

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

October 7, 1994

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, October 7, 1994. 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 10:42 a.m. in the Board Room.

Trustees present: Dolores M. Cook, Joel Ferguson, Dorothy Gonzales, Russell G. Mawby, Barbara J. Sawyer-Koch, John D. Shingleton, Bob Traxler, and Robert E. Weiss.

University officers present: President McPherson, Provost Simon, Secretary Hesse, Acting General Counsel Kiley, Vice Presidents Denbow, Pierre, and Wilkinson, and Interim Vice President Mortimore. Faculty Liaison representatives present: Etta Abrahams, Charles Nelson, Susan Selke, and Dozier Thornton. Student Liaison representatives present: Jim Sterns, Laurin Stine, Brad Thaler, and Jamal Ware.

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

Amend agenda

1. On a motion by Mr. Shingleton, supported by Ms. Cook, **THE BOARD VOTED to amend** the proposed agenda to include a personnel action item.
2. On a motion by Ms. Cook, supported by Ms. Sawyer-Koch, **THE BOARD VOTED to approve** the minutes of the Board meeting of July 29, 1994.

President's
Report

3. The President's report included the following:
 - A. At President McPherson's request, Provost Simon commented on the importance of a \$1.27 million grant from the Department of Defense for the project entitled "In Defense of the Environment." Dr. P. K. Wong, Associate Dean of the College of Natural Science, spoke of the partnership between Michigan State, community colleges, and governmental agencies which will provide unique opportunities for minority and economically disadvantaged students. The team of Michigan State faculty is led by Dr. William Cooper, Zoology, and includes Drs. Lawrence Fischer, Institute for Environmental Toxicology; David Long, Geological Sciences; James Tiedje, Center for Microbial Ecology; and Thomas Voice, Civil and Environmental Engineering.
 - B. President McPherson introduced Board of Trustees candidates: Joel Ferguson, incumbent; Don Nugent, General Manager of Graceland Fruit Cooperative Inc. in Frankfort; and Senator Paul Wartner of Portage. Colleen McNamara, Executive Director of Michigan Cable Television Association, was unable to be present.
 - C. Faculty and Student Liaisons were welcomed: Etta Abrahams represents the University Committee on Faculty Tenure; Charles Nelson, Non-Tenured Faculty; Susan Selke, University Committee on Faculty Affairs; and Dozier Thornton, Tenured, Non-College Faculty. Professor Maureen McDonough, Chairperson of the Steering Committee of Academic Council, was not present. Student Liaison members are Jim Sterns, Council of Graduate Students; Laurin Stine, Member at Large; Brad Thaler, Student Assembly of ASMSU; and Jamal Ware, Academic Assembly of ASMSU.
 - D. President McPherson welcomed Dottie Mortimore who began serving as Interim Vice President for University Development and President of the MSU Foundation on October 1, 1994.
 - E. Moses Turner was recognized for serving as Vice President for Student Affairs and Services during the past 15 years. President McPherson thanked him for implementing policies and procedures which are now integral to the Student Affairs area. Dr. Turner will continue as a Professor of Educational Administration in the College of Education.

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4. There were no requests for public participation on issues germane to the agenda.

Public Participation

5. Personnel Actions were presented by Provost Simon:

Personnel Actions

A. Appointments

Appointments

- 1) Neumark, David, AY-Professor, Department of Economics, \$70,000, with Tenure, effective August 16, 1994.
- 2) Pearson, P. David, AN-John A. Hannah Distinguished Professor, Dean's Office, College of Education; Departments of Teacher Education and Counseling, Educational Psychology and Special Education, \$130,000, with Tenure, effective July 1, 1995.
- 3) Newhouse, Sheldon E., AY-Professor, Department of Mathematics, \$97,000, with Tenure, effective August 16, 1994.
- 4) Holmes-Rovner, Margaret M., AN-Professor, Department of Medicine, \$62,500, with Tenure, effective October 1, 1994.
- 5) Harkema, Jack R., AN-Professor, Department of Pathology, \$90,000, with Tenure, effective August 16, 1994.

B. Other Personnel Actions

Other Personnel Actions

- 1) Austin, Sam M., AN-University Distinguished Professor, Department of Physics and Astronomy; National Superconducting Cyclotron Laboratory, to add title of Acting Dean, College of Natural Science, effective September 28, 1994 to December 4, 1994.

On a motion by Mr. Weiss, supported by Ms. Cook, **THE BOARD VOTED to approve** the recommendations.

Provost Simon commented on the talents and expertise of the individuals being appointed. The appointment of Dr. Austin as Acting Dean of the College of Natural Science is because of a unique opportunity for Dean Hoppensteadt to spend part of fall semester at St. Catherine's College, Oxford University, England, on a Christiansen Fellowship.

- 2) Mr. Ferguson recommended that the Board of Trustees provide a salary increase of 3% to President McPherson, effective October 1, 1994.

Salary increase for President

On a motion by Mr. Weiss, supported by Mr. Shingleton, **THE BOARD VOTED to approve** the recommendation.

Trustees expressed appreciation to President McPherson for his extraordinary leadership during the past year. It was noted that 3% is consistent with the 1994-95 budget guidelines for faculty salary increases. President McPherson thanked Board members.

- C. Information Reports of Academic Personnel Actions of July 20, 1994 and August 17, 1994 were distributed with the Board Agenda and are included with the agenda materials in the Office of the Secretary of the Board of Trustees.

Information Reports

6. The Gift, Grant and Contract Report was presented by Vice President Pierre for the period of July 2, 1994 through September 9, 1994. The report is a compilation of 402 Gifts, Grants and Contracts, 38 Consignment/Non-Cash Gifts, and 4 Equipment Loans with a total value of \$41,148,665.50.

Gift, Grant and Contract Report

On a motion by Dr. Mawby, supported by Mr. Shingleton, **THE BOARD VOTED to approve** the Gift, Grant and Contract Report. The report is included with the Board Agenda in the Office of the Secretary of the Board of Trustees.

Dr. Pierre commented on a \$2.1 million grant from the National Aeronautics and Space Administration (NASA) to develop new communications and information technology for small- and medium-sized manufacturers to be competitive.

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Trustee Finance
Committee

7. Trustee Finance Committee reports and recommendations were presented by Committee Chairperson Traxler as follows:

- A. It was recommended that the Board of Trustees establish the Health Professions Open Scholarship as a fund functioning as an endowment.
- B. It was recommended that the Board of Trustees establish the AT&T Housing Scholarship as a fund functioning as an endowment.

On a motion by Mr. Traxler, supported by Ms. Sawyer-Koch, **THE BOARD VOTED to approve** the funds functioning as endowments.

- C. It was recommended that the Board of Trustees accept the 1993-94 financial report and report of independent auditors as the official financial report of the University.

On a motion by Mr. Traxler, supported by Ms. Sawyer-Koch, **THE BOARD VOTED to approve** the recommendation.

Ernst & Young advised the Committee that the financial statements as presented were in conformity with generally accepted accounting principles. Mr. Traxler said this speaks highly of Vice President Wilkinson, his staff, and the Internal Auditors. Ms. Sawyer-Koch complimented staff members in Internal Audit and the Controller's Office for their work in preparing the annual financial report.

- D. It was recommended that the Board of Trustees adopt the 1995-96 Budget Request Guidelines, including operating needs for the University General Fund, the Agricultural Experiment Station, and Michigan State University Extension.

On a motion by Mr. Traxler, supported by Mr. Shingleton, **THE BOARD VOTED to adopt** the budget request guidelines.

- E. It was recommended that the Board of Trustees authorize the administration, with the approval of the Chairperson of the Trustee Finance Committee, to make additional investments with, or withdraw funds from, the external managers selected by the Board for management of the Base Cash Pool portion of the pooled cash investment portfolio, with a report of any such actions to be brought to the next subsequent meeting of the Board.

On a motion by Mr. Shingleton, supported by Ms. Cook, **THE BOARD VOTED to approve** the recommendation.

- F. The Committee received and discussed reports on Facilities Planning: Review and Issues, and on Real Property Holdings.

Trustee Cook commented that the comprehensive tour of campus buildings, coupled with an excellent report, assisted Trustees in their understanding of University facilities. Trustee Sawyer-Koch said the tour provided an opportunity for Trustees to view the balance of positive and negative working situations.

8. The Trustee Policy Committee report and recommendations were presented by Committee Chairperson Weiss as follows:

- A. It was recommended that authority be delegated to the President to approve or disapprove an agreement to be negotiated between the University and Viridis, Inc.

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

- B. The Committee recommended a review and report by the administration of the issues and general questions associated with University rules governing student conduct including but not limited to the standards that are applicable to the rights and responsibilities to be enrolled, and participate in University-representing activities (i.e., intercollegiate athletics, marching band, debate team, and etc.).

On a motion by Mr. Weiss, supported by Ms. Cook, **THE BOARD VOTED to approve** the recommendation.

Endowment - Health
Professions Open
ScholarshipEndowment - AT&T
Housing ScholarshipAcceptance of
1993-94 Financial
Report and Report
of Independent
AuditorsAdoption of
1995-96 Budget
Request GuidelinesPooled Cash
Investments -
authorize adminis-
tration to invest
or withdraw fundsReports on
Facilities Planning
and Real Property
HoldingsTrustee Policy
CommitteeDelegate authority
to President to
approve or
disapprove agree-
ment with ViridisDiscussion of
Student Conduct
Issues

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Mr. Weiss said the resolution was a result of his concern for student activities occurring on- and off-campus and would provide an opportunity for all members of the University community--students, faculty, and others--to become involved in reviewing and formulating broader and stronger guidelines. The President recommended proceeding thoughtfully and deliberatively with the review. Since students will be affected, he emphasized they need to be involved in the discussions and is committed to assuring that such opportunities are presented.

Trustee Policy
Committee cont.
Student Conduct

- C. At the Committee meeting, Provost Simon presented a report on Fall Semester 1994 enrollment. The report included information on the strategy of the enrollment plan, comparisons with previous years, transfer students, entering Freshmen profile, student level enrollment profiles, diversity, and plans for the future.

Report on
Fall Semester
1994 Enrollment

9. Chairperson's Report and Trustees' Comments

Chairperson's
Report and
Trustees'
Comments

- A. Chairperson Ferguson acknowledged President McPherson's leadership during his first year.

B. Trustees' Comments

- 1) Trustee Cook presented the following resolution to the MSU Foundation in recognition of the volunteers who have generously given of their time and talents to further the mission and goals of the University.

Resolution to
MSU Foundation

IT IS HEREBY RESOLVED that the Michigan State University Board of Trustees, by action taken on October 7, 1994, declare their heartfelt and sincere appreciation to the Michigan State University Foundation Board and their Executive Committee for their essential support and enhancement for a broad array of activities that might otherwise have no source of support and for their creativity, devotion, and dedication to the interests and future of the University in their management of Foundation interests and assets. It is hoped that these efforts will continue on behalf of our University, its students, faculty, alumni, and friends.

On a motion by Ms. Cook, supported by Mr. Weiss, **THE BOARD VOTED to approve** the resolution.

- 2) Trustee Cook expressed her displeasure at Mr. Ferguson's comments regarding the competence of a University employee which were reported in the press.
- 3) Trustee Traxler recommended an amendment to the Michigan State University Board of Trustees Bylaws, Article 4, Officers and Organization of the Board:

Amendment to
MSU Board of
Trustees Bylaws

Article 4, Officers and Organization of the Board

Chairperson. Commencing on the first day of January immediately following each biennial fall election, the office of chairperson of the Board for the two following years shall be filled by the two members of the Board who were elected six years earlier or appointed to fill an unexpired term of a member elected six years earlier. Each such member shall serve as chairperson for one of the two following years, with the order of service determined alphabetically by last name. The Board shall fill any vacancies in the office of chairperson by electing a Board member other than the two such members to serve for the unexpired term. The chairperson shall perform such duties as may be prescribed by law or by the regulations of the Board.

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Chairperson's
Report and
Trustees'
Comments cont.
MSU Board of
Trustees Bylaws

Vice Chairperson. Commencing on the first day of January immediately following each biennial fall election, the office of vice chairperson of the Board for the two following years shall be filled by the two members of the Board who were elected four years earlier or appointed to fill an unexpired term of a member elected four years earlier. Each such member shall serve as vice chairperson for one of the two following years, with the order of service determined alphabetically by last name. The Board shall fill any vacancies in the office of vice chairperson by electing a board member other than the two such members to serve for the unexpired term. The vice chairperson shall perform such duties as may be prescribed by the Board and shall assume the duties of the chairperson during the latter's absence.

To expedite matters, Mr. Traxler asked for unanimous consent to amend the primary motion to include the underscored words in the text. On a motion by Ms. Cook, supported by Mr. Shingleton, **THE VOTE was unanimous.**

On a motion by Mr. Traxler, supported by Ms. Cook, **A ROLL CALL VOTE was conducted** by Secretary Hesse. The vote was 7 to 1 with Trustee Ferguson opposing. Trustee Ferguson amended his vote so the recommendation would receive **unanimous** support.

Trustee Traxler commented on the reasons precipitating his recommendation. After reviewing models of other universities, he believes this revision will provide an opportunity for all members to equitably participate in the governance of the Board.

- 4) Chairperson Ferguson responded to the earlier comments of Trustee Cook about his reported statements in a recent press interview. He said if an apology is owed to the Board because of how one might feel that his candor has put the Board in a bad light, then he gives that apology.

Trustee Sawyer-Koch said that Mr. Ferguson had made a good faith effort to apologize to the Board, but she believes Ms. Merrily Dean Baker and the University community also deserve an apology. She extended an apology on behalf of the Board.

Public
Participation

10. The following individual addressed the Board of Trustees:

- A. Patty Bouch, Chief of Staff of ASMSU, thanked Dr. Moses Turner for being a true friend to students. He supported important student issues which were sometimes unpopular and exemplified standing up for your beliefs is essential to positive and effective leadership. He taught that leadership can be expressed in many ways, it is often persistent, an attitude, integrity, and excellence, all qualities admirable in Dr. Turner.

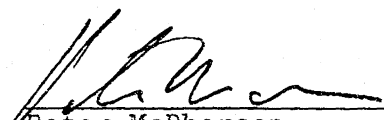
Chairperson's
Comments

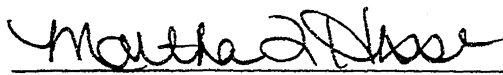
11. Dr. Mawby expressed appreciation to the President for engaging various constituencies on- and off-campus for support, i.e., faculty, students, alumni, business, and the legislature. He complimented the administrative team of Provost Simon, Vice President Wilkinson, Secretary Hesse, and others for a good year.

President McPherson responded that a lot has been accomplished, there is still much to be done, but we have a year to build on to continue to make this a great University.

Executive
Session

12. An Executive Session was not requested.
13. The meeting adjourned at 11:50 a.m. Board Members were joined at lunch by Executive Advisory Council members, Faculty Liaisons, and Student Liaisons.


Peter McPherson
President


Martha L. Hesse, Ph.D.
Secretary