

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

February 9, 1996

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, February 9, 1996. 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 9:55 a.m. in the Board Room.

Trustees present: Dolores M. Cook, Dorothy Gonzales, Russell G. Mawby, Colleen McNamara, Donald W. Nugent, John D. Shingleton, and Robert E. Weiss.

Trustee absent: Bob Traxler.

University officers present: President McPherson, Provost Simon, Secretary Pogel, General Counsel and Vice President Noto, Vice Presidents Denbow, Greenleaf, Webb, Webster, and Wilkinson, Acting Vice President June, and Executive Director Williams. Faculty Liaison representatives present: Carla Carleton, Charles Nelson, and guest, Bonita Pope Curry. Student Liaison representatives present: Bernadette Donohue, Sha-Ron Hampton, and Matthew Nelson.

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

1. On a motion by Dr. Mawby, supported by Mr. Weiss, **THE BOARD VOTED to approve** the proposed amended agenda. The agenda was amended to include the appointment of Detroit College of Law Board Members (item number 8).

Agenda amended

2. On a motion by Mr. Weiss, supported by Ms. Cook, **THE BOARD VOTED to approve** the minutes of the Board meeting of December 8, 1995.

3. President's Report

President's  
Report

- A. President McPherson commented on the rapid progress of the law school/library building and the favorable financial conditions. The approved building bid was \$28.4 million, a savings of almost \$4 million from the originally projected cost of \$32.2 million. In addition, interest rates have gone down making this a more favorable time to issue the bonds. Moody's rating going from A1 to Aa is also a very positive reflection of the overall financial soundness of the University.
- B. Dr. Mawby was congratulated for the new educational complex at Kettunen Center being named The Russell G. and Ruth E. Mawby Learning Center. The naming is in recognition of Dr. Mawby's long-time leadership in 4H programs and for his and Mrs. Mawby's interest and service to Michigan's children, families, and communities.
- C. Provost Simon introduced Dayne Walling, Michigan State's 15th Rhodes Scholar. He is the fifth individual of the 15 who has been a student in James Madison College. Dr. Simon described Dayne Walling as an individual who is concerned about all aspects of learning and excels across a broad range of areas. Combining those skills and competencies, he represents what a bright, young person can accomplish by taking advantage of resources and opportunities at a great University. A video presentation included comments by his faculty mentors who were present at the meeting: Drs. Katherine See and Ronald Dorr of James Madison College, and Dr. Donald Lammers, Director of the Honors College. Also present were mentor, Dr. William Cooper, Professor of Zoology; suitemate and former Board of Trustees student liaison, Jamal Ware; and his parents, Paul and Reba Kay Walling of Flint, Michigan.

Trustee Weiss noted that Dayne Walling's accomplishments bring significant recognition to Michigan State as well as to Flint Central High School and the Flint community.

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Guiding Principles  
Report

## 4. Guiding Principles Report

Vice President Greenleaf reported on Off-Campus Instruction--Distance Learning--which was developed in conjunction with the Guiding Principle of Improving Access. Specific areas of emphasis have been to overcome geographical barriers of access to the University and to improve opportunities for part-time and other non-traditional students.

In the fall of 1994, the President and Provost asked Dr. James Votruba, Dr. Paul Hunt, Vice President Greenleaf and several others to start planning for off-campus graduate/professional instruction to be doubled in two years. At the current three-fourths point of the two-year period, programs have increased in number from 12 to 18 and from 25 to 47 sites. Programs represent a combination of professors traveling to teach at sites and the use of interactive video and satellite technology. Based on the progress at this point and the cooperative efforts of Deans, technicians, and outreach personnel, Vice President Greenleaf expects the goal to be accomplished.

Dr. Votruba attributed the quick progress to the understanding that this is an important priority for the University. Although the focus has been primarily on graduate education, the possibility of undergraduate programs is being explored. Dr. Votruba said the next challenge will be the "just in time" market, the fastest growing market in post-secondary education. It is not degree-oriented, but based on what people need to know, know quickly, and have access to in a form, place, and time that is convenient to them.

5. There were no requests to address the Board of Trustees on issues germane to the agenda.

## Personnel Actions

## 6. Personnel Actions

Chairperson Weiss presented the following personnel actions:

Other Personnel  
Actions

## A. Other Personnel Actions

Appointment of  
Assistant Provost  
for Academic  
Student Services  
and Multicultural  
Issues

- 1) It is recommended that the Executive Management position titled Assistant Provost for Student Academic Support Services and Racial, Ethnic, and Multicultural Issues be retitled to Assistant Provost for Academic Student Services and Multicultural Issues, effective February 9, 1996.

June, Lee N., AN-Acting Vice President for Student Affairs and Services; Assistant Provost for Student Academic Support Services and Racial, Ethnic, and Multicultural Issues; Professor, Department of Counseling, Educational Psychology and Special Education, to change titles to Vice President for Student Affairs and Services, and Assistant Provost for Academic Student Services and Multicultural Issues, and for a change in salary rate from \$108,100 to \$115,000, effective February 9, 1996.

Extension of  
Contract - Head  
Football Coach

- 2) Extension of Contract

Saban, Nick L., AN-Head Football Coach, Department of Intercollegiate Athletics, effective January 1, 2000 to December 31, 2000.

On a motion by Mr. Weiss, supported by Dr. Mawby, **THE BOARD VOTED to approve** the Other Personnel Actions and Extension of Contract.

Information  
Reports of  
Academic Personnel  
Actions

- B. Information Reports of Academic Personnel Actions of December 29, 1995 and January 26, 1996 were distributed with the Board Agenda and have been included with the agenda materials in the Office of the Secretary of the Board of Trustees.

President McPherson said that Dr. June has a deep interest in students as individuals; he is interested in retention and in the quality of the undergraduate experience. Additional attributes of Dr. June qualify him for the combined functions of the position and its close link with the Provost's Office.

Trustee Shingleton and Student Liaisons Hampton and Nelson spoke in support of Dr. June's appointment. As Chair of the Academic Assembly, Matt Nelson reported that Bill 440 was unanimously passed. It strongly endorses the appointment of Dr. June. Secretary Pogel complimented the search committee, chaired by Ms. Denise Anderton.

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Dr. June thanked the President for his confidence, the Board of Trustees for its approval of his appointment, and other individuals who spoke of their confidence in him. He said he looked forward to working collaboratively with various groups.

Personnel Actions  
continued

7. The Gift, Grant and Contract Report for the period of November 11, 1995 through January 12, 1996 was presented by Dr. Gast. The report is a compilation of 251 Gifts, Grants and Contracts, 46 Consignment/Non-Cash Gifts, and 1 Consignment/Non-Cash Loan, with a total value of \$25,345,241. The report is included with the Board Agenda in the Office of the Secretary of the Board of Trustees.

Gift, Grant and  
Contract Report

On a motion by Mr. Weiss, supported by Mr. Shingleton, **THE BOARD VOTED to approve** the Gift, Grant and Contract Report.

Dr. Gast commented that the recent shut-down of federal government offices in Washington had not had a serious impact on sponsored program support to the University. The annual report on Contracts and Grants will be presented to the Board of Trustees at the March meeting.

8. Detroit College of Law Board Members

Detroit College  
of Law Board  
Members

The Detroit College of Law Bylaws provide that Michigan State University will have representation of one-third of the DCL Board membership. President McPherson will serve as the Ex Officio Trustee, with vote. Trustee Nugent presented the following nominations:

Dolores M. Cook    Three-year term  
Bob Traxler        Two-year term  
Robert E. Weiss    One-year term

On a motion by Mr. Nugent, supported by Ms. McNamara, **THE BOARD VOTED to approve** the appointment of Trustees Cook, Traxler, and Weiss as Michigan State University representatives on the Detroit College of Law Board.

9. The Trustee Finance Committee report and recommendations were presented by Committee Vice Chairperson Nugent. The agenda was amended at the committee meeting to include item D, appointment of new international equity managers and investment of equity funds.

Trustee Finance  
Committee

A. Bids and Contract Awards were recommended as follows:

Bids and Contract  
Awards

- 1) a contract in the amount of \$606,872 be awarded to Superior Electric of Lansing, Inc., from Lansing, Michigan, and that a budget in the amount of \$776,000 be established for the project entitled: Butterfield Hall - Rewire Electrical System.
- 2) a contract in the amount of \$282,891 be awarded to G. P. Graham Construction Corp., of Saginaw, Michigan, and that a budget in the amount of \$430,000 be established for the project entitled: Conrad Hall - Alterations to Lobby Area and Rooms 101 and 102.
- 3) a contract in the amount of \$187,219 be awarded to Jake's Electric Co., Inc., of Lansing, Michigan, and that a budget in the amount of \$253,000 be established for the project entitled: Giltner Hall - Install Emergency Generator.
- 4) a contract in the amount of \$240,000 be awarded to Kares Construction Co., Inc., of Lansing, Michigan, and that a budget in the amount of \$290,000 be established for the project entitled: Wilson Hall - Central Air Conditioning in East Terrace, Labs A & B, and Offices G50 through G70.
- 5) a contract in the amount of \$392,500 be awarded to Era Companies, Inc., of Flint, Michigan, and that a budget in the amount of \$686,452 be established for the project entitled: Revitalization of Michigan Animal Agriculture - Beef Cattle Research Center Renovations.
- 6) a contract in the amount of \$334,000 be awarded to Moore Trosper Construction Company, of Holt, Michigan, and that a budget in the amount of \$422,340 be established for the project entitled: Revitalization of Michigan Animal Agriculture - Dairy Cattle New Intensive Metabolism Research Facility.

Butterfield Hall  
Electrical System

Conrad Hall  
Alterations

Giltner Hall  
Emergency  
Generator

Wilson Hall  
Central Air  
Conditioning

Revitalization of  
MI Animal Agri-  
culture RMAA -  
Beef Cattle  
Research Center  
Renovations

RMAA - Dairy  
Cattle New  
Research Facility

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Trustee Finance  
Committee cont.  
RMAA - New Poultry  
Building

RMAA - Swine  
Teaching and  
Research Center

Detroit College of  
Law/MSU Business  
Library Building

Funds Functioning  
as Endowments

African Studies  
Center

Center for  
European and  
Russian Studies

Museum - Michigan  
Quilt Project

Women and  
International  
Development Program

Transfer of  
property, Oakland  
County

Appoint new  
International  
Equity Managers

Building Financing  
- Detroit College  
of Law/MSU Business  
Library Building

Remarks - Dr. Cecil  
Mackey regarding  
partnership with  
Detroit College of  
Law

- 7) a contract in the amount of \$476,400 be awarded to Kares Construction Company, Inc., of Lansing, Michigan, and that a budget in the amount of \$557,286 be established for the project entitled: Revitalization of Michigan Animal Agriculture - New Poultry Building.
- 8) a contract in the amount of \$3,088,000 be awarded to Excell Construction, Inc., of Pontiac, Michigan, and that a budget in the amount of \$3,580,922 be established for the project entitled: Revitalization of Michigan Animal Agriculture - Swine Teaching and Research Center.
- 9) a contract in the amount of \$20,084,000 be awarded to Spence Brothers, of Saginaw, Michigan, for Package II - Building Work and that a budget in the amount of \$28,439,000 be established for the project entitled: Detroit College of Law/MSU Business Library Building.

B. Funds Functioning as Endowments

- 1) It was recommended to establish a fund functioning as an endowment in the African Studies Center.
- 2) It was recommended to establish a fund functioning as an endowment in the Center for European and Russian Studies.
- 3) It was recommended to establish a fund functioning as an endowment in the Museum to be used for the Michigan Quilt Project.
- 4) It was recommended to establish a fund functioning as an endowment in the Women and International Development Program.

C. It was recommended to approve the transfer of lots 49 and 50 in Stoney Creek Subdivision, Oakland County, to the city of Rochester Hills.

D. It was recommended that the Finance Committee be authorized to appoint one or more new international equity managers and to reallocate to the new manager(s) the University's entire investment with the Common Fund International Equity Fund and the Common Fund Emerging Markets Fund, together with \$2.0 million of funds currently invested with W. P. Stewart, and \$0.5 million each from the University's other three domestic equity managers. The Committee's final decision will be reported to a future meeting of the Board.

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

E. It was recommended to approve the Bond Authorizing Resolution, the Trust Agreement, the Preliminary Official Statement, and the Bond Purchase Agreement for financing of the Detroit College of Law/MSU Business Library Building.

On a motion by Mr. Nugent, supported by Dr. Mawby, **THE BOARD VOTED to approve** the recommendation.

Earlier in the meeting, President McPherson introduced and welcomed Interim Dean David Favre of the Detroit College of Law who was visiting the Board meeting.

Dr. Cecil Mackey presented the following remarks to Board Members about the partnership with the Detroit College of Law.

"About one and one-half years ago, you embarked on a unique venture in American higher education. It was a very ambitious schedule as well as a unique adventure putting together a private law school with a public university. There was no model to follow and the timing that would make it work well required a very ambitious schedule. Today at the watershed event the bids that you will accept, the bonds that will ultimately finance the building, represent unusual good fortune."

Dr. Mackey said the results represent hard work by many people: Roger Wilkinson and Lou Anna Simon for the leadership given to their staffs; Steve Terry and Nancy Craig for the financial aspects; Paul Hunt for technology; Lee June for student issues; Bill Latta for facilities

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planning; University Architect Norm Schleif for maintaining the schedule; Carole Armstrong for working with DCL and Business librarians; Bob Noto and Sally Harwood of the General Counsel's office; and former Provost Lee Winder who volunteered his services. From DCL, he commented on the importance of Acting Dean David Favre; former Associate Dean John Sovie, and Brenda Quick, current Associate Dean; and Andrea Heatley, Director of Admissions, who has been located in the new Business complex since September.

Dr. Mackey concluded his comments to the Board by saying "I want to thank you and tell you that you and the DCL Board should be proud of what is coming into existence. It is a well-planned project, carried out with excellent staff support. It has been my privilege to help in coordinating it and what is going to come of this is going to be extremely good for the State of Michigan, for this University, for the Bar, and for higher education in general. And I think you should be pleased and proud with what is manifest by the actions here today."

President McPherson thanked Dr. Mackey for his time, effort, and leadership in moving this important venture forward.

Trustee Shingleton expressed appreciation to Dr. Mackey for his contributions. He noted the University was very fortunate to have a person with Dr. Mackey's credentials, law experience, presidential experience, and relationships with the college of law.

- F. At the committee meeting, Mr. Wilkinson recognized Robert Dowding of Contract and Grant Administration as the construction auditor who has been responsible for the contract bids that appear on the Board agenda. After 25 years of service and in this position since 1976, Bob Dowding will be retiring from Michigan State to join Granger Construction Company of Lansing.
- 10. Committee Chairperson McNamara presented the recommendations of the Trustee Policy Committee as follows. The Committee agenda was amended to delete items (4 and 5) pertaining to the **MSU Ordinances**.
  - A. It was recommended to approve the merger of the Department of General Business and Business Law and the Department of Finance and Insurance to the Department of Finance effective July 1, 1996.

On a motion by Ms. McNamara, supported by Mr. Shingleton, **THE BOARD VOTED to approve** the recommendation.
- 11. President McPherson announced there were no requests for public comments on other issues.
- 12. Chairperson's Report and Trustees' Comments
  - A. Chairperson Weiss thanked Board members for appointing him to serve on the Detroit College of Law Board. He recognized President McPherson as a leader in the realization of a law school at Michigan State, and Dr. Mackey and those people identified by him for their participation and efforts. He noted that this will be a unique law school that will have a special emphasis related to its association with MSU's land-grant mission.
  - B. Dr. Mawby noted that any organization is a consequence of the people who comprise it, and each time he visits campus he is impressed by the students, faculty, administrators, and staff. He said he was grateful for the privilege of being a part of such a dynamic enterprise.

Dr. Mawby said he looked forward to continuation of the great MSU tradition of ANR Week to be held the first week of March. He noted that agriculture remains the second largest composite industry in the State of Michigan.

  - C. Ms. Cook expressed appreciation to the Trustees for their vote of confidence in her ability to represent them on the DCL Board; she said she looked forward to the opportunity of serving. Trustee Cook also complimented the President for his vision and for putting challenges before the Board.

Trustee Finance Committee cont.

Dr. Mackey's remarks regarding Detroit College of Law continued

Recognition of Robert Dowding

Trustee Policy Committee

Merger of Depts. General Business &amp; Business Law and Finance &amp; Insurance to Department of Finance

Public Participation on Other Issues - None

Chairperson's Report and Trustees' Comments

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Trustees' Comments  
continued

- D. Mr. Shingleton recognized President McPherson's tenacity in establishing a law school and complimented his leadership.

President McPherson identified the relationship with DCL as partial ownership, reflective of a modern world where you develop associations and work together.

- E. Ms. Gonzales spoke of the accomplishments of the last several months.

She also commented on the death of Dr. Julian Samora, a great man and tireless advocate for people. Dr. Samora had been a Professor of Sociology at Michigan State and Notre Dame. He was known for his focus on studies of Mexican Americans and Hispanics and the Julian Samora Research Institute at Michigan State is named for him. A memorial service will be held in April at the Institute on campus.

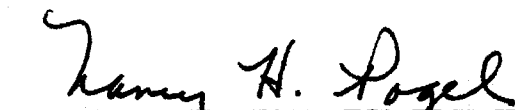
- F. Trustee Nugent reflected on several recent events: the Detroit College of Law, awarding of bids for completion of the animal agriculture initiative, and the science building. He thanked President McPherson, Vice President Webster and others who were involved with the appropriations, and the Governor for his support of Michigan State.

President McPherson followed up on Mr. Nugent's comments by talking about the emphasis on undergraduate issues during the past year, such as the new proposal to increase Overseas Study, technology to improve learning, the faculty's demonstrable contributions to undergraduate education, and the important undergraduate aspects of the proposed science building.

Executive Session  
not requested

13. An Executive Session was not requested.
14. The meeting adjourned at 11:15 a.m. Executive officers and Liaison members were invited to join the Trustees for lunch in 443 A-B Administration Building.

  
Peter McPherson, President

  
Nancy H. Pogel, Secretary