOARD VOTED to approve** a contract in the amount of \$1,013,000 be awarded to Moore Trospen Construction Company of Lansing, Michigan, and that a budget in the amount of \$1,255,000 be established for the project entitled Public Safety Building - Addition.
- B. On a motion by Ms. Sawyer, supported by Mr. Reed, **THE BOARD VOTED to approve** the establishment of the Wade Brinker Chair in Veterinary Medicine as a fund functioning as an endowment.
- C. On a motion by Ms. Sawyer, supported by Mr. Pridgeon, **THE BOARD VOTED to approve** the following investment actions:
- 1) Appointment of Steinberg Asset Management Company as a small/medium capitalization value oriented equity manager, with an initial allocation of \$5 million of assets currently managed by W. P. Stewart & Co., effective January 1, 1992.
 - 2) Appointment of The Common Fund as a foreign equity manager with an initial allocation of \$5 million to their South Africa Free International Equity Fund, of which \$3 million is to be drawn from funds currently invested with The Common Fund's Intermediate Cash Fund, with the balance to be provided by future cash additions to the Common Investment Fund. This transaction is to be effective December 1, 1991. Funding is expected to be completed in approximately six months.
 - 3) Investment of \$2 million with TCW's Special Credits Fund III as a follow-on investment to the University's previous investment in the TCW Special Credits Fund II. Funds for this investment are currently available in the internally invested cash of the Common Investment Fund. This transaction is effective November 1, 1991.
- D. On a motion by Ms. Sawyer, supported by Mr. Pridgeon, **THE BOARD VOTED to approve** the revision of Investment Policy (01-07-01) to update the procedures for Endowment Spending and that the Statement of Investment Objectives be revised to reflect current investment philosophy and the restructuring of the investment portfolio as recommended at the December 6, 1991, Board meeting. The revised Investment Policy and the Statement of Investment Objectives are included with the Board Agenda in the Office of the Secretary of the Board of Trustees.
- E. On a motion by Ms. Sawyer, supported by Mr. Reed, **THE BOARD VOTED to approve** as of July 1, 1992, the inclusion of Fidelity Investments and The Vanguard Group in the University's Base Retirement Plan for the investment and transfer of funds by individuals classified as faculty, academic staff, Executive Management, off-campus and nonunion, AP Confidentials, Assistant Resident Advisors, and Student Life Directors. This action terminates a pilot project which was available to executive managers only. The Supporting Summary and the Selection Criteria for Alternate Vendors is included with the Board Agenda in the Office of the Secretary of the Board of Trustees.
- F. On a motion by Ms. Sawyer, supported by Mr. Pridgeon, **THE BOARD VOTED to approve** the adoption of the tuition and fee refund policy; deferred payment schedule; and associated interest charges for implementation beginning Fall term 1992.

The administration will continue discussions with student groups on issues raised by students, and will provide a report on these concerns at the February meeting of the Board.

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Accept gift of land
from Ernest J. and
Mable M. Rogers

G. On a motion by Ms. Sawyer, supported by Mr. Reed, **THE BOARD VOTED to accept** a gift from Ernest J. Rogers and Mable M. Rogers of approximately 115.85 acres of land in Liberty Township, Jackson County, Michigan, for the purpose of conducting chestnut tree blight research and other scientific research and education programs within the Department of Botany and Plant Pathology and other related departments and programs of Michigan State University.

Approve sale of
1.26 acres of
Tollgate

H. On a motion by Ms. Sawyer, supported by Mr. Pridgeon, **THE BOARD VOTED to approve** the sale of 1.26 acres of the Tollgate 4-H Education Center, Oakland County, to the city of Novi for \$65,000.

MSU Press

I. On a motion by Ms. Sawyer, supported by Mr. Reed, **THE BOARD VOTED to approve** the elimination of the nonprofit MSU Press Corporation and the approval of the Assumption of Liability Resolution and the repositioning of the MSU Press's scholarly publishing arm as an auxiliary operation reporting directly to the Office of the Provost.

Approve appointment
of Ernst & Young as
auditors

J. On a motion by Ms. Sawyer, supported by Mr. Pridgeon, **THE BOARD VOTED to approve** the appointment of Ernst & Young as auditors for the 1991-92 fiscal year at a fee of \$117,000 plus \$33,000 for new Federally mandated A-133 audit requirements.

Report regarding
costs for Forest
Akers West Golf
Course

K. Ms. Sawyer reported that the Committee received a memorandum from Vice President Roger Wilkinson regarding additional costs incurred by the improvements to the Forest Akers West Golf Course.

Chairperson's
Report

13. The report of the Chairperson and Trustees included the following:

A. Chairperson Reed commented on his experiences as a Trustee and expressed gratitude for the opportunity to serve the University during the past 11 years.

B. On a motion by Mr. Weiss, supported by Ms. Reinhold, **THE BOARD VOTED to approve** the following resolution to Mr. Reed which was signed by all seven Trustees in attendance.

Resolution to
Trustee & Chair-
person Thomas H.
Reed

Board of Trustees Resolution of Appreciation to
Thomas H. Reed for his Service to Michigan State University

The Board of Trustees of Michigan State University today extends its appreciation and best wishes to Trustee Thomas Reed.

As a member of the Board of Trustees since 1981, its Vice Chairperson from 1985 to 1989, and its Chairperson in 1991, Thomas Reed has served his alma mater with dedication and distinction.

Trustee Reed's devotion to the ideals, traditions and mission of Michigan State University began long before his tenure as a Trustee. As a child on the family's centennial farm in Clarklake, as an Animal Husbandry major at MSU, as a Cooperative Extension Service Agricultural Agent in Gratiot and Jackson counties, as a leader in Michigan's agricultural industry and currently General Manager of the Michigan Livestock Exchange, Trustee Reed has exhibited a lifelong devotion to the development of Michigan's agriculture industry.

Trustee Reed came to the MSU Board of Trustees with a strong background in agriculture and quickly grew to understand and appreciate the vast array of faculty, staff, students and programs which comprise Michigan State University.

During his tenure as Trustee, Michigan State University has experienced continued growth, with construction of the Clifton and Dolores Wharton Center for Performing Arts, the K500 and K1200 Superconducting Cyclotrons, the Plant and Soil Sciences Building, the Jack Breslin Student Events Center, and expansion and renovation of the Engineering Building and Veterinary Clinical Center.

At the same time, the University has faced financial challenges and prepared to educate the leaders of the next century through comprehensive evaluation of its curriculum, revitalization of its outreach and public service efforts, and renewal of its commitment to foster the diversity of its people.


For his insight, conscientious service and leadership during a dynamic decade of the University's history, for his support, advice and counsel, the Board of Trustees, on behalf of Michigan State University and the citizens of Michigan, extend to Thomas H. Reed our sincere gratitude and best wishes for the future.

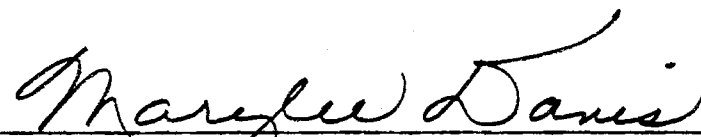
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- C. Trustee Sawyer complimented Mr. Reed on his representation of Michigan State University in the community and abroad.
- D. Trustee Weiss commented on the contributions of Earvin "Magic" Johnson to the University and stated he believes it is appropriate to pursue the suggestion conveyed in a letter from Mr. Bruce McCristal that either research on the HIV virus be conducted at the University or that a foundation be established to seek a cure for this deadly disease. Mr. Weiss agrees that the University needs to express its support. Trustee Sawyer indicated support for the proposal. The Development Program will pursue these possibilities and report back to the Board.

Trustees Comments

14. The meeting was adjourned at 2:45 p.m.


John DiBiaggio
President


Marylee Davis Ph.D.
Secretary