

1973

## Board of Regents Meeting Materials, April 18, 1973

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BOARD OF REGENTS  
EASTERN MICHIGAN UNIVERSITY

Official Minutes of the Meeting April 18, 1973  
Regents' Room, McKenny Hall

Members present:

Virginia R. Allan, Veda S. Anderson, Charles L. Anspach,  
Timothy J. Dyer, Edward J. McCormick, Richard N. Robb,  
George E. Stripp

Members absent:

Mildred Beatty Smith

Administration present:

President Harold E. Sponberg, Gary D. Hawks, Lewis E. Profit,  
James B. Campbell, Bruce K. Nelson, Richard C. Kerr

The meeting was called to order at 11:10 a.m.

The minutes of the March 21, 1973, meeting were approved as presented.

The Treasurer's Report was read. Regent Robb moved and Regent Dyer seconded that the report be accepted as read. Carried.

Regent Dyer requested that certificates of deposit and investments be placed on the May meeting agenda for discussion.

Chairman McCormick introduced Dr. Jean Bidwell and Dr. James Northey, Faculty Senate representatives, who were in the audience.

Regent Robb moved and Regent Stripp seconded that the Summary Audit Report dated April 2, 1973, be received and placed on file. Carried.

. 1214 M - TRANSFERS

Regent Robb moved and Regent Dyer seconded that the Report of Transfers and Recoveries be approved as presented and placed on file. Carried.

. 1215 M - GIFTS

Regent Robb moved and Regent Dyer seconded that the gifts be officially received with appreciation. Carried.

. 1216 M - EDUCATIONAL GRANTS

Regent Robb moved and Regent Stripp seconded that the following educational grants be approved:

1. HEW grant in the amount of \$4303.00 for a study on the "Effects of Ecological Variation on an Ethnic Group," with Allen S. Ehrlich as the Project Director.
  2. National Computer Conference and Exposition-Computer Art and Music grant in the amount of \$2500.00 for exhibition at the National Computer Conference with Kurt Lauckner as the Project Director.
  3. National Science Foundation grant in the amount of \$8500.00 for "Undergraduate Research Participation," with Dr. Dennis J. Delprato as the Project Director.
  4. Seminar in Alcohol Use and Abuse from the Department of Public Health, State of Michigan, in the amount of \$2600.00 with Dominick A. Taddonio as Project Director.
  5. HEW grant in the amount of \$16,143.00 for a continuation of "Allied Health Professions Special Improvement--Occupational Therapy," with Charles T. Anderson as Program Director.
- Carried.

Regent Stripp reminded the administration that he had not received the information requested concerning the total earnings for each project director.

. 1217 M - JONES-GODDARD KITCHEN CLOSING

Regent Robb moved and Regent Dyer seconded that effective with the ending of the academic year 1972-73, the Jones-Goddard kitchen be officially closed and the appropriate staff, in accordance with labor contracts, be placed on a lay-off status. Carried.

Regent Dyer requested that he be kept informed as to the status of lay-offs and recalls due to the closing of the kitchen.

. 1218 M - SINGLE ROOM OPTION

Regent Robb moved and Regent Stripp seconded that the University be authorized to offer a provisional single-room option to the regular room and board contract program, under the condition that actual occupancy is below the level specified as rated occupancy and according to the rental rates as established in the rate schedule. Carried.

. 1219 M - MEAL CONTRACTS

Regent Robb moved and Regent Stripp seconded that the rate for the basic 20-meal contract for the 1973-74 academic year be set at \$1,185 -- an increase of \$35.00. It is further recommended that a rate of \$1,085 be approved for Jones-Goddard residents for the basic 20-meal contract. It is further recommended that contracts for single occupancy be established at \$225.00 above the regular double-room rate and that the rate structure be established as follows:

	Double Occupancy		Single Occupancy	
	20-Meal	15-Meal	20-Meal	15-Meal
Residence Halls other than Jones-Goddard	\$1,185	\$1,155	\$1,410	\$1,380
Jones-Goddard	1,085	1,055	1,310	1,280
---Carried.				

. 1220 M - BROWN -MUNSON APARTMENT RATES

Regent Robb moved and Regent Dyer seconded that the Board of Regents approve the following rate structure for the Brown-Munson Apartments:

	Single	Double	4-Man	6-Man
12-Month Contract	\$1,224	\$1,008	\$828	\$660
10-Month Contract	1,110	900	750	590
8-Month Contract	944	768	640	504

The above rates include parking facilities in the Parking Structure, heat and electricity. Telephone is not included. Carried.

The meeting was recessed for lunch at 12:40 p.m.

The meeting was reconvened at 2:15 p.m.

. 1221 M - PINE GROVE APARTMENT RATES

Regent Robb moved and Regent Stripp seconded that the rental rates for Pine Grove, Cornell Courts and Westview Apartments be increased by \$5.00 per month, effective July 1, 1973. Carried.

## . 1222 M - APARTMENT REVENUE BONDS

Regent Robb moved and Regent Dyer seconded that the Board of Regents approve the following Resolution Authorizing Issuance of Eastern Michigan University Apartment Revenue Bonds of 1973; Approving an Official Statement With Respect Thereto; and Approving The Sale of Said Bonds:

WHEREAS, the Board of Control (the "Board") of Eastern Michigan University (the "University"), (also known as Board of Regents, Eastern Michigan University), a body corporate created by and existing under the Constitution and laws of the State of Michigan, in the exercise of its constitutional duties relative to the supervision and control of the University, has determined and does now determine that it is necessary, in order to meet the desires and needs of today's student population and to financially strengthen the overall housing operation of the University, to convert the Brown and Munson Residence Halls into apartment units for single students attending the University (the "Project"), which after conversion will provide apartment units in each of said Residence Halls as follows:

	No. of Units Brown Residence Hall	No. of Units Munson Residence Hall
Single Apartments	14	6
Double Apartments	98	82
4-Student Apartments	3	--
6-Student Apartments	4	--
Total	119	88

and

WHEREAS, in order to convert said existing Brown and Munson Residence Halls to apartment units and to provide the funds necessary therefor, it is necessary to retire in full certain outstanding Residence Hall Revenue Bonds of the University designated "\$1,710,000 Eastern Michigan University Housing and Refunding Revenue Bonds dated August 15, 1965," (the "1965 Bonds"), in order to permit the revenues from said residence halls after conversion and the revenues from the Pinegrove Apartments, Units A, B, C and E, as hereinafter provided, to be pledged for the payment of the bonds hereinafter described; and

WHEREAS, the estimated cost of retiring the 1965 Bonds is \$910,000.00, of converting said Brown and Munson Residence Halls to apartment units is \$1,500,000.00, including contingencies, architect and engineering fees, and legal and financing costs, and of providing a debt service reserve for the bonds to be issued is \$200,000.00, which results in a total estimated cost of \$2,610,000.00 for the foregoing; and

WHEREAS, to finance part of said cost the Board determines it necessary and proposes to issue revenue bonds to be designated "Eastern Michigan University Apartment Revenue Bonds of 1973" (the "1973 Bonds"), secured by the net revenues hereinafter described, all in accordance with the terms and provisions set forth in an official statement prepared and submitted to the Board, a copy of which is on file in the office of the Treasurer;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF CONTROL OF EASTERN MICHIGAN UNIVERSITY:

1. That in the exercise of its constitutional duties it is hereby determined to be immediately necessary to acquire and construct the Project.
2. That to pay part of the cost of acquiring and constructing the Project, to retire in full the balance remaining outstanding on the 1965 Bonds, and to provide a debt service reserve of \$200,000 for the 1973 Bonds, the Board shall borrow the sum of \$2,410,000 and in evidence thereof issue and sell the 1973 Bonds, the balance of the cost thereof to be provided by other funds of the Board available and to be set aside for such purpose. The 1973 Bonds shall be dated April 1, 1973, shall be coupon bonds in the denomination of \$5,000.00 each, registrable as to principal only, numbered 1 to 482, inclusive, and shall bear interest and mature serially on April 1st of each year as follows:

Due Date	Principal Amount	Interest Rate	Due Date	Principal Amount	Interest Rate
1974	\$ 60,000	4.75%	1984	\$110,000	5.70%
1975	70,000	4.75%	1985	110,000	5.70%
1976	70,000	4.75%	1986	120,000	5.70%
1977	75,000	4.75%	1987	130,000	5.70%
1978	75,000	4.75%	1988	135,000	5.75%
1979	85,000	4.75%	1989	140,000	5.75%
1980	85,000	4.75%	1990	150,000	5.80%
1981	95,000	7.00%	1991	160,000	5.80%
1982	95,000	7.00%	1992	165,000	5.80%
1983	105,000	5.70%	1993	375,000	5.80%

Interest on the 1973 Bonds shall be payable on October 1, 1973, and semi-annually thereafter on April 1st and October 1st of each year. Both principal of and interest on the 1973 Bonds to be payable in lawful money of the United States of America at the Ann Arbor Trust Company, Ann Arbor, Michigan (the "Trustee").

1973 Bonds may be redeemed by call by lot in advance of maturity out of excess net income pledged at par plus accrued interest on any interest payment date on or after April 1, 1983.

1973 Bonds may be called at the option of the Board prior to the stated maturities thereof out of funds other than the net income pledged in whole or in part in inverse numerical order on any interest payment date on or after April 1, 1983, at the following prices plus accrued interest on the following dates:

At 103 April 1, 1983, to and including October 1, 1983;  
 At 102 April 1, 1984, to and including October 1, 1984;  
 At 101 April 1, 1985, to and including October 1, 1985;  
 At 100 April 1, 1986, and thereafter.

3. That the 1973 Bonds shall be secured and payable and have a first lien on the net revenues of the Project, the existing apartment known as Pinegrove Apartments, Units A, B, C and E not required to retire the 1965 Bonds, and the net revenues of the Brown and Munson Residence Halls before their conversion not required to retire the 1965 Bonds, all in accordance with and as described in the official statement. (Copy on file in Treasurer's Office.)
  4. The official statement duly filed with the Board, setting forth complete information relating to the 1973 Bonds, the purpose thereof, financial information and data, and other details relating to the 1973 Bonds, is hereby approved and adopted. (Copy on file in the office of the Treasurer.)
  5. The 1973 Bonds shall be sold to National Bank of Detroit, Detroit, Michigan, and First of Michigan Corporation, Detroit, Michigan, in the amounts, with maturities, bearing interest and subject to the terms and conditions more particularly described in their proposals to purchase said Bonds (copy on file in Treasurer's Office), and said Bonds are hereby awarded to National Bank of Detroit, Detroit, Michigan, and First of Michigan Corporation, Detroit, Michigan, in accordance with their proposals to purchase hereinbefore described.
  6. There shall be prepared and presented to the Board for its approval at its May meeting a Trust Agreement between the Board and the Trustee which shall provide for the security and details for said Bonds and the rights and remedies of the bondholders, all in conformity with the official statement.
- Carried.

#### . 1223 M - BROWN-MUNSON PROGRAM

Regent Robb moved and Regent Stripp seconded that the Board of Regents approve the following items concerning the Brown-Munson program:

1. It is recommended that the Brown-Munson kitchen be officially closed with the ending of the 1972-73 academic year, and the appropriate staff, in accordance with labor contracts, be placed on a lay-off status.
2. It is also recommended that project budgets for the proposed remodeling of Brown and Munson Halls be established at \$1,500,000.
3. It is further recommended that the University be authorized to issue Purchase Orders on a time and material basis, cost not to exceed the following amounts for the specified work for the Munson portion to the following low bidders:

General:	R. E. Davis Construction Co.	\$187,652
Mechanical:	Boone & Darr, Inc.	247,398
Electrical:	A. F. Smith and Son, Inc.	62,685

The schedule for receiving the bids and quotations for the Brown portion provides for bids to be received on May 7 with the Finance Committee scheduled for May 8. Carried.

. 1224 M - ELEMENTARY EDUCATION CURRICULUM MODIFIED  
Regent Anderson moved and Regent Allan seconded that the Board of Regents approve the proposal for modification of the Elementary Education Curriculum to include an alternative Program in Early Childhood Education. Carried.

. 1225 M - SPRING SEMESTER FACULTY  
Regent Anderson moved and Regent Allan seconded that the addendum to Personal Service Report for the Spring Semester 1973 be approved as presented. Carried.

. 1226 M - APPOINTMENTS, RESIGNATIONS, CHANGES OF STATUS  
AND LEAVES OF ABSENCE  
Regent Anderson moved and Regent Allan seconded that the appointments, resignations, changes of status and leaves of absence be approved as presented. Carried.

President Sponberg discussed the enrollment reports for spring and fall.

President Sponberg announced that the Huron River Drive Project bids had been let.

Chairman McCormick suggested that the descriptive material for each honorary degree recipient be shortened.

Regent Stripp suggested that the number of honorary degrees granted be cut back to three. He also suggested that each student participating in the commencement exercises be given a memento of some kind instead of a blank piece of paper.

Chairman McCormick announced that the Northern Michigan University Board members had invited the EMU Regents to breakfast while attending the Association of Governing Board meeting in San Francisco.

Chairman McCormick reported that he had been attending some of the end of year banquets on campus.

Regent Stripp commented on the material he received concerning the University Safety Department. He indicated concern regarding the contractual agreement with the City of Ypsilanti.

Regent Stripp suggested that the Chairman appoint an Ad Hoc Committee to study the operations and functions of the Safety Department to determine whether or not there were methods and programs which could be adopted to make this Department more effective and responsive to the needs of the campus community, also to examine the resolution passed by the City Council for the City of Ypsilanti on November 6, 1972, to determine whether or not ratification of the contractual agreement contained in said resolution should be recommended to the Board.

Chairman McCormick appointed Regent Stripp to act as chairman of this Ad Hoc Committee, with Regent Dyer and Vice President Profit also serving.

Regent Stripp reported that he had asked for a report concerning salaries of athletic coaches two months ago and that at this time he had not received this report. Vice President Profit indicated that comparable data had not been received from all MAC schools, but that he would assemble and distribute what had been received.

Vice President Nelson discussed the new programs that he would be presenting to the Board for approval in the near future.

The meeting was adjourned at 4:00 p.m.

Respectfully submitted,