

1965

## Board of Regents Meeting Materials, August 2, 1965

Eastern Michigan University

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BOARD OF REGENTS  
EASTERN MICHIGAN UNIVERSITY

Official Minutes of the Meeting August 2, 1965  
Conference Room - Wise Hall

Members present:

Virginia Allan, Charles Anspach, O. William Habel, J. Don Lawrence,  
Edward J. McCormick, M. P. O'Hara, Mildred Beatty Smith

Members absent:

Lawrence Husse (excused)

Administration present:

Harold E. Sponberg, Bonita Farvør, Lewis Profit

The meeting was called to order at 11:15 a. m.

The minutes of the June 7, 1965, meeting were approved as read.

The Treasurer's Report was read. Dr. Anspach moved and Dr. O'Hara seconded that the report be accepted as read. Carried.

Mr. Lawrence gave the Building Development, Finance and Capital Improvement Committee report.

. 256 M - EXTENSION GRANTED ON SILL BUILDING CONTRACT

Mr. Lawrence moved and Dr. O'Hara seconded that the Board of Regents of Eastern Michigan University recommend to the Building Division of the State of Michigan that in the best interests of Eastern Michigan University a contract extension be granted to the contractor on the Sill Fine and Industrial Arts Building until August 20, 1965. Carried.

1. 13.257 M - EXERCISE OPTION ON FISH LAKE PROPERTY

Mr. Lawrence moved and Miss Allan seconded that the Treasurer be authorized to exercise the options on property known as Fish Lake property in the amount of \$37,800 and property known as Fish Lake School House and one acre of land located at the northeast corner of Fish Lake and Vernor Road being the west 8 rods of the south 10 rods of the northwest 1/4, section 13, Mayfield Township, Lapeer County, Michigan, in the amount of \$1200. It is further recommended that the Treasurer be authorized to use surplus funds. Carried.

. 258 M - BUDGET AMENDMENTS

Mr. Lawrence moved and Dr. O'Hara seconded that budget amendments as presented be adopted and incorporated into the 1965-66 Operating Budget. Carried.

3. 19.259 M - MILITARY LEAVE OF ABSENCE

Mr. Lawrence moved and Mr. Habel seconded that effective June 1, 1965, any regular employæ who has completed six months of service at Eastern Michigan

University shall, on his request, be granted military leave of absence to engage in a temporary tour of duty with the National Guard or any recognized branch of the United States Military Service not to exceed 15 working days in any calendar year. Such leave shall be credited as continuous service. If the employee's military pay is less than his regular university salary, the university will pay the employee the difference. The employee may elect the option of using annual leave, if he so desires. Carried.

#### 1. 13.260 M - EXERCISE OPTION ON RONALD FULLER PROPERTY

Mr. Lawrence moved and Dr. O'Hara seconded that the Treasurer be authorized to exercise an option on the Ronald Fuller property located at the Northeast corner of Washtenaw and Oakwood in the amount of \$14,000; that the Treasurer be authorized to use surplus funds for this transaction; and that the Treasurer be authorized to advertise or take bids to sell, move or raze the buildings. Carried.

#### .261 M - PUBLIC ACT 245 POLICY CONTINUED

Mr. Lawrence moved and Dr. Smith seconded that the Board of Regents policy in effect for 1964-65 applicable to students qualifying under Public Act 245 be continued until rescinded. Carried.

#### 1. 08.262 M - STEAM AND ELECTRICAL DISTRIBUTION CONTRACT AWARDED

Mr. Lawrence moved and Dr. O'Hara seconded that a contract be awarded to the Perry Construction Company, Ann Arbor, Michigan, in the amount of \$638,640 for the construction of the Steam and Electrical Distribution System, Phase II; that the President of Eastern Michigan University and the Treasurer of the Board of Regents be authorized to sign the contract documents; and that the project budget be approved as presented. Carried.

The meeting was recessed for lunch at 12:20 p. m.

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

Mr. Cress gave a report on financing plans.

#### 1. 08.263 M - FINANCING PLANS

Mr. Lawrence moved and Dr. O'Hara seconded that relative to the issuance and sale of Eastern Michigan University Housing and Refunding Revenue Bonds in the aggregate principal amount of \$1,710,000 the following resolution be approved:

WHEREAS, the Board of Regents, Eastern Michigan University, a body corporate, created by and existing under the Constitution of the State of Michigan (being the constitutionally created Board of Control for Eastern Michigan University) and having full constitutional authority and supervision of said Eastern Michigan University, and control of expenditures from the University funds, has determined that it is necessary and for the best interest of the University, its students and personnel to:

- (a) To construct, furnish and equip a new residence hall, to be known as Best Residence Hall, on the campus of Eastern Michigan University. Said Residence Hall is also known as Dormitory No. 4, Downing-Buell Group, and will provide housing and appurtenant facilities for approximately 302

students and will complete this Residence Hall Complex consisting of Downing Residence Hall, Buell Residence Hall, Wise Residence Hall, Best Residence Hall and a Central Dining Commons providing food service to students residing in all four residence halls.

- (b) To construct, furnish and equip (1) two new residence halls, known as Sellers Residence Hall and Phelps Residence Hall on the campus of Eastern Michigan University, to provide housing and appurtenant facilities for approximately 616 students; (2) a Central Dining Commons to provide food service for students residing in said new residence halls and two additional residence halls planned in the future, and (3) three student apartment buildings, designated Buildings G, H and K of Cornell Court Apartments, to provide housing and appurtenant facilities for forty-five married student families.
- (c) To refund all outstanding Eastern Michigan University Revenue Bonds, dated August 15, 1956, together with Series C bonds of said issue dated August 15, 1957, and Series D bonds of said issue dated August 15, 1963; and

WHEREAS, to provide part of the funds necessary to construct, furnish and equip the hereinbefore designated projects, and funds necessary to complete the refunding of the outstanding bonds hereinbefore referred to, the Board deems it necessary and expedient to borrow, through the issuance and sale of Housing and Refunding Revenue Bonds, the sum of One Million Seven Hundred Ten Thousand (\$1,710,000.00) Dollars, the sum so borrowed to be used and allocated as follows:

- (a) The sum of Two Hundred Thousand (\$200,000.00) Dollars to be used to pay part of the cost of constructing, furnishing and equipping the new residence hall designated as Best Residence Hall, the balance of the total estimated cost thereof, to-wit: One Million Three Hundred Eighty Thousand (\$1,380,000.00) Dollars, to be provided by the issuance and sale of Eastern Michigan Dormitory Revenue Bonds of 1964, dated as of June 1, 1964, in the aggregate principal amount of One Million One Hundred Eighty Thousand (\$1,180,000.00) Dollars to be issued under the terms of an executed Loan Agreement between this Board and the United States of America (Housing and Home Finance Agency) dated as of July 1, 1964.
- (b) The sum of three hundred fifty thousand (\$350,000.00) dollars to be used to pay part of the costs of constructing, furnishing and equipping (1) the two new residence halls designated as Sellers Residence Hall and Phelps Residence Hall, respectively, (2) the Central Dining Commons hereinbefore referred to, and (3) the three student apartment buildings, designated as Buildings G, H and K of Cornell Court Apartments; the balance of the total estimated cost thereof, to-wit: Three Million Nine Hundred Thousand (\$3,900,000.00) Dollars having been provided by the issuance and sale of Eastern Michigan University Residence Halls and Apartments Revenue Bonds, Series of 1965, dated May 15, 1965, in the aggregate principal amount of Three Million Five Hundred and Fifty Thousand (\$3,550,000.00) Dollars.
- (c) The sum of Ten Thousand (\$10,000.00) Dollars to be set aside and held as a fund to meet general contingencies in connection with the constructing,

furnishing and equipping of the above projects.

- (d) The sum of One Million Fifty Thousand (\$1,050,000.00) Dollars to be used to complete the refunding of the outstanding Eastern Michigan University Revenue Bonds, dated August 15, 1956, together with the Series C bonds of said issue dated August 15, 1957, and Series D bonds of said issue dated August 15, 1963.
- (e) The sum of One Hundred Thousand (\$100,000.00) Dollars to be set aside and held as a Debt Service Reserve for the payment of principal of and interest on the bonds of this authorized issue in accordance with the requirements referred to in the Official Statement hereinafter referred to and included as a part of this Resolution, and in the Trust Agreement securing said bonds; and

WHEREAS, the financial officers of Eastern Michigan University and Ann Arbor Trust Company of Ann Arbor, Michigan, Fiscal Agent of the Board, have prepared and submitted to the Board a complete and detailed proposed Official Statement which sets forth in detail the terms, conditions, security and covenants deemed necessary in connection with said loan, including the maturities, redemption provisions, security and other details relating to the issue of Eastern Michigan University Housing and Refunding Revenue Bonds, which said proposed Official Statement has been carefully considered and reviewed by the Board; and

WHEREAS, the Ann Arbor Trust Company, as Fiscal Agent, has obtained a written commitment for the purchase of said bonds, when issued, from National Bank of Detroit, Detroit, Michigan; and

WHEREAS, the Board has full power under its constitutional authority and supervision of the University and the control of expenditures from the University funds, to issue said bonds for the purposes hereinbefore referred to, and to pledge for their payment the net income and revenues specified in said Official Statement;

NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF REGENTS, EASTERN MICHIGAN UNIVERSITY, AS FOLLOWS:

1. That the Board of Regents, Eastern Michigan University (being the constitutionally created Board of Control of Eastern Michigan University) hereinafter for brevity referred to as the "Board," does hereby determine and reaffirm that it is necessary and for the best interests of Eastern Michigan University, its students and personnel to construct, furnish and equip the capital improvement projects specified in the preamble hereto, and to refund the outstanding bonds specified in the preamble hereto.
2. That the Board borrow the sum of One Million Seven Hundred and Ten Thousand (\$1,710,000.00) Dollars and issue its bonds therefor to provide the funds to be allocated and used in the manner and for the purposes specified in the preamble hereto.
3. That said bonds shall be designated Eastern Michigan University, Housing and Refunding Revenue Bonds, the principal of and interest thereon to be payable solely out of net income as defined, and in accordance with the requirements, terms and conditions set forth in the Official Statement filed

with this Board and made a part of this Resolution and Trust Agreement hereinafter referred to shall be dated as of August 15, 1965, and shall consist of 342 coupon bonds of the denomination of \$5,000.00 each, all maturing on October 1, 1980, and bearing interest at the rate of 3.50% per annum, payable on April 1, 1966, and semi-annually thereafter on October 1st and April 1st of each year, both principal and interest to be payable in lawful money of the United States of America at Ann Arbor Trust Company, Ann Arbor, Michigan, Trustee under the Trust Agreement hereinafter referred to.

Bonds of this issue shall be subject to redemption prior to maturity at the option of the Board, at par and accrued interest to the date of redemption on any interest payment date, from net income and investment income (as defined in the Official Statement and Trust Agreement) pledged to the payment of this issue as provided in said Official Statement and the Trust Agreement.

Bonds of this issue shall be subject to redemption as a whole, prior to maturity, for refunding purposes, at the option of the Board, on any interest payment date, at par and accrued interest to the date of redemption, plus premiums (expressed in a percentage of par) in accordance with the following schedule:

- 2% of the par value of each bond redeemed prior to April 1, 1971;
- 1% of the par value of each bond redeemed on or after April 1, 1971, but prior to April 1, 1976.
- No premium shall be paid on bonds redeemed on or after April 1, 1976.

Twenty days notice of the call of any bonds for redemption shall be given by the Trustee under the Trust Agreement, herein referred to, by publication in a newspaper of general circulation in the City of Detroit, Michigan, and in case of registered bonds, twenty days notice shall be given by mail to the registered owner at the registered address.

4. All coupon bonds issued hereunder shall be payable to bearer and transferable by delivery unless and until the same shall have been registered by the holder thereof, or his attorney thereunto duly authorized, in writing, on books to be kept for such purpose by the Trustee under the Trust Agreement herein referred to, which registration shall be endorsed by said Trustee on the bond so registered. The principal of any bond so registered shall thereafter be payable only to the registered owner thereof, and any payment so made shall be valid and effectual to satisfy and discharge the liability upon such bond to the extent of the sum or sums so paid: Provided, however, that the registration of any bond shall not in any way affect payment of interest thereon or the negotiability of the interest coupons thereto attached, which shall be payable to bearer in accordance with the terms of and on presentation of said coupons. Any bond so registered may be transferred on the books of the Trustee by the registered owner thereof, or his attorney thereunto duly authorized, in writing, which transfer shall be endorsed thereon by the Trustee, and any bond registered to bearer shall thereupon again become payable to bearer and transferable by delivery in the same manner as before the registration thereof.
5. That said bonds shall be secured and payable out of Net Income, which Net

Income consist of all the income received from the operation of

- (a) the existing Brown-Munson Residence Halls in operation on the campus of Eastern Michigan commencing with the 1965-66 Fiscal Year (July 1st to June 30th), less properly allocated and charged operating expenses (as defined in the Official Statement and Trust Agreement) and
  - (b) the existing 48 apartment units designated as Buildings A, B, C, D and E of Pinegrove Terrace Apartments, commencing with the 1965-66 Fiscal Year, less properly allocated and charged operating expenses (as defined in the Official Statement and Trust Agreement). The Board does hereby covenant and agree to charge sufficient rates for the use of said specified facilities so as to produce sufficient Net Income, which together with Investment Income (as defined in the Official Statement and Trust Agreement) will meet all covenants and requirements specified in the Official Statement and Trust Agreement for the payment of said bonds authorized by the provisions of this Resclution. The Board further covenants and agrees that it will adopt, if necessary, such reasonable rules, regulations and requirements relative to the residence of students attending Eastern Michigan University as shall be necessary to assure that Brown-Munson Residence Halls will be as fully occupied during each scholastic year as is reasonably possible and that the forty-eight apartment units above referred to will be as fully occupied on an annual basis as is reasonably possible.
6. That the Official Statement submitted, and hereinbefore referred to, setting forth the details of this bond issue, including the security and covenants in relation thereto, application of proceeds, and other terms and conditions in relation to this authorized bond issue is hereby approved as to content and form, a conformed copy of which is attached to this Resolution and made a part hereof, the same as though each of the provisions therein contained were herein repeated.
  7. That Miller, Canfield, Paddock and Stone, bond counsel to this Board, with the cooperation and assistance of the Vice President for Business and Finance of the University and Ann Arbor Trust Company, are hereby directed to draft the necessary Trust Agreement securing said bonds between this Board, as Obligor, and the Ann Arbor Trust Company, as Trustee, which Trust Agreement shall embody, in appropriate language and terms, the covenants, obligations, terms and conditions, specifications, interest rate and other details and security provisions necessary in substantial compliance with the provisions of this Resolution and the Official Statement approved and made a part of this Resolution. Such Trust Agreement shall be executed for and on behalf of this Board by any two of the following designated officers of Eastern Michigan University, and this Board, to-wit: Edward J. McCormick, Chairman of this Board; Harold E. Sponberg, President of Eastern Michigan University; or Lewis E. Profit, Vice President for Business and Finance of Eastern Michigan University. Said Trust Agreement upon its execution, as herein authorized, by said officers and Ann Arbor Trust Company, of Ann Arbor, Michigan, as Trustee, shall be binding and effective in accordance with its terms and provisions.



8. That either Edward J. McCormick, Chairman of this Board, or Harold E. Sponberg, President of Eastern Michigan University, are hereby authorized, empowered and directed, in the name and under the seal of this Board, and as its corporate act and deed, to execute the bonds herein authorized, in the manner prescribed in the aforementioned Trust Agreement, and to facilitate the same are authorized to use their initials in lieu of their first names, and the coupons appertaining to said bonds shall be executed by the facsimile signature of Lewis E. Profit, Vice President for Business and Finance of Eastern Michigan University. That said officers are further authorized and directed to execute such other necessary documents and proceedings necessary to effectuate the sale and delivery of said bonds to the purchaser thereof.
  9. That said officers, either in the Trust Agreement or by the issuance of the bonds authorized by the provisions of this Resolution, shall not pledge the credit of or create any liability on the part of the State of Michigan, this Board, or any member or officer of this Board or any of their successors, other than to pledge the Net Income in accordance with the provisions and requirements therefor as specified in this Resolution, the Official Statement approved hereby and made a part of this Resolution, and the Trust Agreement.
  10. The bonds herein authorized after their due execution as hereinbefore provided and after authentication by the Trustee in the manner provided in the Trust Agreement, shall be delivered to the purchaser thereof, the National Bank of Detroit, Detroit, Michigan, upon payment of the purchase price of par and accrued interest to date of delivery, in accordance with their commitment to Ann Arbor Trust Company, which commitment is hereby accepted and approved.
  11. The Ann Arbor Trust Company, Ann Arbor, Michigan, be and hereby is appointed to act as Trustee under the Trust Agreement hereinbefore referred to, and said Trustee shall be entitled to such estates, powers, rights, authorities, benefits, privileges, immunities and exemption as are set forth in the Trust Agreement.
- Carried. Mr. Habel withheld vote because of interest in the Ann Arbor Trust Company.

#### 1.08.264 M - RESOLUTION FOR FINANCING

Mr. Lawrence moved and Dr. O'Hara seconded that the resolution providing for the construction, furnishing and equipping of (1) addition to student center known as McKenny Hall, including necessary remodeling, (2) an addition to the existing Quirk Dramatic Arts Center, and (3) acquiring additional lands for the expansion of the University; authorizing the issuance of bonds to pay costs thereof secured by general tuition fees collected by the University from students; approving Official Statement relating to said bonds; and authorizing execution of Trust Agreement securing said bonds be approved as follows:

WHEREAS, in order to properly serve the needs of students attending Eastern Michigan University it is necessary and advisable to:

- (a) Construct, furnish and equip an addition to the Student Center known as McKenny Hall, presently in operation on the campus of Eastern Michigan University and to remodel part of the existing building and facilities;

- (b) Construct, furnish and equip an addition to the existing Quirk Dramatic Arts Center on the campus of Eastern Michigan University;
- (c) Acquire additional land as part of the plans for expansion of the campus of Eastern Michigan University; and

WHEREAS, to provide the funds necessary to pay the costs of said capital improvements and land acquisition, including architect's fees, legal and financing expenses, contingencies, and a debt service reserve, the Board of Regents, Eastern Michigan University, deems it necessary and advisable to borrow the money therefor, and in evidence thereof issue its negotiable bonds secured by and payable solely out of general tuition fees collected from students attending the University; and

WHEREAS, the Board of Regents, Eastern Michigan University desires that the holders of said bonds proposed to be issued should have the maximum reasonable security for the payment of said bonds, and to that end the financial officers of the University and the fiscal agent have prepared and submitted to this Board a complete and detailed Official Statement outlining the terms, conditions and security of said Bonds, and a Trust Agreement between said Board, as Obligor, and Ann Arbor Trust Company of Ann Arbor, Michigan, as Trustee, is in process of preparation, which Trust Agreement will contain the necessary covenants, agreements and security provisions for the bonds, as outlined and specified in the Official Statement; and

WHEREAS, the Board of Regents, Eastern Michigan University (being the constitutionally created Board of Control for Eastern Michigan University) has full power under its constitutional authority and supervision of the University, and control of expenditures from the University funds, to construct, furnish and equip the capital improvements hereinbefore referred to, and to acquire lands for University purposes, to issue and sell the bonds herein authorized, and to pledge general tuition fees for their payment;

NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF REGENTS, EASTERN MICHIGAN UNIVERSITY AS FOLLOWS:

1. That the Board of Regents, Eastern Michigan University, (being the constitutionally created Board of Control of Eastern Michigan University) hereinafter, for brevity referred to as the "Board," does hereby determine it to be necessary and for the best interests of Eastern Michigan University, its students and personnel, to:
  - (a) Construct, furnish and equip an addition to the Student Center known as McKenny Hall, presently in operation on the campus of Eastern Michigan University, and to remodel part of the existing building and facilities, all in accordance with plans and specifications prepared by Jickling and Lyman, Architects of Birmingham, Michigan, presently on file in the office of the Vice-President for Business and Finance of the University.
  - (b) Construct, furnish and equip an addition to the existing Quirk Dramatic Arts Center on the campus of Eastern Michigan University in accordance

with plans and specifications prepared by Smith, Hinchman & Grylls Associates, Inc., Architects of Detroit, Michigan, presently on file in the office of the Vice President for Business and Finance of the University.

- (c) Acquire additional land as part of the plans for expansion of the campus of Eastern Michigan University, said lands consisting generally of nine parcels of land, the descriptions and location of which are on file in the office of the Vice President for Business and Finance of the University.
2. That the Board borrow the sum of Three Million Two Hundred Thousand (\$3,200,000.00) Dollars and issue its bonds therefor to pay the costs of said capital improvements and land acquisition, including architect's fees, legal and financing expenses, contingencies, and a debt service reserve.
  3. That said bonds shall be designated Eastern Michigan University Capital Improvement Bonds, Series I, the principal of and interest thereon to be payable solely out of allocated general tuition fees charged students attending Eastern Michigan University in accordance with the requirements, terms and conditions set forth in the Official Statement filed with this Board and made a part of this Resolution and Trust Agreement hereinafter referred to shall be dated as of August 15, 1965, and shall consist of 640 coupon bonds of the denomination of \$5,000.00 each, all maturing on August 15, 1980, and bearing interest at the rate of 3.50% per annum, payable on February 15, 1966, and semi-annually thereafter on August 15 and February 15 of each year, both principal and interest to be payable in lawful money of the United States of America at Ann Arbor Trust Company, Ann Arbor, Michigan, Trustee under the Trust Agreement herein referred to.

Bonds of this issue shall be subject to redemption prior to maturity, at the option of the Board, at par and accrued interest to the date of redemption on any interest payment date, from allocated general tuition fees (referred to in the Official Statement and Trust Agreement as "University Fees") pledged to the payment of this issue as provided in said Official Statement and in the Trust Agreement.

Bonds of this issue shall be subject to redemption as a whole prior to maturity, for refunding purposes, at the option of the Board, on any interest payment date, at par and accrued interest to the date of redemption, plus premiums. (expressed in a percentage of par) in accordance with the following schedule:

2% of the par value of each bond redeemed prior to February 15, 1971;  
 1% of the par value of each bond redeemed on or after February 15, 1971,  
 but prior to February 15, 1976.

No premium shall be paid on bonds redeemed on or after February 15, 1976.

Twenty days notice of the call of any bonds for redemption shall be given by the Trustee under the Trust Agreement, herein referred to, by publication in a newspaper of general circulation in the City of Detroit, Michigan, and in case of registered bonds, twenty days notice shall be given by mail to the registered owner at the registered address.

4. All coupon bonds issued hereunder shall be payable to bearer and transferable by delivery unless and until the same shall have been registered by the holder thereof, or his attorney thereunto duly authorized, in writing, on books to be kept for such purpose by the Trustee under the Trust Agreement herein referred to, which registration shall be endorsed by said Trustee on the bond so registered. The principal of any bond so registered shall thereafter be payable only to the registered owner thereof, and any payment so made shall be valid and effectual to satisfy and discharge the liability upon such bond to the extent of the sum or sums so paid: Provided, however, that the registration of any bond shall not in any way affect payment of interest thereon or the negotiability of the interest coupons thereto attached, which shall be payable to bearer in accordance with the terms of and on presentation of said coupons. Any bond so registered may be transferred on the books of the Trustee by the registered owner thereof, or his attorney thereunto duly authorized, in writing, which transfer shall be endorsed thereon by the Trustee, and any bond registered to bearer shall thereupon again become payable to bearer and transferable by delivery in the same manner as before the registration thereof.
5. That said bonds shall be secured and payable out of allocations of general tuition fees collected from each student attending Eastern Michigan University (said general tuition fees being referred to in the Official Statement and Trust Agreement as "University Fees") in an amount fully sufficient to retire said bonds and the interest thereon at maturity, in accordance with the terms, conditions and provisions of the Official Statement and the Trust Agreement, and such allocated general tuition fees shall have a first lien or charge on all general tuition fees so charged and collected which lien is, however, of equal standing with the lien on a portion of said fees pledged for the payment of outstanding bonds designated as follows:
- (1) State Board of Education, Eastern Michigan College, Dramatic Arts Center Sinking Fund Bonds dated February 15, 1958, the amount outstanding being \$564,000, and the pledge of tuition fees being \$40,000 annually;
  - (2) State Board of Education, Eastern Michigan College, Health Service Building Sinking Fund Bonds dated August 1, 1958, the amount outstanding being \$884,000, and the pledge of tuition fees being \$64,000 annually;
  - (3) State Board of Education, Eastern Michigan University, Student Facilities Bonds dated December 15, 1959, the amount outstanding being \$163,000, and the pledge of tuition fees being \$15,600 annually;
  - (4) State Board of Education, Eastern Michigan University, Student Facilities Revenue Bonds dated July 1, 1961, the amount outstanding being \$110,000, and the pledge of tuition fees being \$12,500 annually;

and subject, further, to the right reserved to issue additional bonds for authorized purposes secured by additional allocations of such fees having equal standing and priority of lien or charged against such fees, within the limitations, and subject to the conditions, expressed in the Official Statement

hereinafter approved and made a part of this Resolution, and the Trust Agreement which will include said limitation and conditions.

6. That this Board does hereby covenant and agree that as long as any of the bonds herein authorized remain outstanding and unpaid, it will establish, maintain and collect general tuition fees from students attending Eastern Michigan University in an amount sufficient to provide annually sums equal to at least two hundred per cent (200%) of the maximum future annual debt service requirements on all outstanding bonds or other obligations, secured by said general tuition fees or any allocations therefrom.
7. That the Official Statement submitted, and hereinbefore referred to, setting forth the details of this bond issue, including the security and covenants in relation thereto, application of proceeds, conditions and limitations on the right to issue additional bonds or obligations secured by allocation of general tuition fees, and other terms and conditions in relation to this authorized bond issue is hereby approved as to content and form, a conformed copy of which is attached to this Resolution and made a part hereof, the same as though each of the provisions therein contained were herein repeated.
8. That Miller, Canfield, Paddock and Stone, bond counsel to the Board, with the cooperation and assistance of the Vice President for Business and Finance of the University and Ann Arbor Trust Company, are hereby directed to draft the necessary Trust Agreement securing said bonds between this Board, as Obligor, and the Ann Arbor Trust Company, as Trustee, which Trust Agreement shall embody, in appropriate language and terms, the covenants, obligations, terms and conditions, specifications, interest rate and other details and security provisions necessary in substantial compliance with the provisions of this Resolution and the Official Statement approved and made a part of this Resolution. Such Trust Agreement shall be executed for and on behalf of this Board by any two of the following designated officers of Eastern Michigan University, and this Board, to-wit: Edward J. McCormick, Chairman of this Board, Harold E. Sponberg, President of Eastern Michigan University, or Lewis E. Profit, Vice President for Business and Finance of Eastern Michigan University. Said Trust Agreement upon its execution, as herein authorized, by said officers and Ann Arbor Trust Company, of Ann Arbor, Michigan, as Trustee, shall be binding and effective in accordance with its terms and provisions.
9. That either Edward J. McCormick, Chairman of this Board, or Harold E. Sponberg, President of Eastern Michigan University are hereby authorized, empowered and directed, in the name and under the seal of this Board, and as its corporate act and deed, to execute the bonds herein authorized, in the manner prescribed in the aforementioned Trust Agreement, and to facilitate the same are authorized to use their initials in lieu of their first names, and the coupons appertaining to said bonds shall be executed by the facsimile signature of Lewis E. Profit, Vice President for Business and Finance of Eastern Michigan University. That said officers are further authorized and directed to execute such other necessary documents and proceedings necessary to effectuate the sale and delivery of said bonds to the purchaser thereof.

10. That said officers, either in the Trust Agreement or by the issuance of the bonds authorized by the provisions of this Resolution, shall not pledge the credit of or create any liability on the part of the State of Michigan, this Board, or any member or officer of this Board or any of their successors, other than to pledge the general tuition fees in accordance with the provisions and requirements therefor as specified in this Resolution, the Official Statement approved hereby and made a part of this Resolution, and the Trust Agreement.
11. The bonds herein authorized after their due execution as hereinbefore provided, and after authentication by the Trustee in the manner provided in the Trust Agreement, shall be delivered to the purchaser thereof, the National Bank of Detroit, Detroit, Michigan, upon payment of the purchase price therefor of par and accrued interest, in accordance with their commitment to the Ann Arbor Trust Company, which commitment is hereby accepted and approved.
12. The Ann Arbor Trust Company, Ann Arbor, Michigan, be and hereby is appointed to act as Trustee under the Trust Agreement hereinbefore referred to, and said Trustee shall be entitled to such estates, powers, rights, authorities, benefits, privileges, immunities and exemptions as are set forth in the Trust Agreement.

---Carried. Mr. Habel withheld vote because of interest in the Ann Arbor Trust Company.

Miss Allan gave a report for the Educational Policies Committee.

#### .265 M - LONG RANGE PLANS FOR DOCTORAL PROGRAMS

Miss Allan moved and Dr. Smith seconded that there be immediate development of long range plans for the establishment of doctoral programs in certain fields in the College of Education, in certain fields in Special Education, English and History and Social Sciences. Carried.

Dr. Sponberg gave general reports on: selection of an Alumni Director, North Central visit, Michigan Council of State College Presidents meeting, inaugural program, Publications Department, Psychology Department, Music Department, athletic program, industrial education program, sabbatical leave policy, legislative visit and Roosevelt Laboratory School.

#### .266 M - NATIONAL SCIENCE GRANT

Dr. Anspach moved and Dr. O'Hara seconded that an Institutional Grant for Science in the sum of \$11,260 awarded by the National Science Foundation to Eastern Michigan University be accepted. Carried.

#### .267 M - OFFICE OF EDUCATION GRANT

Dr. O'Hara moved and Miss Allan seconded that a grant in the sum of \$148,000 awarded by the Office of Education for senior year undergraduate traineeships, graduate fellowships at post-master's level and short term summer traineeships to assist in the preparation of professional personnel in the education of handicapped children be accepted. Carried.

## .268 M - SUMMER SESSION PERSONNEL

Miss Allan moved and Dr. Smith seconded that the list of appointments and changes to the teaching personnel for the 1965 summer session be approved as presented. Carried.

## .269 M - SALARY LIST FOR 1965-66

Dr. Anspach moved and Dr. O'Hara seconded that the list of 1965-66 salaries for Eastern Michigan University employees be approved as presented. Carried.

## 1.01.270 M - BOARD OF REGENTS OFFICERS

Mr. Habel moved and Dr. O'Hara seconded that the chairman, vice chairman and treasurer of the Board of Regents continue until the January 1966 meeting, and that the secretary continue until further action by the Board. Carried.

Mr. Profit gave a report on the progress of establishment of the FM radio station.

Mr. Profit gave a progress report on the remodeling of McKenny Hall.

## .271 M - DEAN OF ARTS AND SCIENCES RESIGNATION

Dr. O'Hara moved and Miss Allan seconded that the Board of Regents accept with regret the resignation of Albert W. Brown, Dean of the College of Arts and Sciences, effective July 31, 1965. Carried.

## .272 M - ACTING HEAD OF DEPARTMENT OF EDUCATION

Miss Allan moved and Dr. O'Hara seconded that the appointment of Louis Porretta as Acting Head of the Department of Education continue at a salary of \$10,150.00 for 10 months, until the fall semester is well under way. Upon the return of Dean Gex, a permanent department head will be appointed. Carried.

## .273 M - DIRECTOR OF SPECIAL PROJECTS AND RESEARCH DEVELOPMENT

Miss Allan moved and Dr. O'Hara seconded that Dr. Kenneth Cleeton be appointed Director of Special Projects and Research Development (a new position) at his current salary of \$17,000 for 12 months, effective August 1, 1965. Carried.

## .274 M - APPOINTMENTS, RESIGNATIONS, CHANGES OF STATUS AND LEAVES OF ABSENCE

Miss Allan moved and Dr. O'Hara seconded that the appointments, resignations, changes of status and leaves of absence be approved as presented. Carried.

The next meeting of the Board of Regents will be held on September 13, 1965.

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

Respectfully submitted,

~~Dorita Farver, Secretary~~