

**MINUTES OF A REGULAR MEETING
THE UNIVERSITY OF OKLAHOMA BOARD OF REGENTS
NOVEMBER 9-10, 1994**

Minutes (24120)

CAMERON UNIVERSITY

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THE UNIVERSITY OF OKLAHOMA

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**MINUTES OF A REGULAR MEETING
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A regular meeting of the Board of Regents governing The University of Oklahoma and Cameron University was called to order in the Board Room of the Foundation Building on the Norman Campus of the University beginning at 4:02 p.m. on Wednesday, November 9, 1994.

The following Regents were present: Regent E. Murray Gullatt, Chairman of the Board, presiding; Regents G. T. Blankenship, J. Cooper West, Stephen F. Bentley, Melvin C. Hall, Donald B. Halverstadt, M.D., and C. S. Lewis III.

Others attending all or a part of the meeting included Dr. J. R. Morris, Interim President of The University of Oklahoma, President-Designate David Boren, Provosts James F. Kimpel and Jay H. Stein, Vice Presidents Jerry B. Farley and Mark E. Lemons, Interim Vice Presidents Richard E. Hall and Eddie C. Smith, Mr. Fred Gipson, Chief Legal Counsel, Ms. Beth Wilson, Affirmative Action Officer, and Dr. Chris Purcell, Executive Secretary of the Board of Regents.

Those attending the meeting from Cameron University were Dr. Don Davis, President of the University, Provost Terral McKellips, Vice Presidents Louise Brown and Don Sullivan, and John Sterling, Controller.

Notice of the time, date, and place of this meeting was submitted to the Secretary of State, and the agenda was posted in the Office of the Board of Regents on or before 4:00 p.m. on November 8, 1994, both as required by 25 O.S. 1981, Section 301-314.

MINUTES

Regent Halverstadt moved approval of the minutes of the regular meeting held on October 12-13, 1994 as printed and distributed prior to the meeting. The following voted yes on the motion: Regents Gullatt, Blankenship, West, Bentley, Hall, Halverstadt, and Lewis. The Chair declared the motion unanimously approved.

CAMERON UNIVERSITY

REPORT OF THE PRESIDENT OF THE UNIVERSITY

President Davis presented the following report:

Davenport Unity Garden Dedicated

The new Cameron University Jesse Davenport Unity Garden was dedicated Thursday, November 3. The garden, located north of the Cameron Library, was constructed as part of *Festival II - A Celebration of Diversity*. Centerpiece of the garden is a huge metal sculpture of a bison skull, commissioned by the Leslie Powell Foundation of Lawton. The garden is

named for the late Reverend Jesse Lee Davenport, Lawton civil rights leader and the first individual to earn a baccalaureate degree from Cameron.

Dr. B. Don Sullivan Appointed to Leadership USA

Dr. B. Don Sullivan, Vice President for Development, has been appointed to the Leadership USA Curriculum Committee. He will assist the staff of the national leadership group in developing curriculum and assessments. Dr. Sullivan is a graduate of Leadership Oklahoma, a member of the Leadership Oklahoma Board of Directors Executive Committee, and Program Chairman for 1994-95.

Teacher Cadet Conference

Cameron University hosted the first annual Teacher Cadet Regional Conference on October 28. More than 70 students and instructors from Southwest Oklahoma attended. The Teacher Cadet Program seeks to recruit and retain minority students for the teaching profession. The two-semester senior high honors course provides orientation to the teaching profession. Co-directors of the regional conference were Dr. Judy Neale and Dr. William James of Cameron.

ROTC Wins Regional Contest

Cameron University won first in the three-state area Ranger Challenge Competition held October 28-30 at Fort Sill. Thirteen university ROTC programs in Oklahoma, Arkansas, and Kansas fielded teams in the challenge, considered the varsity sport of ROTC. Events included weapons assembly, physical fitness, grenade throw, road march and other military competition. Twelve universities competed. Arkansas State took second place, Pittsburg State third; and OU fourth. As the winner of the 4th Brigade, 4th Region competition, Cameron will participate in region competition in November at Fort Lewis, Washington.

KCCU Airs "Campaign '94 Analysis"

Cameron University's KCCU-FM aired a special election broadcast November 7 featuring Tom Jackson of *The Lawton Constitution*, Mike Reeder of KSWO-TV, and Doug Swanson, KCCU News Director.

AUDIT REPORT FOR FISCAL YEAR ENDING JUNE 30, 1994

The accounting firm of Cole & Reed, Oklahoma City, has completed the annual audit of Cameron University for the fiscal year ending June 30, 1994. The report of the auditor and responses of the management of Cameron University were included with the agenda.

President Davis recommended the audit report for fiscal year ending June 30, 1994, prepared by the accounting firm of Cole & Reed be accepted.

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Mr. Mike Gipson of Cole & Reed was present to provide a report. He stated the opinion was clean--there were no material weaknesses and no major items to report to the Board.

Regent Halverstadt moved approval of the recommendation. The following voted yes on the motion: Regents Gullatt, Blankenship, West, Bentley, Halverstadt, and Lewis. Regent Hall was out of the room at the time of this vote. The Chair declared the motion unanimously approved.

INTERNAL AUDITING ACTIVITIES, CAMERON UNIVERSITY

During the previous quarter one new audit was completed for Cameron University. This was an audit of the payroll process of the business office, entitled Business Office - Payroll. A copy of the individual audit report was filed with the department responsible for the activity audited, the President's Office, and the Regents' Office.

Four post audit reviews were also conducted. These included:

Admissions and Registrar Office
Student Phones
School of Fine Arts
Cameron Collegian

Of the 25 recommendations revisited during these reviews, three were found to be unimplemented. In each case, the delay was found to be warranted. A second follow-up review will be conducted for these recommendations.

No significant concerns were noted during the audit of the payroll function or during the post audit review process.

Mr. Glen Earley, Interim Director of Internal Auditing, presented this report for information. No action was proposed.

PERSONNEL ACTION

Resignation or Termination:

Max Burson, Librarian/Instructor, October 28, 1994.

President Davis recommended approval of the personnel action shown above.

Regent Lewis moved approval of the recommendation. The following voted yes on the motion: Regents Gullatt, Blankenship, West, Bentley, Halverstadt, and Lewis. Regent Hall was out of the room at the time of this vote. The Chair declared the motion unanimously approved.

LITIGATION

An item was included in the agenda for a report by Chief Legal Counsel on pending and/or possible litigation. There was no report given.

THE UNIVERSITY OF OKLAHOMA

FEES REQUEST FOR 1995-96

In accordance with policy set by the Oklahoma State Regents for Higher Education, institutions are to submit any requests for authorization to change fees that are "assessed students as a condition of enrollment and as a condition for academic recognition for completion of prescribed courses." Such fees are mandatory for all students in relation to a course of instruction or to an academic service including, but not limited to, general enrollment fees, student activity fees, and special fees. Fee changes requested by institutions, if approved by the State Regents and, if required, by the Oklahoma State Legislature, take effect the following fall semester.

The information herein summarizes the fee changes requested for 1995-96 by academic and nonacademic areas and reviewed and approved by the Senior Vice Presidents and Provosts on the Norman and Health Sciences Center campuses. The correspondence course fees and the Student Health Care fee require approval by the State Regents and Oklahoma Legislature. All other fees proposed are within the current statutory limits set by the Legislature and, thus, receive final approval with action by the State Regents.

HEALTH SCIENCES CENTER

Special Fees

Special Instruction Fees

<u>For</u>	<u>Current</u>	<u>Requested</u>
Nutritional Sciences Internship Program (NS 5426)	None	\$2,500.00

Rationale: The Nutritional Sciences department offers an optional program to post-baccalaureate students who desire to become registered dietitians and become eligible for the national registry examination. This internship program consists of a 28-week, 40-hour-per-week experience. Twenty-four of these weeks are spent in a hospital setting in the four to eight different hospitals utilized by the program. The remaining four weeks are spent in a variety of non-hospital, community agencies. The program requires extensive direct coordination by the program coordinator, on-site visits and guidance, specialized training in numerous areas, several lecture hours per week in addition to the clinical experience, and extensive coordination with the American Dietetic Association via annual reports, self-studies, and evaluations. Applicants to this internship program will come from across the nation via the national matching system, which is similar to the residency program in medicine. The fee for the Nutritional Sciences Internship Program is based upon the actual cost of providing the special instruction and materials, and therefore, does not require legislative review and can be implemented upon approval of the State Regents.

Course Fees

The Health Sciences Center requests the addition of six course fees for classroom/laboratory supplies, increasing the fee on one course for classroom/laboratory supplies, and deleting 15 course fees (14 for classroom/laboratory supplies, one for facility/equipment utilization). The additions of and increase to these seven course fees—six in Allied Health and one

in Public Health—reflect the actual direct costs of providing these services/materials to students enrolled. As the course fees proposed are within the statutory limit, i.e., the direct cost of services provided, they do not require legislative review and can be implemented upon approval of the State Regents.

Other Special Fees

<u>For</u>	<u>Current</u>	<u>Requested</u>
Processing Fee - Allied Health	None	\$25.00 per applicant

Rationale: The processing fee for Allied Health is being requested to cover the costs of processing applicants to the B.S. and M.S. programs. The fee will help cover the costs of evaluating core course and general education requirements for applicants to the Allied Health programs as well as letters of recommendation, standardized testing, and personal interviews required to be processed. The proposed fees are within the statutory limits, i.e., direct cost of services provided, and can be implemented with approval of the State Regents.

<u>For</u>	<u>Current</u>	<u>Requested</u>
Instrument Use Fee		
Dental Hygiene	\$ 50.00 per semester	\$ 75.00 per semester
Dentistry	\$200.00 per semester	\$300.00 per semester

Rationale: The fee increase reflects the current funds necessary to maintain and replace the clinic instruments provided to the students in the Dental Hygiene and Dental programs for instructional use. The proposed instrument use fee for both dental programs is within the statutory limit, i.e., direct cost of materials, and can be implemented upon approval by the State Regents.

<u>For</u>	<u>Current</u>	<u>Requested</u>
Student Services Fee		
Pharmacy	None	\$25.00 per semester
Nursing	None	\$25.00 per semester

Rationale: The student services fees for Pharmacy and Nursing are being requested to cover the costs associated with necessary certification requirements of these professional programs. The student services fee for Pharmacy will help cover the costs of initial and continued registration with the State Board of Pharmacy for interns throughout the period of enrollment; certify licensure examination eligibility upon graduation; confirm malpractice insurance, immunization certification, and license status for practicum courses at different practice sites; and provide placement services for intern positions, residencies, and other entry-level professional programs. The student services fee for Nursing will help cover the costs of licensure application and immunization certification required by clinical agencies. The proposed student services fees are within the statutory limit, i.e., direct cost of service provided, and can be implemented upon approval by the State Regents.

<u>For</u>	<u>Current</u>	<u>Requested</u>
Clinical Education Fee - PharmD	None	\$100.00 per semester

Rationale: The clinical education fee for the Doctor of Pharmacy (PharmD) program is being requested to cover the costs of providing education at clinical, community pharmacy, and hospital pharmacy practice sites and involving pharmacy practitioner preceptors in courses at the Health Sciences Center. This requested PharmD clinical education fee is greater than the current clinical education fee for Pharmacy students in the B.S. program since students in the PharmD program are required to complete 11 practicums plus clinical research experience versus four practicums for the B.S. program. The proposed clinical education fee is within the statutory limit, i.e., direct cost of services provided, and can be implemented upon approval of the State Regents.

<u>For</u>	<u>Current</u>	<u>Requested</u>	<u>Statutory Limit</u>
Nutritional Sciences Internship Program Application Fee	None	\$25.00 per applicant	\$25.00 per applicant

Rationale: The application fee being requested relates directly to the internship program offered by the Nutritional Sciences department in Allied Health. The applicants received into the applicant pool for the internship program are not reviewed by the institution or department admission office. An extensive internal review process is required to admit students to the Nutritional Sciences Internship program. Since the department will participate in the national matching system, the number of applications received is expected to be significant. The proposed fee is within the statutory limit for an application fee and, thus, can be implemented with State Regents' approval.

Student Activity Fees

<u>For</u>	<u>Current</u>	<u>Requested</u>	<u>Statutory Limit</u>
Student Facility Fee	\$35.00 per semester	\$40.00 per semester	\$40.00 per semester

Rationale: The fee increase reflects the current funds necessary for the annual debt service payment required by the revenue bond that will be used to construct the student center facility. The Health Sciences Center Student Association was involved in the discussions about the facility fee and voted to raise the student facility fee from \$35.00 per semester to \$40.00 per semester on April 28, 1994. The proposed fee is within the statutory limit for the Student Facility Fee and, therefore, can be implemented with the approval of the State Regents. The fee will not be charged until the facility is available for student use.

NORMAN AND HEALTH SCIENCES CENTER

Special Fees

<u>For</u>	<u>Current</u>	<u>Requested</u>
International Student Processing Fee	None	\$25.00 per applicant

Rationale: Because of the variance in educational systems around the world along with financial and language proficiency considerations, the applications of international students--of which approximately 3,400 are received by the Norman and Health Sciences Center campuses each year--require more effort and resources to process. Processing international applicants is labor intensive as admissions staff must constantly keep educated on changing immigration and naturalization laws and the interpretation/evaluation of transcripts and other materials submitted by international applicants. Of those international graduate students who apply each year on the Norman Campus (2,428 in 1994), about 10% (298) are admitted and actually enroll. The Health Sciences Center processed 958 international student applications during 1994, of which 117 were admitted and 43 matriculated.

The University's proposal is in keeping with trends at other institutions, which are charging international students higher application fees and/or processing charges to adequately support the time and resources required to process their applications. The funds generated by this processing fee would be used to support an additional admissions officer on both the Norman and HSC campuses, provide temporary help in each campus' mail room during peak processing times, and provide support to the Graduate College on the Norman Campus. At the HSC Campus, the new admissions officer could assist with international student advising as this activity has been absorbed by the Office of Admissions and Records due to the closing of the Center for Student Development. This processing fee is similar in rationale to the fees approved by the State Regents for FY 95 to process applicants to professional programs in Medicine, Pharmacy, Dentistry, and Nursing. Such processing fees cover the direct costs of the services provided and, thus, can be implemented with approval by the State Regents.

NORMAN CAMPUS

Correspondence Course Fees

<u>Current</u>	<u>Requested</u>	<u>Statutory Limit</u>
\$55.00 per semester hour	\$65.00 per semester hour	\$55.00 per semester hour

Rationale: The \$10.00 per semester hour increase in correspondence course fees is being requested to cover the costs incurred in the development, reproduction, and distribution of course materials and services provided to students. Data from the most recent national survey of independent study by correspondence programs sets the average charge for semester-based programs at \$86.14 per semester credit hour. The director of correspondence study at Oklahoma State University has submitted a similar request to raise the per-semester-hour fee from \$55.00 to \$65.00.

Special Fees

Course Fees

According to the policy of the Oklahoma State Regents for Higher Education, institutions may assess per-course charges for facility/equipment utilization, i.e., computers, musical equipment, or video equipment; classroom/laboratory supplies; or special instruction, for the actual cost of providing these services to the students enrolled in the courses. In accordance with this policy, the University of Oklahoma assesses students on a per-course basis for special facilities, equipment, and supplies required for their courses.

The colleges have requested the following additions, deletions, increases, and decreases to course fees to cover the actual costs of providing facilities/equipment and classroom and laboratory supplies to the students enrolled in the courses.

SUMMARY OF 1995-96 COURSE FEE REQUESTS

<u>College</u>	<u>Current</u>	<u>COURSE FEE REQUESTS FY '96</u>			<u>Decreases</u>
		<u>Additions</u>	<u>Deletions</u>	<u>Increases</u>	
Architecture	175	0	0	0	1
Arts and Sciences	278	88	6	17	5
Business Administration	0	0	0	0	0
Continuing Education	1	0	0	0	0
Education	34	0	1	0	0
Engineering	92	6	1	3	1
Fine Arts	152	92	11	15	0
Geosciences	81	10	2	8	0
Law	1	0	0	0	0
University College	<u>10</u>	<u>0</u>	<u>0</u>	<u>2</u>	<u>0</u>
Total	824	196	21	45	7

Student Technology Services Fee

In 1994, the Oklahoma State Regents for Higher Education approved the implementation of a per-credit-hour student technology services fee for 18 Oklahoma colleges and universities, including OU. The purpose of the fee is to provide the benefits of up-to-date technology – including computing, information processing, and telecommunications technology—to students to enhance their potential for academic success and to prepare them for an increasingly technical job market.

The student technology services fee is a per-credit-hour fee that is based on the costs of providing computing technology to students taking courses offered by each of the degree recommending colleges for which the fee was approved. The following changes to the technology services fee approved for FY '95 are requested for FY '96:

<u>College</u>	<u>Current</u>	<u>Requested</u>
Business	\$5.00 per credit hour	\$6.00 per credit hour
Education	\$1.00 per credit hour	\$3.00 per credit hour
Law	\$0.00 per credit hour	\$7.50 per credit hour

Rationale: The \$1.00 technology service fee increase proposed by the COLLEGE OF BUSINESS ADMINISTRATION would generate approximately \$39,000 more for such services. In the past two years, the College has made great advances in the quality and variety of technological tools available for student use. It has added 66 computers to the labs, almost doubling the number of student access computers. The College also has added color printing, scanning, and copying services. Four classrooms have been equipped with computers, VCRs, and large screen projectors. The proposed fee increase will be used to provide additional support personnel, hardware, more robust presentation software for student use, and formal training and help services on the use of these materials to all College of Business Administration students. Additionally, the College would like to extend the selection of technological tools available to its students to include sound, animation, digitized motion, increased CD-ROM capabilities, and graphical Internet access.

The COLLEGE OF EDUCATION'S request to increase its technology fee from \$1.00 to \$3.00 per credit hour is made due to the increased use of and demand for computers in the College's computer laboratory and classroom(s). These funds are required to hire graduate assistants to expand its service of the laboratory to students from 20 to 40 hours per week, to cover the cost of software, to maintain equipment in the computer lab and classroom, to respond to expanded use by an increasing number of new courses, to purchase new equipment, and to replace out-dated equipment. The initial request of \$1.00 per credit hour is considerably short of the required needs.

The technology fee proposed for the COLLEGE OF LAW would generate approximately \$158,550 per year to directly support a variety of student services and needs, including WESTLAW and LEXIS. These two legal databases must be supported to ensure that OU law students will remain competitive in a tight legal market. The fee also would enable the College of Law library to continue to automate library functions, making it easier for students to access the law library's materials. Students involved in law review, seminars, and first-year legal writing courses will benefit from these advances. Finally, the technology services fee would provide support for the local area network in the Law Center. Among other things, this network will allow law students to gain access to the Internet, which is crucial as more full text documents become available for legal research. Operation of this network will have start-up costs as well as on-going maintenance, supervisory, and teaching costs. These start-up and ongoing costs will not be inconsequential, but are imperative to keep the College of Law moving toward technological literacy for its students.

Other Special Fees

<u>For</u>	<u>Current</u>	<u>Requested</u>
College of Law Processing Fee	\$0.00	\$25.00 per applicant

Rationale: This fee is being requested to cover the costs of processing applicants to the College of Law. The fee reflects the escalating costs of processing applications to the College of Law and new measures to be implemented by the college related to the recruitment of prospective students. The fee requested is comparable to those of peer institutions and is subject to waiver upon good faith request by an applicant unable to pay the fee. This processing fee is similar to the fees approved by the State Regents for FY 95 to process applicants to OU's professional programs in Medicine, Pharmacy, Dentistry, and Nursing. Such processing fees have been approved by the State Regents as direct costs of services provided.

Student Activity Fees

<u>For</u>	<u>Current</u>	<u>Requested</u>	<u>Statutory Limit</u>
Student Health Care Fee	\$46.00 per semester	\$55.00 per semester	\$46.00 per semester

Rationale: Goddard Health Center is funded through a system of student health care fees, charges for services, and insurance. The Student Health Care fee remains the primary and most equitable mechanism to assure high-quality care with appropriate accessibility for the student community. Over the past two years, Goddard Health Center has undergone fundamental changes in administration and mission to provide high-quality outpatient primary care for students, faculty, and staff. Measures such as the closing of the under-utilized inpatient hospital section, reducing hours of operation to those most utilized, and reductions in the work

force have resulted in savings of more than \$500,000 for the Center. However, these savings have been countered by the costs associated with the upgrading of physician salaries and achieving the necessary level of staffing.

The current Student Health Care fee of \$46.00 per semester is next to the lowest among universities in the Big Eight, in which student health fees range from \$40.00 to \$86.00 per semester. Comparable programs--such as those at Kansas State, Nebraska, and Kansas--have health fees of \$70.00, \$77.10, and \$86.00 per semester, respectively. With the increase from \$46.00 to \$55.00 per semester, the students of the University will be assured of the responsive, high-quality, and cost-effective health care that they expect and deserve. The University of Oklahoma's request has been coordinated with Oklahoma State University, which also plans to ask for a health fee increase for next fiscal year and is supportive of asking the Legislature to raise the statutory cap for such fees.

Interim President Morris recommended the Board of Regents approve the changes in fees for 1995-96 and authorize their submission to the Oklahoma State Regents for Higher Education.

In response to a question, Vice President Lemons gave several examples of the need for fee increases. He said the State Regents have given approval to charge up to the actual cost of class supplies and materials. He said this request is an indication of the budget situation and no additional operating income. Regent Halverstadt commented that it would be useful to know how much fixed overhead costs are going up for fiscal 1995-96. Mr. Lemons said historically student input has not been sought on this type of fee increase. The students are informed through the printed schedule. He added the students have approved the increase in the student facility fee which is to fund the bond indebtedness on the new student center that is planned.

Provost Kimpel reported briefly on the requested fee increases for the Norman Campus. He said some departments have paid these costs in the past but due to budget cuts, departments are pressed to offer the same services as in the past but through implementation of new or increased fees. Dr. Kimpel assured the Regents students in Journalism and Fine Arts (which represent the largest increases) have not complained about the increases.

Interim Vice President Hall discussed the proposed increase in the Student Health Care Fee. He said over a year ago the Board of Regents approved a recommended \$15 health fee increase but it did not receive legislative approval and now an increase of \$9.00 is proposed in concert with OSU's proposal. Dr. Hall said Scott Martin, President of UOSA, chaired the Goddard Advisory Committee and has done an excellent job of informing the students. The Goddard Advisory Committee is made up of faculty, staff and student representatives and they do support the fee increase.

Mr. Martin said the Student Association has not had an opportunity to vote on this fee increase yet. He said he would like the Board of Regents to pass this increase with the knowledge that in the coming months, prior to the State Regents' consideration of the increase, Student Congress and the Graduate Student Senate will take a stand. Due to the process and timing of fee requests sent to the Oklahoma State Regents for Higher Education, Mr. Martin said passing this today will ensure consideration by that Board according to their schedule and will also give the student body time to consider the increases.

Regent Halverstadt moved approval of the recommendation. The following voted yes on the motion: Regents Gullatt, Blankenship, West, Bentley, Hall, Halverstadt, and Lewis. The Chair declared the motion unanimously approved.

ONETIME STIPENDS AND SELECTED SALARY ADJUSTMENTS

As the Board was advised in October, a onetime stipend program has been introduced for recognition of the important contributions of faculty and staff. It was also stressed that this stipend program is not intended to substitute for permanent increases to the salary base nor to establish a precedent to be followed in future years. In a year with no anticipated revenue increases in State appropriations or tuition, faculty and staff stipends temporarily address the highest funding priority, salary and wage increases. The University will continue to work for greater fiscal support for higher education to provide a more competitive permanent salary base.

Both the Norman Campus and the Health Sciences Center provided a central pool of onetime funds from FY94 savings and overrealizations to supplement stipends in the Educational and General Budget. The Norman Campus distributed \$1.4 million or 2 percent of the filled position base to Educational and General accounts. Departments were allowed to provide an additional 1 percent from departmental savings for average stipends of up to 3 percent. Self-supporting accounts such as auxiliaries and service units were also allowed to fund stipends that averaged up to 3 percent of the filled position base. Permanent, selected salary adjustments of up to 1 percent of the salary base were allowed on the Norman Campus to correct salary inequities and extreme market problems.

Recommended stipend increases on the Norman Campus average 2.4 percent of the filled salary base at a total onetime cost of approximately \$1.6 million. Statistical schedules on the following pages reveal that the hourly staff group received the highest percentage stipends at 2.8 percent, faculty received a percentage of 2.3 percent and monthly staff received the lowest percentage at 2.2 percent. In Educational and General \$739,649 was allocated for faculty stipends. This was 63 percent greater than the amount allocated to monthly staff and 90 percent greater than the dollar amount allocated to hourly staff. In an all-fund comparison hourly staff received the largest dollar amount at \$816,699 compared to faculty's \$740,499 because of the large number of hourly employees employed in auxiliary and service unit accounts such as housing, food services, the athletic department and other labor intensive service areas.

An analysis of the distribution of stipends indicates that 50 percent of employees to receive a stipend earned \$25,000 and below. This category is primarily staff with the exception of four part-time faculty. No full-time faculty earn below \$25,000. Of those earning \$40,000 and above, 423 faculty and 208 staff are to receive stipends.

A total of 110 permanent salary adjustments were made at a cost of \$214,441, permanently funded from departmental budgets. Percentages of salary budgets for permanent increases were too small to have any reporting significance.

The Health Sciences Center distributed \$854,948 or two percent of the salary and wage base on Educational and General funds to departments for onetime payments. Departments were encouraged to use 1 percent across-the-board and 1 percent for merit. Employees not receiving onetime payments of at least \$200 required a reason or explanation from the department. Departments were also encouraged to use other departmental funds to augment their onetime payments for outstanding services, such as research efforts. Justifications were also required for payments exceeding \$2,000 and there were no overall maximums.

The average onetime payment for the Health Sciences Center was 2.4 percent for faculty and 2.3 percent for staff. The overall average was 2.3 percent, at a cost of \$1,367,337. Additional departmental funding included \$102,683 from State funds, \$349,245 from Practice Plan funds and service units, and \$60,462 from Grants and Contracts. The onetime payments include 492 faculty or 63 percent, and 1,515 staff or 76 percent, with most payments in the 3 percent or less range of the annual salary. Of the \$1.3 million, \$539,674 or 40 percent is for faculty and \$827,663 or 60 percent is for staff. The onetime payments are distributed similarly across all departments on the Health Sciences Center Campus.

Statistical schedules of the distribution of stipends were included in the agenda. A detailed list of those receiving stipend and permanent adjustments was also mailed to the Regents under separate cover for staff earning \$40,000 and above, and for all faculty.

Interim President Morris recommended approval of onetime stipends and selected salary adjustments as presented.

Regent Halverstadt moved approval of the recommendation. The following voted yes on the motion: Regents Gullatt, Blankenship, West, Bentley, Hall, Halverstadt, and Lewis. The Chair declared the motion unanimously approved.

WORKERS' COMPENSATION

Currently, the University obtains workers' compensation coverage through the State Insurance Fund. A preliminary study conducted by the administration suggests that savings could be realized by the University if it were self-insured.

The staff has considered such items as privatizing the reinsurance claims administration and legal representation. While apparently other institutions of higher learning have not taken this approach, certain school districts in Oklahoma have done so and realized substantial savings.

The first step is to request permission from the Commissioner of the State Fund for the authority to self-insure outside the State Fund. At the same time, the staff would prepare a RFP for the self-insurance program administration and reinsurance.

Interim President Morris recommended the Board of Regents authorize the administration to seek proposals for workers' compensation coverage outside the State Insurance Fund and authorize the University to request permission of the State Insurance Fund to self-insure.

Regent Halverstadt moved approval of the recommendation. The following voted yes on the motion: Regents Gullatt, Blankenship, West, Bentley, Hall, Halverstadt, and Lewis. The Chair declared the motion unanimously approved.

At 4:40 p.m. the Chairman adjourned the meeting and announced the meeting would reconvene at 8:30 a.m. on Thursday, November 10, in the same location.

The meeting reconvened in regular session at 8:31 a.m. on November 10, with all Regents present. Also present for this portion of the meeting was President-Designate David Boren.

CAMPUS PARKING FACILITIES

This agenda item was brief and contained only the action proposed by Interim President Morris as follows: (1) review the information and recommendations regarding campus parking needs and possible solutions prepared by Barton-Aschman Associates, Inc., (2) consider the comments and proposals regarding campus-related parking problems presented by the campus and neighborhood representatives, and (3) select a course of action as deemed appropriate by the Board.

Information was mailed to the Board under separate cover and included a summary report of the Comprehensive Parking Study prepared by Barton-Aschman Associates, Inc. as well as supplemental information prepared for the Regents by the administration on this proposal to construct campus parking facilities.

Interim President Morris commented as follows: "Mr. Chairman, I thought that the discussion yesterday was a profitable one, with regard to the parking garage at the Catlett Center. I take very seriously the admonition of the Chair of the Faculty Senate that something of this nature ought to be given time for the faculty to look at and consult at greater length in looking at possible options. But I think that needs to be put into the chronology of what we have been through with regard to these plans. Actually, when the final plans for Phase II of Catlett were presented to the Campus Planning Council in 1993, the need for a parking structure was identified and discussed at that time. Also, a model of Catlett including a garage was constructed and presented to the Council. Beginning last February, copies of all the parking consultants' reports have been provided to the Campus Planning Council. The reports have been discussed in some detail at several of their meetings last spring and this fall. This report submitted last spring included the recommendation to construct the garage on the Catlett site. Typically the Planning Council is not asked to formally approve construction projects. They typically come in response to proposed changes in the Campus Master Plan. In the case of the parking garage, it seems to me that ample opportunity has been provided for study and for comment. I understand the concerns of the people in the neighborhood. The best knowledge that we can get from the City and from our consultants is that the neighborhood will not be impacted in the way that some of those in the neighborhood fear. The City feels quite strongly that as long as we can take care of the intersections at Boyd and Elm and at Lindsey, there should not be problems. We really have to think of what this campus is going to need to go through over the next 20 years, not just next year or the year after that, but in the long-range development. This is not a solution to the parking problem of the Norman Campus, it is merely one aspect of it. Therefore, I would like to make the following recommendation."

Interim President Morris recommended the Board of Regents:

1. Approve the construction of two additional multi-purpose parking lots near the Duck Pond and near the intersection of Jenkins and Lindsey.
2. Approve the award of an architectural and engineering services contract to Frankfurt Short Bruza Associates, P.C. for the preparation of plans and specifications for the design of the Elm Avenue Parking Facility with a fee for professional services of \$250,000 and authorize the President to sign the required contract.
3. Approve the proposed three-step increase in fees.
4. Authorize the President to proceed with the preparation of the documents to offer revenue bonds for sale.

Regent Lewis said he thought the public hearing that was held yesterday was an extremely useful event for everyone to have a chance to get input from concerned citizens in the neighborhood, city council members, and others interested in the outcome of this decision. He said he certainly has concerns about the impact on the historic neighborhood of anything the University may plan after hearing all of the people speak yesterday. He said he became convinced that to build this parking garage in the proposed location is probably the best way to deal with the parking problem that would be compatible with the surrounding neighborhood and would have the least negative traffic impact over the other alternatives. Regent Lewis said he was glad to have had the opportunity to hear a lot of people speak about it to help understand the issue more thoroughly. Regent Lewis said it is his understanding that the concept is that this facility will be built out of materials similar and a design that is compatible with Catlett. Dr. Farley responded that is precisely what will occur and it will be landscaped very nicely.

Regent Halverstadt commented also. He said the presentations were extremely useful yesterday, offering a variety of peoples and constituents an opportunity to voice their concerns. It seemed to be that the major concern was one of traffic flow. He said it occurred to him that concerns about traffic flow could be helped if the City were able to work with us in terms of limiting traffic flow in certain directions. There was a substantial concern raised about traffic past the elementary school. It seems that if stop signs were put at every intersection going across Brooks it would at least slow that traffic flow. Secondly, and this may not be feasible, if there were no right turn signs at a variety of those intersections along Elm the bulk of the traffic flow could be directed away from the elementary school. He said his comments may not bear any relationship to the reality in terms of City planning but as he heard the concern about traffic flow it seemed there could be some very simple things to help alleviate that concern. Regent Halverstadt said looking at all the variety of possibilities that the decision in favor of this particular proposal would overall be the best thing to do.

Chairman Gullatt said he thought the session yesterday afternoon was very beneficial and is satisfied that the University is looking at all the possible alternatives to try to speak to what is a difficult problem.

Regent Halverstadt moved approval of the recommendation. The following voted yes on the motion: Regents Gullatt, Blankenship, West, Bentley, Hall, Halverstadt, and Lewis. The Chair declared the motion unanimously approved.

FINANCING FOR UNIVERSITY GOLF COURSE

At the June 1994 meeting, the Board of Regents approved the selection of Cupp Design, Inc. to develop a Master Plan for the University Golf Course. At the September 1994 meeting, representatives of Cupp Design, Inc. presented the University Golf Course Master Plan which had been developed and recommended that Regents approve the issuance of an RFP for the specific design work to implement the Master Plan. A portion of the projected cost to implement the Master Plan is to be funded from the issuance of revenue bonds to be retired from University Golf Course revenues. In anticipation of these actions by the Board, the University requested the State Legislature to approve a Concurrent Resolution authorizing the Board to issue revenue bonds for this purpose. Enrolled Senate Concurrent Resolution No. 64, adopted in May 1994, contains this authorization.

Under an accompanying agenda item, the University administration has requested authorization from the Regents to develop a revenue bond issue through the ODFA. The implementation of the Golf Course Master Plan would be included as a project in the ODFA bond issue or the University can engage Bond Counsel and a Financial Advisor specifically for this project. If arrangements cannot be finalized with the ODFA, RFPs will be prepared, reviewed with the State Bond Advisor as required by Statute, and circulated to qualified firms. The responses to these RFP's will be brought before the Board for the selection of Bond Counsel and Financial Advisor.

However, the earliest that the proceeds from the ODFA bonds would be available would be late spring or early summer 1995. In order for implementation of the Master Plan to begin as soon as possible, the University's administration is requesting authorization to make an internal loan from Housing Capital Improvement Reserves to the Golf Course. This loan would be repaid from the proceeds of the ODFA or University revenue bonds upon the closing thereof and from private funds raised for the project. It is estimated that the maximum term of this internal loan would be 12 months.

Interim President Morris recommended the Board of Regents authorize (1) the University to enter into an agreement with the Oklahoma Development Finance Authority (ODFA) to issue bonds or (2) the issuance of Request for Proposals (RFPs) for Bond Counsel and Financial Advisor for the purpose of issuing revenue bonds in the amount of \$2,500,000, the proceeds of said issue to be used for the implementation of the University Golf Course Master Plan, and (3) authorize an internal loan up to the amount of the golf course project budget from Housing Capital Improvement Reserves to provide interim funding for the implementation of the University Golf Course Master Plan. This internal loan will be repaid from a revenue bond issue developed through the ODFA or from a separate revenue bond issue and from the private funds raised for the project.

Regent Halverstadt moved approval of the recommendation. The following voted yes on the motion: Regents Gullatt, Blankenship, West, Bentley, Hall, Halverstadt, and Lewis. The Chair declared the motion unanimously approved.

SELECTION OF DESIGNER FOR THE UNIVERSITY GOLF COURSE IMPROVEMENTS

At the June 1994 meeting, after considering the qualifications of a number of golf course designers, the Board of Regents selected Cupp Design, Inc. to prepare a master plan for the University Golf Course. The recommendation to select Cupp Design was based on a careful and thorough evaluation of the firm's professional abilities. Individuals familiar with both the professional services provided by the firm and the success of the golf courses which the firm has designed were involved in the evaluation process. The qualifications of Cupp Design related to final design services as well as master plan preparation were reviewed and considered during the selection process. The firm was found to be well qualified to provide a full range of master planning and design services. Therefore, it is recommended that Cupp Design be retained to provide the design services necessary to implement the master plan which they have prepared. Cupp Design will be responsible for final design preparation in accordance with all applicable USGA standards, construction cost estimate preparation, assistance with the bidding process, and review of construction activities. Also, Cupp Design will be responsible for securing professional engineering services necessary to provide plans and specifications for the installation of a complete irrigation system and other special consultants as may be required.

A defined scope of the project can be developed from the master plan, and a contract with the designer will be based on the defined scope, including matters related to the final construction budget, time and other project constraints. Cupp Design, Inc. will be instructed to proceed with the preparation of final plans for the golf course including a complete irrigation system. Under the terms of the contract, they will be authorized to retain the services of an engineering firm to assist with the preparation of plans for the irrigation system. It is anticipated that preparation of plans for the golf course will require approximately 60 days. Once final plans are completed, they will be advertised for bids. A report on the plans will be presented to the Board of Regents at its meeting in January, and a report on the bids will be presented at the Board's meeting in March.

A separate study to investigate possibilities for improvements to the golf course clubhouse has been initiated. The study will address the major deficiencies of the facility and identify options for improvement and the related costs. A report on the study and a recommendation regarding the project will be presented to the Board at a future meeting.

Interim President Morris recommended the Board of Regents approve the master plan for The University of Oklahoma Golf Course prepared by Cupp Design, Inc. and authorize (1) the development of a contract and the negotiation of a fee with Cupp Design, Inc. for the preparation of final design documents for improvements to the golf course and (2) the selection by Cupp Design, Inc. of an engineer to assist with the preparation of plans for the installation of an irrigation system.

Regent Halverstadt moved approval of the recommendation. The following voted yes on the motion: Regents Gullatt, Blankenship, West, Hall, Halverstadt, and Lewis. Regent Bentley was out of the room at the time of this vote. The Chair declared the motion unanimously approved.

THE SUN COMPANY CHAIR IN GROUNDWATER HYDROLOGY

On December 10, 1983, The Sun Company, Inc. agreed to endow The Sun Company Professorship of Hydrology in honor of Gordon E. Hillhouse, then Executive Vice President of The Sun Company, a 1949 OU graduate in Mechanical Engineering, and a former member of the OU Foundation Inc. Board of Directors. The endowment account was established with an initial gift of \$150,000, and an additional \$150,000 was received in 1984 for a total of \$300,000—which was the minimum required by the Regents at that time to establish an endowed professorship at The University of Oklahoma. At the same time, The Sun Company established a similar professorship at Oklahoma State University at the same level. In 1983, the minimum amount required to establish a chair at OU was \$750,000.

On September 23, 1988, in response to a University initiative, The Sun Company agreed to make an additional gift of \$125,000 to the principal of this endowment as part of the University's early participation in the Oklahoma State Regents' matching program for endowed professorships and chairs. In doing so, The Sun Company acknowledged that the total of all funds available from its original gift, the latest gift, and the State Regents' match would not meet the newly established parameters of \$1 million to qualify for a chair; however, they requested that an exception be made in this case and that the Sun Professorship be upgraded to a chair at the existing funded level of approximately \$600,000. At that time, they pointed out that identical gifts to Oklahoma State University resulted in an upgrade of The Sun Professorship to a chair at OSU under the same program.

In late 1988, the University requested State Regents' matching funds in the amount of \$250,000 to upgrade The Sun Professorship to a chair at the total endowment level of \$1 million, with the stated intent to raise the additional funds from sources outside of The Sun Company. The State Regents approved OU's request on September 18, 1989 with the requirement that OU raise the matching \$250,000 within three years. However, all efforts to raise this additional amount have been unsuccessful--including further dialogue with The Sun Company--within the prescribed time frame.

As of September 30, 1994, the following is a summary of the status of The Sun Company Endowment Fund:

Principal balance in the OU Foundation	\$548,019
Additional College of Engineering Commitment	10,345
Funds qualifying for State Regents' Match	<u>191,636</u>
 Total Endowment	 \$750,000

Therefore, it is now being requested that the Board of Regents make an exception to its current policy and approve the establishment of The Sun Company Chair in Groundwater Hydrology at the total endowment level of \$750,000. It should be noted that when the Board of Regents approved the policy to increase the funding level for an endowed chair from \$750,000 to \$1 million on January 21, 1988, it provided an exception for any partially funded professorship or chair established before January 1988. Upon OU Regents' approval, the University will submit a request to the State Regents to reduce the matching funds requested from \$250,000 to \$191,636 and declare The Sun Company Chair in Groundwater Hydrology fully funded when the State Regents' matching funds are allotted.

This response to The Sun Company's request would enhance the long-term relationship of the University and the College of Engineering with the parent Sun Company, Inc. and the Oryx Company, which subsequently was formed by the spin-off of Sun's exploration and production operations. The early commitment and financial support of The Sun Company was the primary impetus for the establishment of the Environmental and Groundwater Institute in the College of Engineering, which has been highly successful and has brought positive worldwide recognition to the University in this critical area of research.

Finally, approval of this recommendation would be a significant recognition of Mr. Hillhouse's lifetime commitment to The University of Oklahoma. Throughout his exemplary industry career, Mr. Hillhouse was an aggressive advocate of support for The University of Oklahoma within his company. He brought much attention and significant corporate financial support to the energy and environmental programs at OU and continues his financial support to the College of Engineering long after his retirement from The Sun Company.

Interim President Morris recommended The University of Oklahoma Board of Regents make an exception to its current policy and (1) approve the establishment of The Sun Company Chair in Groundwater Hydrology at the total endowment level of \$750,000 and (2) approve the University's submission of a request to the Oklahoma State Regents for Higher Education to reduce the matching funds requested from \$250,000 to \$191,636 and declare The Sun Company Chair in Groundwater Hydrology fully funded when the State Regents' matching funds are allocated.

Regent Halverstadt moved approval of the recommendation. The following voted yes on the motion: Regents Gullatt, Blankenship, West, Bentley, Hall, Halverstadt, and Lewis. The Chair declared the motion unanimously approved.

ENDOWED CHAIRS AND PROFESSORSHIPS

The University has recently received a gift to establish a new endowed faculty position. Matching funds will be requested from the State Regents' Matching Program. This new position brings the total of endowed positions at The University of Oklahoma to 108.

THE DOLORES K. AND WALTER NEUSTADT, JR. PROFESSORSHIP OF COMPARATIVE LITERATURE

Mr. and Mrs. Walter Neustadt, Jr. recently made a gift of \$250,000 to establish a professorship which will significantly enhance the editorship of *World Literature Today* and add greater distinction to a program that already has brought international renown to The University of Oklahoma through the Neustadt International Prize for Literature.

Walter Neustadt is a member of a pioneer Oklahoma family whose support of OU spans more than 50 years, beginning with a gift from his late mother and father, Walter Sr. and Doris Westheimer Neustadt, of land in north Norman for what would become the Max Westheimer Airpark.

In the early 1970s, Mr. Neustadt and his mother provided the endowment for the Neustadt International Prize in Literature. Awarded every two years, the prize has a stellar record of 17 laureates, candidates and jurors who went on to receive the Nobel Prize in Literature. The Neustadt Prize is the only international literary award emanating from the United States for which poets, playwrights and novelists are given equal consideration.

Mr. Neustadt, his brothers Jean and Allan, and sister Joan, made a \$2 million gift to OU for the Bizzell Memorial Library expansion. The expansion is named the Doris W. Neustadt Wing in honor of their mother.

Walter and Dolores K. Neustadt have long been active in advisory capacities with the University Libraries and are endowed founders of the OU Associates. In addition, Walter Neustadt is a life member of the OU Alumni Association. He served as an OU Regent from 1969 to 1976, and has served as a trustee of the OU Foundation for many years. He was chairman of the Foundation's Board of Trustees for nearly 10 years. He also has been a member of the Bizzell Library Board, Bizzell Library Society, the School of Geology and Geophysics Alumni Advisory Council and a Founding Patron of the OU Press. He received The University of Oklahoma's Distinguished Service Citation in 1977. A recipient of the Governor's Arts Award in 1992, he was cited as one of the State's most dedicated supporters of literature and the arts.

Interim President Morris recommended the Board of Regents acknowledge with appreciation this gift and designate the new endowed position as set forth above.

Regent Lewis moved approval of the recommendation. The following voted yes on the motion: Regents Gullatt, Blankenship, West, Bentley, Hall, Halverstadt, and Lewis. The Chair declared the motion unanimously approved.

GRADUATE DEGREE PROGRAM DELETIONS

The Oklahoma State Regents for Higher Education require that all degree program deletions be presented to the institution's governing board before being forwarded for their

consideration. Therefore, upon recommendation of the Academic Programs Council, Graduate Council, and Senior Vice President and Provost Kimpel, it is proposed that The University of Oklahoma delete the following graduate degree programs:

College of Arts and Sciences: Latin, M.A. (RPC 147, MC 1109M)

College of Business Administration: Business Administration, M.A. (RPC 270)

These deletions are recommended based on the review of programs with low numbers of graduates and the ongoing review of graduate programs at the State level. Currently, there are no students enrolled in these programs, the deletions of which will result in program consolidation, cost reduction, and elimination of programs with low or zero enrollments.

Upon approval, these deletions will be forwarded to the State Regents and will become effective with Summer 1995 contingent upon their approval.

Interim President Morris recommended the Board of Regents approve deletion of graduate degree programs in the College of Arts and Sciences and College of Business Administration.

Regent Lewis moved approval of the recommendation. The following voted yes on the motion: Regents Gullatt, Blankenship, West, Bentley, Hall, Halverstadt, and Lewis. The Chair declared the motion unanimously approved.

ENROLLMENT MANAGEMENT PLAN

The College of Engineering's Strategy for Excellence stipulates a target of 2,000 undergraduate engineering majors – an enrollment that is still more than the 1,850 average enrollment for peer engineering colleges with the same size faculty as OU's College of Engineering. With a current enrollment of more than 2,300 undergraduate students, the College of Engineering proposes to enact an enrollment management plan to bring the number of undergraduate students in line with its faculty and laboratory resources.

During the past five years, the College of Engineering has made a significant effort to improve the quality of its student body. As a result, the average ACT score for incoming freshmen in 1994-95 was greater than 28. However, the College of Engineering labs are overflowing and its accreditation agency has informed the College that this problem must be addressed before the next accreditation visit. Therefore, the College of Engineering has proposed the following enrollment management plan, including two provisions that must be approved by the OU Board of Regents before forwarding them to the Oklahoma State Regents for Higher Education for consideration:

- **Change of Admission Requirements:** Nonresidents of Oklahoma transferring to The University of Oklahoma College of Engineering must have a retention GPA of 3.00, regardless of the institution from which they are transferring. (Current policy requires a retention GPA of 2.00).
- **Change in Program Requirements:** A student in The University of Oklahoma College of Engineering must make a grade of C or better in all courses required in his/her curriculum, and he/she must maintain an OU retention GPA of 2.00 to

proceed in his/her major coursework. (Current policy allows students to remain in the college and take coursework toward their degree if they have a 2.00 GPA or are making progress toward achieving a 2.00 GPA. Also, electrical engineering and computer science students must have a grade of C in all prerequisite courses in math, science, and electrical engineering.)

These provisions will ensure that students not academically prepared to pursue an undergraduate engineering degree will be identified earlier and given retention assistance. Those who cannot meet Engineering's academic requirements will be advised into other majors. Also, Oklahoma residents will be given priority because of the higher GPA required of nonresident transfer students. Finally, the impact on minority students should be minimal, as the College of Engineering Minority Engineering Program works closely with minority students through special tutorial programs.

The College of Engineering's Enrollment Management Plan has been approved by the College of Engineering, the Academic Programs Council, and Senior Vice President and Provost Kimpel. Upon approval by the Board of Regents, these provisions will be forwarded to the State Regents and will become effective with Summer 1995 contingent upon their approval.

Interim President Morris recommended the Board of Regents approve the request of the College of Engineering to change admission and program requirements in an effort to manage its enrollment.

Regent Halverstadt moved approval of the recommendation. The following voted yes on the motion: Regents Gullatt, Blankenship, West, Bentley, Hall, Halverstadt, and Lewis. The Chair declared the motion unanimously approved.

PURCHASE OF CENTRIFUGE EQUIPMENT

The Department of Biochemistry is in need of centrifuge equipment on a sole source basis from Beckman Instruments for the following reasons:

1. Multiple users with various research projects and equipment expertise requires equipment with reliability, fast acceleration/decelerations, simplicity of use through programmability and the safety of imbalance tolerant drive with maintenance of vacuum and temperature at run completion.
2. Research is currently underway and experiment continuity, consistency and maintenance of data integrity are necessary. This research is being done in conjunction with other research teams in other locations. Compatible equipment will preserve consistency and reliability of the studies.
3. Identical equipment will eliminate training and orientation downtime or deviations in methodology and procedures due to equipment changes.
4. Allows for experiment maximization with minimal time wasted which will increase departmental efficiency. The laboratory contains other Beckman machines including other centrifuges which will maintain compatibility of equipment.

Laboratory space is being remodeled and research projects are coming on line that will require this equipment. This equipment is replacing some older equipment that is being traded-in and reduces the price. The equipment purchase is funded by Presbyterian Health Foundation and is in conjunction with efforts to substantially increase the research efforts of the Department of Biochemistry.

The equipment package includes three Optimal L-80 ultracentrifuges and just under 20 accessory items.

It is the recommendation of administration to award a purchase order to Beckman Instruments for \$181,936 on a sole source basis. Funds are available from a Presbyterian Health Foundation grant.

Interim President Morris recommended the Board of Regents authorize the Health Sciences Center to issue a purchase order to Beckman Instruments for centrifuge equipment totaling \$181,936.

Regent Halverstadt moved approval of the recommendation. The following voted yes on the motion: Regents Gullatt, Blankenship, West, Bentley, Hall, Halverstadt, and Lewis. The Chair declared the motion unanimously approved.

PRESIDENT'S HOME (BOYD HOUSE)

At the January 1994 Board of Regents' meeting, information about the current location of the official residence and the option of relocating the President's home to Boyd House was presented. The University of Oklahoma Foundation, Inc. was requested to employ an experienced residential architect to help evaluate the restoration of Boyd House to become a residence again. At the June 1994 meeting of the Board of Regents, the results of an initial evaluation were presented and it was recommended that (1) the Regents request The University of Oklahoma Foundation Trustees act as the contracting agent for the project, (2) the Trustees appoint a committee which would have authority to oversee the complete renovation, including hiring an architect and coordinator of the renovation and a contractor, with the understanding that the plans, specifications and construction contract will be approved by the Regents, and (3) the Regents request the Trustees to advance fund the renovation cost to cover the eventual sale of the current house at 1200 Pickard Avenue. The Regents approved these recommendations.

The Foundation Trustees have agreed to act as the contracting agent for the project and to serve as the repository for the private funds being raised. Following the action by the Regents, the Trustees appointed a committee to oversee the complete renovation, to hire an architect and to select a contractor. This committee will periodically report to the Trustees, the Board of Regents and President-Designate Boren.

An architect, Hugh Newell Jacobsen, FAIA, of Washington, D.C., has been hired and has evaluated the existing house and the needed renovations. Plans of the existing building have been evaluated. Electrical and mechanical engineering consultants have been contacted and the Foundation committee has approved the selection of Determan Scheirman Consulting Engineers to assist the architect. The existing building has been examined by a structural engineer, a mechanical engineer and an electrical engineer. A topographic and property line survey of the Boyd House site has been completed.

A set of schematic plans showing the proposed restoration, renovation and modification of the structure have been prepared by the architect. These plans indicate the way the existing structure is to be remodeled and the configuration of a large additional room to be located on the north side of the original house that will be used for lectures, seated dinners and other functions hosted by the President for the University community. These plans indicate that the first floor of the existing structure will contain a living room, a dining room, a pantry, a breakfast room, and a kitchen. The plans also include an entrance that is handicapped accessible and restroom facilities that will also be handicapped accessible.

The second floor plan includes guest bedrooms, bathrooms, an upstairs sitting room which has a view toward Parrington Oval and a master bedroom with a study, a bathroom and two closets. In the center of the existing attic which has a high ceiling, space will be provided for mechanical equipment and storage.

While space in the basement is not scheduled for general remodeling, areas will be provided for laundry activities, mechanical equipment and for a toilet. The plans also indicate that an elevator serving the basement, first and second floors is to be included.

The plans also indicate in a preliminary way the proposed development of the lawn areas around the house and the development of a garden on the north and east sides of the new addition.

All construction costs including architect's fee, landscaping and furnishings will be provided from private donations made to The University of Oklahoma Foundation and from the sale of the current President's home at 1200 Pickard. Other than the proceeds of the sale of the Pickard House, no new State funds will be used for the project. All of the Foundation funds expended for the project will be provided from donations made for Boyd House by the private donors. No other Foundation funds which might be available for other University needs will be diverted for use of the Boyd House renovation.

The plans for the renovation of Boyd House have been reviewed and approved by The University of Oklahoma Foundation's Project Advisory Committee on which the University Board of Regents is represented. The Advisory Committee and the Board of Regents support the President Designate's intention to make the President's Home a center of University life.

Interim President Morris recommended the Board of Regents approve the schematic plans for the renovation of and addition to the Boyd House and authorize the OU Foundation and the project architect and engineers to proceed with the project.

Mr. Ron Burton, Executive Director of the Foundation, reviewed the background of this project with the Regents and acknowledged with appreciation the members who serve on the Committee as follows: Douglas Cummings, Chair; James Harlow, Elizabeth Merrick Coe, Doris Bratton, Dr. Ronald H. White, Regents G. T. Blankenship and Stephen Bentley, Molly Boren (ex officio) and Ron Burton (ex officio). Schematic plans and drawings were available for the Regents to examine. Mr. Burton discussed the various renovations and changes planned. He stated the first contribution for this project was received exactly six months ago and since that time the private fund raising has been extremely successful. To date there is \$784,920 in cash donations and pledges of \$414,950 for a total of \$1,199,870. He said the plans before the Regents today have been approved by the Committee and by President-Designate Boren and Mrs. Boren.

President-Designate Boren said the house is really being redesigned as a public building as much as a residence in many respects. The ground floor will be totally handicapped accessible as well as a guest bedroom and lavatory on the second floor, to be reached by elevator. There is a lot of enthusiasm for the symbolic importance in bringing living space for the President and community within the core of the campus again where it is highly visible and readily accessible to students, faculty and alumni.

Regent Halverstadt moved approval of the recommendation. The following voted yes on the motion: Regents Gullatt, Blankenship, West, Bentley, Hall, Halverstadt, and Lewis. The Chair declared the motion unanimously approved.

PHYSICAL SCIENCES CENTER RENOVATION FOR CHEMISTRY AND BIOCHEMISTRY, PHASE II

In December 1993, the Board of Regents awarded a contract in the amount of \$1,779,846 to Flintco, Inc. of Oklahoma City for the renovation of space on the first, second and third floors of the Physical Sciences Center to provide critically needed teaching and research laboratories and other related teaching spaces for the Department of Chemistry and Biochemistry.

On October 3, 1994 an inspection of the new teaching and research spaces was completed by representatives of Flintco, Inc., Rees Associates, Inc., the project architect, Physical Plant, and Architectural and Engineering Services. A punch list of incomplete items of work has been developed by the project architect and given to Flintco, Inc. for corrections.

The project architect has reviewed the results of the inspections and recommends that the project be accepted as substantially complete effective October 1, 1994 and that final payment be made to Flintco, Inc. following completion of all punch list items.

Interim President Morris recommended the Board of Regents (1) accept the Physical Sciences Center Renovation for Chemistry and Biochemistry, Phase II project as substantially complete effective October 1, 1994 and (2) authorize that the final payment be made to Flintco, Inc. following the completion of all punch list items.

Regent Halverstadt moved approval of the recommendation. The following voted yes on the motion: Regents Gullatt, Blankenship, West, Bentley, Hall, Halverstadt, and Lewis. The Chair declared the motion unanimously approved.

REVENUE BONDS FOR CAPITAL PROJECTS

An item on revenue bond financing for various capital improvement projects had been included in the agenda at the time it was distributed but was removed from consideration by the Chairman prior to the meeting.

PROPOSALS, CONTRACTS, AND GRANTS

A list of awards and/or modifications in excess of \$100,000 or that establish or make policy for the University, or that otherwise involve a substantial or significant service to be performed by the University was included in the agenda. Comparative data for fiscal years 1994 and 1995, current month and year-to-date, was also included.

The provisions of Goods and Services policy (amended December 4, 1992) provides that new contracts and grants in excess of \$100,000 must be referred to the Board of Regents for ratification. In addition, in those cases where a contract, grant, document, or arrangement involved would establish or make policy for the University, or otherwise involve a substantial or significant service to be performed by the University, that contract, arrangement, or document shall be referred to the Board of Regents for approval.

SEPTEMBER SUMMARY:

Norman Campus and Health Sciences Center Combined Data

- Research expenditures are down 4% from last year (\$13.9 million vs. \$14.5 million), awards are down 6% (\$22.6 million vs. \$24.1 million), but proposal activity is up 19% (\$35.7 million vs. \$30.0 million).

Norman Campus

- Research expenditures are down 9% from last year (\$8.0 million vs. \$8.9 million), awards are down 6% (\$11.5 million vs. \$12.1 million), but proposal activity is up 38% (\$23.8 million vs. \$17.2 million).
- College of Continuing Education expenditures are approximately the same as last year at \$4.0 million, awards are up 12% (\$6.2 million vs. \$5.5 million), but proposal activity is up 37% (\$9.0 million vs. \$6.6 million).

Health Sciences Center

- Research expenditures are up 5% over last year (\$6.0 million vs. \$5.7 million), but awards are down 7% (\$11.2 million vs. \$12.0 million), and proposal activity is down 7% (\$11.9 million vs. \$12.7 million).
- Total expenditures are up 6% over last year (\$11.8 million vs. \$11.2 million), but awards are down 1% (\$19.8 million vs. \$20.0 million), and proposal activity is down 4% (\$14.0 million vs. \$14.7 million).

Interim President Morris recommended the Board of Regents ratify the awards and/or modifications for September, 1994 as submitted.

Regent Halverstadt moved approval of the recommendation. The following voted yes on the motion: Regents Gullatt, Blankenship, West, Bentley, Hall, and Halverstadt. Regent Lewis was out of the room at the time of this vote. The Chair declared the motion unanimously approved.

INTERNAL AUDITING ACTIVITIES, THE UNIVERSITY OF OKLAHOMA

The Internal Audit Policy of the Board of Regents provides that the Director of Internal Auditing makes quarterly reports to the Regents on internal audits and post audits that have been completed since the last report.

During the previous quarter, 18 new audits were completed for the Health Sciences Center and the Norman Campus. A copy of the individual audit reports were filed with the department responsible for the activity audited, the President's Office, and the Regents' Office. A list of these audits is as follows:

Norman Campus

- Oklahoma Memorial Union
- Information Systems Issues: Software Licensing and Electronic Mail
- Employee Accounts Receivable
- Employee Health and Dependent Care Reimbursement Accounts
- University Computing Services, Year 3
- College of Fine Arts Revenue and Cash Receipt Processes
- Information Systems Review: Property Control and Fixed Assets Systems
- Goddard Health Center
- Transaction Review: Hourly and Special Payroll Payment/Monthly Paid Leave
- College of Education
- Athletic Department - Advertising Income
- Air Force Reserve Officer Training Corps (AFROTC) Uniform Inventory
- Alternate System for Settlement of Higher Education Miscellaneous Claims Program

Health Sciences Center

- Medical Records Review, College of Medicine
- Telecommunications Service Unit
- Petty Cash and Change Funds
- Department of Communication Sciences and Disorders, College of Allied Health
- Accounts Payable System Review, Administrative Affairs

Three post audit reviews were also conducted:

Norman Campus

- Graduation Requirements
- College of Continuing Education (CCE) Cash Receipts

Health Sciences Center

- Department of Medicine and PPP (Second Review)

An explanation of significant concerns identified in these audits and a graphical representation of the types of units reviewed were included in the agenda.

This report was presented for information and discussion. No action was required.

QUARTERLY REPORT OF PURCHASES

Regents' policy authorizes the President or his designee to approve purchases for \$100,000 or less when a low responsive bid is accepted and other purchases for \$75,000 or less. The Board of Regents is provided a quarterly report of these purchases approved by the President or his designee between the old and new levels requiring Board action.

The reports covering the period July 1, 1994 through September 30, 1994 for the Norman Campus and Health Sciences Center were included in the agenda.

This report was presented for information. No action was required.

REGENTS' FUND QUARTERLY FINANCIAL HIGHLIGHTS

Section 8.11.7 of the Policy Manual of the Board of Regents of The University of Oklahoma requires the University Trust Officer to present a Regents' Fund summary report as of September 30th and March 31st each year. These reports are to include new gifts and contributions to the fund. The summary report for the first three months of FY95 is presented below:

I. Book Value

During the three months ended September 30, 1994 and 1993, the net book value of the Regents' Fund increased \$99,670. This increase resulted primarily from cash gifts and investment earnings exceeding related expenditures as more fully summarized below.

	For the three months ended September 30, 1994
ADDITIONS:	
Cash gifts	\$159,154(1)
Investment earnings	165,175
Other income	5,285
Oil & gas royalties	5,198
Net loss on sale of assets	<u>(362)</u>
Total Additions	<u>\$334,450</u>
DEDUCTIONS:	
Departmental Support	\$127,748(2)
Scholarships	83,663
Operating Expenses	11,708
Investment Fees	7,567
Loan administrative/collection costs	<u>4,094</u>
Total Deductions	<u>\$234,780</u>
Net Increase in Book Value	<u>\$ 99,670</u>

(1) Consists of the following:

- A gift from the Donald E. Hall trust to establish an endowment fund to provide scholarship support \$106,000
- A gift from the Sonat Foundation to establish an endowment fund for scholarships to junior and senior students studying Petroleum or Geological Engineering 50,000
- Indian headright interest received for the benefit of the Lt. William J. Scott Scholarship Fund 2,654

- A gift from an OU alumnus to establish the OU Associates Fund 500

\$159,154

(2) Departmental support consists of the following:

FY 1994

Endowed Chair Support	\$ 96,744
Rural Orthopaedic Care	20,200
Equipment	4,880
Federal Program Loan Match	2,772
Salary Support	1,762
Lectureships	1,050
Travel	200
Music Library Support	<u>140</u>

Total Departmental Support \$127,748

II. Market Value

- Cash and investments held by the Regents' Fund at September 30, 1994 had a market value of \$18,284,948, up \$454,731 (2.55%) and down \$137,922 (1.04%) from June 30, 1994 and September 30, 1993, respectively. These changes are due primarily to normal market fluctuations and net capital additions. The investment portfolio consisted of:

	<u>CIF</u>	<u>% OF TOTAL</u>	<u>STIF</u>	<u>% OF TOTAL</u>	<u>TOTAL FUND</u>	<u>% OF TOTAL</u>
Cash and Equivalents	\$ 724,633	5.5%	\$ 100,441	2.3%	\$ 825,075	4.5%
Certificates of Deposit	-	-	4,251,605	97.7	4,251,605	23.3
Convertible securities	126,000	.9	-	-	126,000	.7
Fixed Income Securities	3,248,880	24.7	-	-	3,248,880	17.8
Common Stocks	9,071,950	68.9	-	-	9,295,450	50.8
Real Property	-	-	-	-	447,300	2.5
Other Investments	-	-	-	-	90,638	.4
	<u>\$13,171,463</u>	<u>100.0%</u>	<u>\$4,352,046</u>	<u>100.0%</u>	<u>\$18,284,948</u>	<u>100.0%</u>

III. Consolidated Investment Fund Performance Analysis

	<u>CIF</u>	<u>Weighted Index</u>
Total Return for the three months ended 09/30/94	3.76%	4.26%
Total Return for the year ended 09/30/94	1.25%	1.39%

A schedule which provided comparative performance figures since June 30, 1988 was included in the agenda.

The September 30, 1994 J. & W. Seligman & Co. report provided a summary of the investment portfolio and detail of the investments managed by the Regents' investment advisor and was included in the agenda materials sent to the Regents prior to the meeting.

The Regents' Fund financial highlights as of September 30, 1994 and for the three months then ended was presented for information and discussion only. No action was required.

REGENTS' FUND INVESTMENTS

During the month ended September 30, 1994, the investment transactions listed below were made based upon investment recommendations provided by J. & W. Seligman & Co. These transactions were made to build three well situated holdings using Teva Pharmaceuticals as a source of funds.

Purchases: Existing Holding

2,000 Shares	American Greetings Corporation
1,200 Shares	W. R. Grace & Co.
1,000 Shares	Proctor & Gamble

Sales:

5,000 Shares	Teva Pharmaceutical
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American Greetings Corporation is the world's largest publicly-owned manufacturer of greeting cards and the second largest domestic company in that industry. It has about a 33% share of the U.S. greeting card market and on a companywide basis greeting cards account for about 65% of sales. Additionally, the company manufactures and sells gift wrap, calendars, stationery, picture frames and other assorted social expression products. American Greetings is a global company with strong market presence in Europe, Canada and Australia. A major new product for the company is CreaCard, which is a computerized system that enables consumers to write and personalize their own individual greeting cards utilizing art and verse from American Greetings. CreaCard is probably the most creative new product in the greeting card industry in the last several decades.

W. R. Grace & Co. has been in the process of a significant restructuring since 1991. The company has shed over twenty business units and received nearly \$2 billion in divestiture proceeds. Though the company is associated with Chairman Peter Grace, he is neither a large shareholder nor actively involved in running the corporation. The "new" W.R. Grace has a much simpler mix with its health care, packaging and catalyst divisions generating 75% of sales and 90% of operating earnings. We believe that these businesses all share dominant market positions, secular growth markets and an ability to augment internal growth with acquisitions. The company has the potential to benefit from a recovery in Europe as well as the rapid health care consolidation in the U.S.

Proctor & Gamble Co. is the leader in the household products and personal care industry, with \$30 billion in 1993 sales. The personal care group accounted for 53% of sales, followed by laundry and cleaning, which generated 33% of revenues. Food and beverage and a

miscellaneous category accounted for the remaining 14% of sales. Proctor & Gamble announced a major reorganization last year which is significantly reducing operating costs and giving the company the flexibility to lower selling prices where necessary to compete effectively against private labels. Proctor is expected to be successful in this plan which relates to a minority of its product categories.

The allocation of resources within the fund following these investment transactions was in line with the Regents' investment policy. A schedule presenting the status of the Regents' Fund Consolidated Investment Fund as of September 30, 1994 was included in the agenda.

The Seligman recommendations were approved and these transactions have been completed.

This report was presented for information. No action was required.

QUARTERLY FINANCIAL ANALYSIS

Being reported this month is the Quarterly Financial Analysis for the quarter ended September 30, 1994. The following comments and highlights are submitted for consideration.

ALL FUNDS, ALL CAMPUSES

STATEMENT OF REVENUES AND EXPENDITURES:

At September 30, 1994, revenues from all funds at all the campuses of \$140 million were at 28.5% of budget. Expenditures of \$125.5 million amounted to 25.5% of budget. The financial analysis applicable to the Norman and Health Sciences Center campuses is discussed in the following sections.

NORMAN CAMPUS

STATEMENT OF REVENUES AND EXPENDITURES:

1. BUDGET CHANGES

During the quarter ended September 30, 1994, the total Revenue budget increased \$1,799,972 and the total Expenditure budget increased \$1,683,554. These increases resulted from the following:

	<u>Revenue Budget</u>	<u>Expenditure Budget</u>
Educational & General:		
a) Main Campus FY94 encumbrances brought forward	\$1,166,209	\$1,166,209
b) Law Center FY94 encumbrances brought forward	182,255	182,255

c) Geological Survey FY94 encumbrances brought forward	\$ 60,508	\$ 60,508
d) Law Center - Establish budget for for GLC Professor	6,500	6,500
Auxiliary Enterprises: Miscellaneous adjustments	<u>384,500</u>	<u>268,082</u>
	<u>\$1,799,972</u>	<u>\$1,683,554</u>

2. REVENUES

Revenues of \$87.4 million are at 30.7% of budget. This is comparable to last year's \$84.8 million and 29.9% of budget. There are no revenue line items with a variance from the Expected Percentage of Current Budget by more than five (5) percentage points.

3. EXPENDITURES

Total expenditures of \$73.1 million are at 25.6% of budget. This is comparable to last year's \$72.3 million and 25.5% of budget. There are only two expenditure line items with a variance from the Expected Percentage of Current Budget by more than five (5) percentage points. PUBLIC SERVICE expenditures are \$6,343,000 and 30.4% of budget, as compared to last year's \$6,102,000 and 25.3% of budget. This increase is due primarily to College of Continuing Education sponsored program expenditures exceeding budget expectations. AGENCY FUND EXPENDITURES are \$633,000 and 31.0% of budget, as compared to last year's \$606,000 and 21.4% of budget. Expenditures within this category are limited to the revenues that are realized during the current year plus any unspent funds from the previous years. Although this can result in what appears to be significant variances in expenditures as compared to budget, this variance does not represent a significant financial concern at this time.

4. CURRENT REVENUES OVER/(UNDER) EXPENDITURES

At September 30, 1994, revenues exceeded expenditures by \$15,844,758. This excess consisted of the following:

- Educational & General revenues exceeded expenditures by \$15.5 million. This excess, which compares favorably to the prior year, resulted primarily from the recognition of student tuition and fees on an accrual basis and the re-budgeting of encumbrances from the prior year. This excess will gradually be reduced as cash disbursements are processed against these revenues.
- Auxiliary Enterprise expenditures exceeded revenues by \$976,000. This loss, which compares favorably to the anticipated loss, is attributable to the seasonal nature of auxiliary operations (e.g., the Athletic Department and Housing & Food Service) and does not represent a financial concern at this time.
- All Other revenues exceeded expenditures by \$1.3 million. This excess, which compares favorably to the prior year, is due primarily to the receipt of private gifts and the timing of Student Activity Fee expenditures.

EDUCATIONAL AND GENERAL:**1. REVENUES**

Revenues of \$54.0 million are at 34.0% of budget. This is comparable to last year's \$50.6 million and 32.6% of budget. Most revenue sources are in line with expectations, however, two items appear to be significantly lower or higher when compared to budget. PRIVATE GRANTS & CONTRACTS revenues are at 6.2% of budget. It is not unusual for Private Grants & Contracts to be significantly lower this time of year since the OU Foundation reimbursements do not occur until the latter part of the year. SALES & SERVICE OF EDUCATIONAL ACTIVITIES revenues are \$1.7 million and 30.5% of budget, as compared to last year's \$1.3 million and 24.7% of budget. This increase is due to increased demand for College of Continuing Education Programs.

2. EXPENDITURES

Total expenditures of \$40.0 million are at 25.0% of budget. This is comparable to last year's \$38.6 million and 24.7% of budget. All expenditures sources are in line with expectations.

Expenditures by Organizational Area indicate that expenditures in some areas are up slightly while other areas show a slight reduction in expenditures. Overall, expenditures by organizational area are well in line with expectations.

GRANTS & CONTRACTS:**1. REVENUES**

Total revenues of \$12.8 million are at 27.5% of budget. This is comparable to last year's \$13.4 million and 25.8% of budget. It should be noted that revenues from grants and contracts are not earned by the University until they are expended for the purpose of the grant and contract. Therefore, revenues will equal the amount of the expenditures to date.

2. EXPENDITURES

Total expenditures of \$12.8 million are at 27.5% of budget. This is comparable to last year's \$13.4 million and 25.8% of budget.

Expenditures by Organizational Area indicate that expenditures in some areas are up slightly while other areas show a slight reduction in expenditures. Overall, expenditures by organizational area are well in line with expectations.

AUXILIARY ENTERPRISE FINANCIAL STATEMENT SUMMARY:

The schedule provided a summary of the financial operations of each auxiliary for the three months ended September 30, 1994, including a comparison to the expected budget for each auxiliary and the prior year. For auxiliaries as a whole, the net decrease to fund balance (i.e., "the bottom line") of \$(976,000) compared favorably to the anticipated net decrease of \$(1,196,000).

Of the sixteen (16) auxiliary enterprises, eight (8) were reporting net changes to fund balance that compared unfavorably to their anticipated bottom line for the three months ended September 30, 1994:

Athletic Department (ACTUAL LOSS = \$1,653,889; BUDGETED LOSS = \$1,446,930)-- This entity experienced lower than anticipated revenue due primarily to slightly lower than anticipated ticket sales and slightly higher than anticipated expenses in the area of salaries and wages.

Goddard Health Center (ACTUAL GAIN = \$586,374; BUDGETED GAIN = \$594,203)-- This entity experienced lower than anticipated revenue due primarily to the timing of student charges which was partially offset by lower than anticipated operating expenses.

Student Publications (ACTUAL GAIN = \$22,939; BUDGETED GAIN = \$52,822)-- This entity experienced lower than anticipated revenue due primarily to a decrease in advertising and printing income which was partially offset by lower than anticipated operating expenses.

Recreational Programs (ACTUAL LOSS = \$25,139; BUDGETED LOSS = \$21,591)-- This entity experienced slightly lower than anticipated gross margin.

University Golf Course (ACTUAL GAIN = \$51,762; BUDGETED GAIN = \$56,385)-- This entity experienced slightly lower than anticipated revenues and higher than anticipated cost of sales which was partially offset by lower than anticipated operating expenses.

Real Estate Operations (ACTUAL LOSS = \$52,691; BUDGETED LOSS = \$37,654)-- This entity experienced lower than anticipated revenues and higher than anticipated expenses.

University Vending Services (ACTUAL LOSS = \$10,539; BUDGETED GAIN = \$46,650)-- This entity experienced higher than anticipated non-operating expense as a result of unbudgeted transfers to the Speaker's Bureau (\$20,000) and Concert Series (\$50,000) accounts.

Child Care Facility Contract (ACTUAL LOSS = \$1,361)-- The budget for this entity, which began operations in August, has not yet been finalized.

Over the years, each of these auxiliary enterprises, with the exception of the Child Care Facility Contract which began operations in August, have accumulated sufficient reserves to fund their respective budget shortfalls.

1. SHORT-TERM LOANS OUTSTANDING

As of September 30, 1994, short-term loans outstanding of \$575,432 consisted of an advance to Parking & Transportation/CART for the purchase of a parking lot.

2. LONG-TERM LOANS OUTSTANDING

During the three months ended September 30, 1994, an additional \$158,248 was advanced for the Child Care Facility and a \$79,666 payment was made against the Goddard Health Center loan, consistent with the agreed upon loan amortization schedule. The additional amount advanced to the Child Care Facility represented the transfer of loan proceeds to cover construction costs of said facility and accrued interest thereon. As of September 30, 1994, long-term loans outstanding of \$1,052,774 consisted of a \$144,436 loan to the University Research Park for runway/taxiway improvements, a \$259,234 loan to Goddard Health Center, and a \$649,104 loan to the Child Care Facility.

3. TRANSFERS

During the three months ended September 30, 1994, transfers consisted of a \$41,293 transfer from Real Estate Operations to Parking & Transportation/CART to fund the demolition costs associated with 500 College, a \$50,000 transfer from Vending Services to the Concert Series account to fund a UOSA request, and a \$20,000 transfer from Vending Services to the Speaker's Bureau to fund a UOSA request.

SERVICE UNIT FINANCIAL STATEMENT SUMMARY:

The schedule provided a summary of the financial operations of each service unit for the fiscal year ended September 30, 1994, including a comparison to the expected budget for each service unit and the prior year. For service units as a whole, the net increase to fund balance (i.e., "the bottom line") of \$517,000 compared favorably to the anticipated net increase of \$246,000.

Of the eleven (11) service units, three (3) were reporting a net change to fund balance that compared unfavorably to its anticipated bottom line for the three months ended September 30, 1994:

University Printing Services (ACTUAL LOSS = \$171,826; BUDGETED GAIN = \$15,270)-
-This entity experienced lower than anticipated press and prep & bindery revenue and slightly higher than anticipated operating expenses.

Storeroom (ACTUAL LOSS = \$9,974; BUDGETED GAIN = \$1,150)--This entity experienced slightly lower than anticipated gross margin which was partially offset by lower than anticipated expenses.

Office Systems (ACTUAL LOSS = \$65,753; BUDGETED LOSS = \$44,369)--This entity experienced slightly lower than anticipated gross margin and higher than anticipated expenses in the areas of salaries and wages and communications.

Over the years, each of these service units have accumulated sufficient reserves to fund their respective budget shortfalls.

ALL OTHER:

The schedule summarized all the revenues and expenditures of the University that are not in the educational and general fund, not sponsored program grants/contracts, and not auxiliaries or service units. These revenues and expenditures are in the agency special fund.

1. REVENUES

Total revenues of \$8.9 million are at 34.6% of budget. This is comparable to last year's \$8.6 million and 33.4% of budget. Some of the significant revenue items are:

Student Act./Student Org. Fees--this is revenue from two areas. Student Activity Fees are accounts that receive part or all of their funding from student activity fees. Student and Other Organizations are agency accounts that generate their own revenues from fees or projects. Both accounts are well in line with expectations.

Student Federal Financial Assistance--this is federal funding that is received for the various student financial aid programs (e.g., Pell grants, Perkins loans, SEOG grants).

Private Gifts, Expendable--this is revenue from various private sources that comes to the University to support various functions. The two largest sources are the OU Foundation for fund raising reimbursements (\$403,854) and the Lew Wentz Foundation for the administrative costs (\$111,000) of the Lew Wentz Foundation student loans. Other revenue sources during the fiscal year include \$221,790 to University Development and Alumni Affairs, and \$500 in expendable gifts to the Regents' Fund.

Private Gifts, Additions to Endowment--this is revenue that represents cash gifts to the Regent's Fund endowment principal.

Sales and Services of Educational Activities--the two major activities in this category are the College of Continuing Education conferences and University Computing Services. The revenues for these two activities are well in line with expectations for the fiscal year.

2. EXPENDITURES

Expenditures of \$7.7 million are at 29.8% of budget. This is comparable to last year's \$7.6 million and 29.6% of budget. Generally, expenditures in any of these areas are limited to the revenues that are realized during the current year plus any unspent funds from the previous years. This can result in what appear to be significant variances in expenditures as compared to budget or last year. There are no significant financial concerns in this category.

SUMMARY OF RESERVES:

1. DISCRETIONARY RESERVES

At September 30, 1994, discretionary reserves totalled \$26.5 million. These reserves are not legally obligated for specific purposes and, therefore, are available to fund operating needs, future capital projects, and unforeseen contingencies for any lawful purpose of the University's Norman Campus. Of this \$26.7 million, \$3.9 million is committed to provide working capital cash flow for grants and contracts, and \$14.2 million is committed to fund contingency reserves, renewal and replacement (depreciation) reserves, and capital improvement reserves in the auxiliaries and service units in accordance with Regents' policy. The remaining \$8.4 million is available for any lawful University purpose.

2. NONDISCRETIONARY RESERVES

At September 30, 1994, nondiscretionary reserves totalled \$6.0 million. These reserves are legally obligated to fund specific revenue bond debt service payment and reserve requirements as set forth in each of the individual revenue bond resolutions. These reserves are not available for any other purpose.

HEALTH SCIENCES CENTER

STATEMENT OF REVENUES AND EXPENDITURES-ALL FUNDS:

1. BUDGET CHANGES

During the quarter ended September 30, 1994, the total Current Revised Annual Budget for revenues and expenditures was increased by \$1,599,500. The increases were a result of revisions to budgets in Auxiliary Enterprises (\$323,000) and Other Agency Activities and the related categories of expense (\$1,276,500.)

Although various budget reallocations were made within organizational areas and within categories, total budgeted expenditures remained the same.

2. REVENUES

For the quarter ended September 30, 1994 revenues received were approximately \$52.9 million and 25.6% of the Current Revised Annual Budget. This is comparable to the Expected Percentage of Current Budget (26.1%) and last year's revenues (\$50.7 million and 24.7% of budget.)

3. EXPENDITURES

Total expenditures for the year were approximately \$52 million and 25.3% of the Current Revised Annual Budget. This is comparable to the Expected Percentage of Current Budget (25.8%) and last year's expenditures (\$49.5 million and 24.4% of the revised annual budget.)

4. CURRENT REVENUES OVER/(UNDER) EXPENDITURES

At September 30, 1994, revenues exceeded expenditures by \$533,048 compared to excess revenues of \$1,143,533 reported during the prior year. The decrease in excess revenues was due mainly to lower than expected revenues in External Service Units and the Residency Program. Both decreases appear to be related to the timing of cash receipts and do not reflect a permanent concern.

EDUCATIONAL AND GENERAL:

1. REVENUES

Total revenues of \$20 million or 28.4% of budget were reported. This is comparable to the Expected Percentage of Current Budget of 27.4%.

2. EXPENDITURES

Total expenditures of \$17 million, 24.3% of budget, were reported as compared to the expected percentage of 25.1%. Areas indicating notable fluctuations from budget were Research and Academic Support. Research reported \$489,367, 19.9% of budget, in comparison to last year's \$393,166, 22.4% of budget. Academic Support was \$2,641,947, 30.2% of budget as compared to the prior year \$1,812,421, 20% of budget. The variances appear to be a result of spending patterns and are not considered unusual at this time.

Expenditures by Organizational Area show that most areas, with the exception of Library, are spending at rates within or just above budget estimates. The Library reported expenses of \$888,361 or 54.7% of budget. This is the result of the annual payment of subscription costs for Library Journals which is due at the beginning of the fiscal year.

The budget reallocation between the College of Allied Health and the Graduate College was necessary due to the movement of the Department of Communication Disorders to the Graduate College. This also accounted for the increase of expenditures in the Graduate College (\$587,546 compared to \$284,300 in the prior year.) Expenditures in the College of Allied Health decreased from \$882,244 in FY94 to \$640,282 in the current year.

GRANTS & CONTRACTS:**1. REVENUES**

For the quarter ended September 30, 1994, total revenues realized for Educational and General Part II were \$11.9 million, 23.6% of FY95 budget estimates. This represents an increase in activity of \$662,840 (5.9%) over the same period last year. Federal and Private revenues for the three month period increased \$294,267 (6.5%) and \$751,136 (23.9%) respectively, while State revenues decreased \$382,563 (10.7%) during the period.

2. EXPENDITURES

Total expenditures of \$11.8 million were reported, 23.6% of budget estimates compared to an expected level of 25%.

There were increases in expenditures in the major functional areas of Instruction, Research, and Public Service. A substantial increase in expenditure activity occurred in the Public Service area, amounting to approximately \$409,000 (20.8%). The largest percentage of increases by organizational areas occurred in the Graduate College, College of Pharmacy, and Educational Services. However, the increase in activity in the Graduate College was mainly the result of the realignment of the Department of Communication Disorders from the College of Allied Health to the Graduate College. The largest dollar increase in expenditure activity occurred in the College of Medicine (\$489,000).

AUXILIARY ENTERPRISE FINANCIAL STATEMENT SUMMARY:

The schedule provided a summary of the financial operations of each auxiliary for the quarter ending September 30, 1994 including a comparison to the expected budget to date for each auxiliary. For the auxiliaries as a whole, the net increase to fund balance (i.e. "the bottom line") of \$33,821 compared favorably to the budgeted net increase of \$3,940. One of the three auxiliaries was reporting a net loss as of September 30, 1994.

Tulsa Vending Services -- net decrease to fund balance of \$1,482 resulted primarily from the purchase of equipment which was funded from reserves carried forward from the previous year. The actual operating expenses for this unit are within the limits necessary to be a break-even operation.

SERVICE OPERATIONS FINANCIAL STATEMENT SUMMARY:

The schedule summarized the financial operations for each of the service units for the quarter ending September 30, 1994. The service units, as a whole, reported a net increase to fund balance (i.e. "the bottom line") of \$378,339, which compared favorably to the budgeted net increase of \$58,219. The following service units reported operating losses for the first three months of fiscal year 1995:

Tulsa Telephone -- reported a net decrease to fund balance of \$114, compared to a projected increase of \$4,384. This resulted primarily from lower than expected sales for the first quarter. Cash reserves carried forward from the previous year are sufficient to offset this operating loss.

Tulsa Library Services -- net decrease to fund balance of \$817 resulted from lower than expected sales for the first quarter of the fiscal year. Revenues are expected to increase as the Fall semester progresses. Cash reserves carried forward from the previous year are sufficient to offset this operating loss.

Computing Services -- net decrease to fund balance of \$16,259 is due to a decrease in Microcomputer Support sales compared to budget estimates. Sales in this area typically fluctuate throughout the year as microcomputer needs arise. This unit will be monitored closely by management.

Unemployment Compensation -- reported a net decrease of \$27,502, compared to a break-even budget. The majority of this unit's revenues occurs in the first part of each calendar year. Therefore, this unit will normally show a loss in the beginning of the fiscal year. Cash reserves carried forward from the previous year are sufficient to offset the current operating loss.

Workers' Compensation -- net decrease to fund balance of \$16,496 compared unfavorably to a projected break even budget. This loss is due to an increase in the Workers' Compensation expense. A rate increase effective September 1994 is expected to offset this increase in expense by the end of the fiscal year. Cash reserves carried forward from the previous year are sufficient to offset the current operating loss.

Miscellaneous Stores & Shipping -- reported a net decrease to fund balance of \$114, compared to a budgeted net increase of \$172. This net loss is considered temporary and is not indicative of future operating concerns. Cash reserves carried forward from the previous year are sufficient to offset this operating loss.

PROFESSIONAL PRACTICE PLAN:

1. REVENUES

Professional Practice Plan revenues were reported at \$16.7 million, 24.8% of budget, compared to \$15.5 million, 22.2% of budget last year.

2. EXPENDITURES

Total expenditures were reported at \$18.3 million or 27.1% of the Current Revised Annual Budget. Fiscal year-to-date expenditures exceeded revenues by \$1,543,129; however; cash reserves of the PPP are more than adequate to offset the year-to-date loss.

The majority of expenditures are well within budget estimates and comparable with the prior year. Areas with significant fluctuations over budget include:

Travel expenditures of \$486,061 or 38.2% of budget increased from \$312,955 or 19.9% of budget in the previous year. This increase is due in part to a change in requirements for reporting to the Office of State Finance. Certain expenditures previously reported in the category, Membership/Registration Fees, are now reported as Travel expense. The budget for these expenditures has also been reallocated.

Professional and Technical Fees reported \$788,897 or 47.6% of budget, compared to \$481,173 or 21.3% of budget at September 30, 1993. Payments to consultants retained to study operation of the Professional Practice Plan and increased fees for the IDX billing system contributed significantly to this increase.

ALL OTHER:

The schedule summarized all the revenues and expenditures of the Health Sciences Center that are not included as part of the educational and general fund, sponsored program grant and contracts, professional practice plan, residency program, auxiliary enterprises, or service units. These revenues and expenditures are in the agency special fund and include student activity fees, student organizations, faculty/staff organizations, private gifts, and other miscellaneous activities.

1. BUDGET CHANGES

During the quarter ended September 30, 1994, the total Current Revised Annual Budget for revenues and expenditures was increased by \$1,276,500. This change was the result of a reclassification of accounts that were originally reported in other categories.

2. REVENUES

Total revenues of \$705,298, 34.1% of budget, were reported compared to the expected percentage of 30.1%. Revenues comprising this category are widely varied and are subject to fluctuations throughout the year. Sources of revenue include student activity fees, student organization revenues, faculty/staff organization revenues, private gifts, and interest income.

3. EXPENDITURES

Expenditures of \$549,203 or 26.5% of budget were reported. As with revenues, rates of expenditures can vary widely dependent on activities within this fund group. Generally, expenditures in any of the areas are limited to the revenues received during the current year plus any funds brought forward from the previous year.

SUMMARY OF RESERVES:**1. DISCRETIONARY RESERVES**

Discretionary Reserves represent that portion of the University's resources which are not currently budgeted for expenditure or otherwise held for specific future uses. As such, resources of this nature are available to fund future capital projects, operating needs, and/or unforeseen contingencies for any lawful purpose of the University. Total Discretionary Reserves at the Health Sciences Center were \$16,065,764 as of September 30, 1994. Of this amount, approximately \$3,300,000 has been obligated internally to fund working capital requirements for sponsored programs. Additionally, \$2,084,388 has been committed by Auxiliary Enterprises and Service Units to fund working capital requirements and replacement of equipment. An amount of \$1,673,386 has been committed for employee insurance reserves. A total of \$9,007,990 remains non-committed.

2. NONDISCRETIONARY RESERVES

Nondiscretionary Reserves represent that portion of the University's resources which are legally obligated to fund specific bond requirements, capital projects, or specific operating needs of the University. As of September 30, 1994, Nondiscretionary Reserves at the Health Sciences Center were \$2,118,115.

This report was presented for information and discussion. No action was required.

DISTINGUISHED PROFESSORSHIP

To qualify for a Regents' Professorship, the nominee must exhibit "... outstanding service to the University, to the academic community, or to an academic or professional discipline through extraordinary achievement in academic administration or professional service." As outlined in the *Faculty Handbook*, recommendations for appointment as Regents' Professor may be made to the President of the University by any academic unit, administrative officer, or by any faculty member. In accordance with University policy, the nomination of Professor Thomas Carey by the School of Music for a Regents' Professorship is being presented to the Board of Regents by the President after conferring with the Chairman of the Board of Regents, Chair of the appropriate Faculty Senate, and the University Council on Faculty Awards and Honors. Appointment as a Regents' Professor includes a cash award of \$6,000.

Since joining The University of Oklahoma School of Music in 1969, Professor Carey has developed one of the most outstanding voice studios in higher education in the United States. His career as an operatic lead in houses throughout Europe for decades provided Professor Carey with vast experience and skill for training and nurturing the next generation of singers who come to OU from throughout this country as well as abroad. With an extensive knowledge of vocal and opera literature as well as traditional and contemporary vocal materials, Professor Carey provides his students with the very best in vocal teaching and coaching. He currently teaches during the summers at the American Institute of Musical Studies in Graz, Austria—a very prestigious assignment that allows Professor Carey to hear and work with some of the great young talent from our country.

Realizing that the most promising voice students would not be able to compete in the professional arena without the opportunity to prepare the major operatic roles that are the core of their repertoire, in 1975 Professor Carey and his late wife founded the Cimarron Circuit Opera Company. His outstanding work as director of this opera company has earned him a host of awards, including the Oklahoma Governor's Award for Excellence in 1990 and the Norman Human Rights Award in 1992.

Not only is Professor Carey known for his extraordinary career as a teacher and performer, he also has earned a reputation as a leader in developing cultural diversity at the University. Specifically, Professor Carey was supportive in developing the Martin Luther King Day celebrations in the College of Fine Arts. He is a role model for minority students and has served as a mentor for many of the African-American students at the University.

Interim President Morris recommended that Professor Thomas Carey be appointed Regents' Professor effective November 10, 1994.

Regent Halverstadt moved approval of the recommendation. The following voted yes on the motion: Regents Gullatt, Blankenship, West, Bentley, Hall, Halverstadt, and Lewis. The Chair declared the motion unanimously approved.

ACADEMIC PERSONNEL ACTIONS

ADMINISTRATIVE AND PROFESSIONAL PERSONNEL ACTIONS

Regent Lewis moved the Board meet in executive session for the purpose of discussing personnel-related issues as listed above. The following voted yes on the motion: Regents Gullatt, Blankenship, West, Bentley, Hall, Halverstadt, and Lewis. The Chair declared the motion unanimously approved. The executive session began at 10:00 a.m. in the small Board Room and concluded at 10:10 a.m.

The Regents reconvened in regular session at 10:12 a.m. with all Regents present.

ACADEMIC PERSONNEL ACTIONS

Health Sciences Center:

Leave of Absence:

Ram S. Nanda, Professor and Chair of Orthodontics, sabbatical leave of absence with full pay, half time, January 1, 1995 through December 31, 1995. To conduct research and work with Dr. Wilfred Schilli in France and travel. Previous leave taken: sabbatical with full pay, January 1, 1988 through December 31, 1988.

Appointments or Reappointments:

William J. McAuley, Adjunct Professor of Health Administration and Policy, of Family Medicine, and of Nursing, annual rate of \$80,000 for 12 months (\$6,66.67 per month), January 1, 1995 through June 30, 1995. Paid from 25029560, Department of Health Administration and Policy, pos. 221250.

Dennis L. Johnson, Ph.D., M.D., Professor of Pathology, annual rate of \$75,000 for 12 months (\$6,250.00 per month), October 1, 1994 through June 30, 1995. Paid from B0538001, University Hospital Reimbursement, pos. 105100.

Paul Alan Kammerlocher, M.D., Assistant Professor of Orthopaedic Surgery and Rehabilitation, annual rate of \$46,201.50 for 12 months (\$3,850.13 per month), November 1, 1994 through June 30, 1995. Paid from VA Medical Center.

Denise C. Scott, M.D., Clinical Assistant Professor of Pediatrics, annual rate of \$12,500 for 12 months (\$1,041.66 per month), .20 time, September 1, 1994 through June 30, 1995. Paid from A0000079, Pediatrics, pos. 173525.

Ralf W. Schlosser, Adjunct Assistant Professor of Physical Therapy and Coordinator of Research for the Oklahoma Assistive Technology Center, FTE: \$56,500, annual rate of \$46,500 for 12 months (\$3,875.00 per month), PPP: \$10,000, September 20, 1994 through June 30, 1995. Paid from C4322103, DHS/Provide Physical Therapy, Occupational Therapy, Augment Research Program, pos. 238560.

Heather Geis, M.D., Clinical Instructor in Psychiatry and Behavioral Sciences, annual rate of \$8,320 for 12 months (\$693.00 per month), .20 time, November 1, 1994 through June 30, 1995. Paid from A0008091, PPP Psychiatry Dean Fund Supplement, pos. 188300.

Changes:

Barbara Bane, Assistant Professor of Pathology, salary changed from annual rate of \$66,423 for 12 months (\$4,278.58 per month) to annual rate of \$78,880 for 12 months (\$6,573.33 per month), October 1, 1994 through June 30, 1995. Paid from B0538001, University Hospital Reimbursement, pos. 106300, and VA Medical Center. To correct VA rate amounts.

James Barrett, Assistant Professor of Family Medicine, salary changed from annual rate of \$61,200 for 12 months (\$5,100.00 per month) to annual rate of \$65,000 for 12 months (\$5,416.67 per month), July 1, 1994 through June 30, 1995. Paid from A0000690, Sports Medicine Account, and 2218-2, Family Medicine, pos. 180400. Equity increase as agreed with new chairman.

James Brand, Assistant Professor of Family Medicine, salary changed from annual rate of \$63,654 for 12 months (\$5,304.50 per month) to annual rate of \$70,970 for 12 months (\$5,914.17 per month), July 1, 1994 through June 30, 1995. Paid from A0009091, Dean's Fund (Department of Family Medicine), and 2218-2, Family Medicine, pos. 180100, Equity increase as agreed with new chairman.

John T. Brauchi, Clinical Professor of Psychiatry and Behavioral Sciences, Tulsa, salary changed from annual rate of \$21,234.48 for 12 months (\$1,769.54 per month), .20 time, to annual rate of \$30,000 for 12 months (\$2,500.00 per month), .28 time, September 1, 1994 through June 30, 1995. Paid from 2813-5, Psychiatry and Behavioral Sciences, Tulsa, pos. 257000.

Teresa H. Caraway, Adjunct Assistant Professor of Communication Sciences and Disorders, salary changed from annual rate of \$15,600 for 12 months (\$1,300.00 per month), .49 time, to annual rate of \$19,700 for 9 months (\$1,900.00 per month), .49 time, September 1, 1994 through May 31, 1995. Paid from 27269560, Communication Disorders, pos. 244500.

Jane Curtis, Clinical Assistant Professor of Family Medicine, salary changed from annual rate of \$62,400 for 12 months (\$5,200.00 per month) to annual rate of \$65,000 for 12 months (\$5,416.67 per month), July 1, 1994 through June 30, 1995. Paid from A0000990, PPP Enid Family Medical Hospital Contract; C1214903, Grants for Graduate Training in Family Medicine; and 3501-2, Family Medicine Program Enid, pos. 298105. Equity increase as agreed with new chairman.

Frank Lawler, Associate Professor of Family Medicine, salary changed from annual rate of \$67,600 for 12 months (\$5,633.34 per month) to annual rate of \$78,051 for 12 months (\$6,504.25 per month), July 1, 1994. Paid from C5178102, Explore Barriers to Delivery of Preventive Disease; C5290502, CR-Start Up Costs Family Practice Residency Program; and 2218-2, Family Medicine, pos. 181755. Equity increase as agreed with new chairman.

Vince Lepak, Adjunct Instructor in Physical Therapy, salary changed from annual rate of \$20,000 for 12 months (\$1,666.67 per month), .50 time, to FTE: \$50,000, annual rate of \$40,000 for 12 months (\$3,333.34 per month), full time, PPP: \$10,000, September 1, 1994 through June 30, 1995. Paid from 2722-6, Physical Therapy, and C6224103, To Increase Enrollment in Physical Therapy, pos. 238000.

Kenneth R. McLeroy, Professor and Chair of Health Promotion Sciences; appointed Professor of Health Promotion Sciences with tenure, October 1, 1994.

Lynn Mitchell, Assistant Professor of Family Medicine, salary changed from annual rate of \$60,684 for 12 months (\$5,057.00 per month) to annual rate of \$65,000 for 12 months (\$5,416.67 per month), July 1, 1994 through June 30, 1995. Paid from 2218-2, Family Medicine, and A0002190, HCA Occupational Medicine Account, pos. 181375. Equity increase as agreed with new chairman.

Tomas Owens, Assistant Professor of Family Medicine, salary changed from annual rate of \$61,800 for 12 months (\$5,150.00 per month) to annual rate of \$66,000 for 12 months (\$5,500.00 per month), July 1, 1994 through June 30, 1995. Paid from 2218-2, Family Medicine, pos. 181800. Equity increase as agreed with new chairman.

J. Michael Pontious, Assistant Professor of Family Medicine, salary changed from annual rate of \$68,128 for 12 months (\$5,677.33 per month) to annual rate of \$75,000 for 12 months (\$6,250.00 per month), July 1, 1994 through June 30, 1995. Paid from 3501-2, Family Medicine Program Enid, and C1294403, Training in Diagnosis and Treatment of Depression, pos. 298150. Equity increase as agreed with new chairman.

Rebecca Rackley, Interim Director, Children's Hospital of Oklahoma Dental Clinic; Clinical Instructor in Pediatric Dentistry; and Preceptor in Dental Services Administration, salary changed from annual rate of \$47,520 for 12 months (\$3,960.00 per month) to annual rate of \$51,996 for 12 months (\$4,333.33 per month), July 1, 1994 through June 30, 1995. Paid from A0000369, PPP Dental Clinic, Children's Hospital of Oklahoma, pos. 065100. Master reimbursement contract.

Usha Ramakrishnan, title changed from Visiting Instructor to Instructor in Anesthesiology, salary changed from annual rate of \$39,500 for 12 months (\$3,291.67 per month) to annual rate of \$50,000 for 12 months (\$4,166.66 per month), September 1, 1994 through June 30, 1995. Paid from A0000171, PPP Anesthesiology Administration, and B0530001, University Hospital Reimbursement, pos. 119100.

Paula Root, Assistant Professor of Family Medicine, salary changed from annual rate of \$60,000 for 12 months (\$5,000.00 per month) to annual rate of \$65,000 for 12 months (\$5,416.67 per month), July 1, 1994 through June 30, 1995. Paid from 2218-2, Family Medicine, and A0002190, HCA Occupational Medicine Account, pos. 181378. Equity increase as agreed with new chairman.

L. Peter Schwiebert, Associate Professor of Family Medicine, salary changed from annual rate of \$70,322 for 12 months (\$5,860.16 per month) to annual rate of \$79,420 for 12 months (\$6,640.67 per month), July 1, 1994. Paid from A0009091, Dean's Fund (Department of Family Medicine, and 2218-2, Family Medicine, pos. 181500. Equity increase as agreed with new chairman.

John W. Tipton, title changed from Clinical Assistant Professor to Associate Professor of Family Medicine, Tulsa; salary changed from without remuneration to annual rate of \$74,000 for 12 months (\$6,166.67 per month), October 1, 1994 through June 30, 1995. Paid from 28039550, TMC Family Practice, and A0000198, PPP TMC Family Practice Department, pos. 248500.

Douglas W. Voth, Executive Dean, College of Medicine, and Professor of Medicine, salary changed from annual rate of \$107,770 for 12 months (\$8,980.83 per month) to annual rate of \$150,000 for 12 months (\$12,500.00 per month), November 1, 1994 through June 30, 1995. Total compensation does not change; this change is due to a decrease in PPP supplement. Paid from 20009520, Dean, College of Medicine, and A0009370, Foundation Salary Supplement, pos. 056154.

Peter Winn, Assistant Professor of Family Medicine, salary changed from annual rate of \$65,415 for 12 months (\$5,451.25 per month) to annual rate of \$69,022 for 12 months (\$5,751.83 per month), July 1, 1994 through June 30, 1995. Paid from 2218-2, Family Medicine, and C1294005, Geriatric Education Center Grant Curriculum, pos. 180660. Equity increase as agreed with new chairman.

John Zubialde, Assistant Professor of Family Medicine, salary changed from annual rate of \$61,800 for 12 months (\$5,150.00 per month) to annual rate of \$65,000 for 12 months (\$5,416.67 per month), July 1, 1994 through June 30, 1995. Paid from 2218-2, Family Medicine, pos. 180900; B0542001, University Hospital Reimbursement; and 3530-2, Family Practice Program North Clinic, pos. 303300. Equity increase as agreed with new chairman.

Norman Campus:

Appointments or Reappointments:

Nancy V. Lewis, Assistant Vice President, University Services, University Center at Tulsa, annual rate of \$65,000 for 12 months (\$5,416.66 per month), January 4, 1995. Paid from 122-7298, Tulsa Academic Services, pos. 1.63.

Edwin G. Corr, reappointed Henry Bellmon Public Service Professor and Professor of Political Science, salary remains at annual rate of \$65,957 for 9 months (\$7,328.55 per month), August 16, 1995 through May 15, 1996. Paid from 122-7341, Henry Bellmon Chair, pos. 1.60.

Geoffrey Eglinton, Ph.D., Visiting Distinguished Professor of Geology and Geophysics, annual rate of \$60,000 for 9 months (\$6,666.67 per month), January 1, 1995 through May 15, 1995. Paid from 122-7242, Geology and Geophysics, pos. 755.60.

Majed Khodr, reappointed Adjunct Assistant Professor of Electrical Engineering, salary changed from annual rate of \$30,000 for 9 months (\$3,333.33 per month), .75 time, to annual rate of \$22,024 for 9 months (\$2,447.15 per month), .50 time, January 1, 1995 through May 15, 1995. Paid from 122-7231, Electrical Engineering, pos. 701.60.

Terry J. Hull, Clinical Instructor in Law and Staff Attorney, Criminal Defense Clinic, annual rate of \$40,000 for 12 months (\$3,333.33 per month), October 31, 1994 through August 14, 1995. Paid from 125-4151, Law-Criminal Defense Clinic, pos. 905.65. Paid from grant funds; subject to availability of funds.

Louisa J. Hampton, reappointed Geologist III, Oklahoma Geological Survey, salary remains at annual rate of \$10,750 for 12 months (\$895.83 per month), .25 time, January 1, 1995 through June 30, 1995. Paid from 362-7120, Oklahoma Geological Survey Research, pos. 751.65.

Evelyn E. Knowles, reappointed Research Associate, Research Center for Continuing Professional and Higher Education, salary changed from annual rate of \$22,000 for 12 months (\$1,833.33 per month), .50 time, to annual rate of \$30,360 for 12 months (\$2,530.00 per month), .69 time, August 1, 1994 through December 31, 1994. Paid from 125-6258, Research Center for Continuing Professional and Higher Education, pos. 905.65. Paid from grant funds; subject to availability of funds.

Frederick Sanders, reappointed Visiting Senior Research Associate, Cooperative Institute for Mesoscale Meteorological Studies, salary remains at annual rate of \$29,120.04 for 12 months (\$2,426.67 per month), .25 time, October 1, 1994 through June 30, 1995. Paid from 125-6562, CIMMS Task I, pos. 906.65. Paid from grant funds; subject to availability of funds.

Raymon L. Brown, reappointed Visiting Geophysicist, Oklahoma Geological Survey, salary changed from annual rate of \$63,926 for 12 months (\$5,327.17 per month) to annual rate of \$64,945 for 12 months (\$5,412.08 per month), November 1, 1994 through June 30, 1995. Paid from 362-7120, Oklahoma Geological Survey Research, pos. 701.63; 125-6884, Gypsy Grant, pos. 905.63, and 362-7130, GRI Grant, pos. 701.63. Paid from grant funds; subject to availability of funds.

Changes:

William H. Beasley, Director and Associate Professor of Meteorology, salary changed from annual rate of \$73,100 for 12 months (\$6,091.67 per month) to annual rate of \$73,100 for 10 months (\$7,310.00 per month), January 1, 1995 through May 31, 1995. Changed from 12-month to 10-month faculty. Salary reflects a \$5,000 stipend as Director. Paid from 122-7265, Meteorology, pos. 7.60.

Michael H. Engel, Willard Miller Professor of Geology and Geophysics, salary changed from annual rate of \$67,396 for 9 months (\$7,488.44 per month) to annual rate of \$67,840 for 9 months (\$7,537.78 per month), July 1, 1994. Budget correction. Paid from 122-7242, Geology and Geophysics, pos. 3.60.

Kyung-Bai Lee, Professor of Mathematics, salary changed from annual rate of \$49,516 for 9 months (\$5,501.78 per month) to annual rate of \$60,000 for 9 months (\$6,666.67 per month), August 16, 1994. Counteroffer in response to offer from Korea University. Paid from 122-7264, Mathematics, pos. 44.60, and 122-7464, Mathematics Research, pos. 44.63.

Thomas W. Leonhardt, Professor of Bibliography, Director of Library Technical Services and Head of Collections Development, University Libraries; changed from non-tenure track to tenure track faculty, September 12, 1994.

June C. Raines, Visiting Staff Attorney, Provost's Office; given additional title Visiting Associate Professor of Law; salary temporarily changed from annual rate of \$26,000 for 12 months (\$2,166.67 per month), to annual rate of \$56,840 for 12 months (\$4,736.67 per month), January 1, 1995 through May 15, 1995. Paid from 122-7384, Senior Vice President and Provost, pos. 706.63, and 272-7201, College of Law, pos. 700.60.

Amy W. Shannon, Assistant Professor of Bibliography and Science Reference Librarian, University Libraries; changed from non-tenure track to tenure track faculty, September 12, 1994.

Rennard J. Strickland, Professor of Law and Director, American Indian Law Center; given additional title Adjunct Curator of American Indian Art, Museum of Art, October 1, 1994 through October 1, 1998.

Resignations and/or Terminations:

Maria E. Protti, Associate Director, Law Library, and Adjunct Assistant Professor of Law, September 30, 1994 (with accrued vacation through November 13, 1994).

Igor Reider, Associate Professor of Mathematics, August 16, 1994.

Interim President Morris recommended approval of the academic personnel actions shown above.

Regent Lewis moved approval of the recommendation. The following voted yes on the motion: Regents Gullatt, Blankenship, West, Bentley, Hall, Halverstadt, and Lewis. The Chair declared the motion unanimously approved.

Interim President Morris reported the deaths of the following:

Patricia L. Eidson, Associate Professor of Interior Design, on October 29, 1994.

Tzvi Gal-Chen, Professor of Meteorology, on October 10, 1994.

Harry E. Hoy, Professor Emeritus of Geography, on October 5, 1994.

A. Laurence Mortensen, Associate Professor Emeritus of Drama, on October 22, 1994.

ADMINISTRATIVE AND PROFESSIONAL PERSONNEL ACTIONS

Health Sciences Center:

Appointments or Reappointments:

Karen Ambrose, Clinical Trials Coordinator, Department of Medicine, annual rate of \$42,000 for 12 months (\$3,500.00 per month), August 29, 1994. Professional Staff. Paid from C1151101, Subaccount Raskob; and C9150401, Match for Oklahoma Institutional Development, pos. 143065.

Phillip B. Elwell, Staff Architect, Architectural and Engineering Services, annual rate of \$40,000 for 12 months (\$3,333.33 per month), October 17, 1994. Professional Staff. Paid from 7007-1, Architectural and Engineering Services, pos. 426998.

James R. Stalcup, Physicians Assistant II, Department of Orthopaedic Surgery and Rehabilitation, annual rate of \$43,000 for 12 months (\$3,583.00 per month), September 28, 1994. Professional Staff. Paid from A0000077, PPP Orthopaedic Surgery, pos. 409004.

Norman Campus:**Appointments or Reappointments:**

Michael S. Burrage, Special Assistant to the President for State and Federal Government Affairs, President's Office, annual rate of \$57,500 for 12 months (\$4,791.67 per month), November 16, 1994. Paid from 112-7002, President's Office, pos. 107.65.

Jon Ann Dubler, Personal Assistant to the President, President's Office, annual rate of \$49,000 for 12 months (\$4,083.33 per month), November 16, 1994. Paid from 112-7002, President's Office, pos. 104.65.

Sylvia V. Duca, reappointed Program Director, NASA Space Grant Consortium, salary remains at annual rate of \$48,354 for 12 months (\$4,029.50 per month), September 1, 1994 through February 28, 1995. Administrative Staff. Paid from 125-6472, NASA Space Grant Consortium, and 125-5983, Earthstorm/NSF, pos. 905.65. Paid from grant funds; subject to availability of funds.

Cynthia A. Edwards, reappointed FAA Project Manager, FAA/ATC, salary changed from annual rate of \$41,579.16 for 12 months (\$3,464.93 per month) to annual rate of \$50,107.20 for 12 months (\$4,175.60 per month), October 1, 1994 through September 30, 1995. Paid from 125-6693, FAA/ATC, pos. 905.65. Paid from grant funds; subject to availability of funds

Joseph Harroz, Jr., Executive Assistant to the President and Associate Counsel, President's Office, annual rate of \$65,000 for 12 months (\$5,416.67 per month), November 1, 1994. Executive Officer. Paid from 112-7002, President's Office, pos. 103.65.

Michael O. Lowther, reappointed Program Director, Southwest Regional Center, salary changed from annual rate of \$54,631 for 12 months (\$4,552.58 per month) to annual rate of \$55,724 for 12 months (\$4,643.67 per month), October 15, 1994 through October 14, 1995. Administrative Staff. Paid from 125-5700, Southwest Regional Center, pos. 905.65. Paid from grant funds; subject to availability of funds

Mary Lou McCloskey, reappointed Senior Program Development Specialist, Bilingual Educational Multifunctional Resource Center, salary changed from annual rate of \$29,625 for 12 months (\$2,468.75 per month), .75 time, to annual rate of \$30,366 for 12 months (\$2,530.50 per month), .75 time, October 1, 1994 through September 30, 1995. Professional Staff. Paid from 125-6283, Multifunctional Center, pos. 905.65. Paid from grant funds; subject to availability of funds

Eva Midobuche-Bernal, reappointed Associate Director, Bilingual Educational Multifunctional Resource Center, salary changed from annual rate of \$42,630 for 12 months (\$3,553.00 per month) to annual rate of \$44,123 for 12 months (\$3,676.91 per month), October 1, 1994 through September 30, 1995. Administrative Staff. Paid from 125-6283, Multifunctional Center, pos. 905.65. Paid from grant funds; subject to availability of funds

Hai T. Tran, reappointed Program Director, Bilingual Educational Multifunctional Resource Center, salary changed from annual rate of \$51,384 for 12 months (\$4,282.00 per month) to annual rate of \$52,926 for 12 months (\$4,410.50 per month), October 1, 1994 through September 30, 1995. Administrative Staff. Paid from 125-6283, Multifunctional Center, pos. 905.65. Paid from grant funds; subject to availability of funds

Janice M. Watts, reappointed Senior Program Development Specialist, Department of Educational Psychology, salary changed from annual rate of \$41,900 for 12 months (\$3,491.66 per month), full time, to annual rate of \$20,950 for 12 months (\$1,745.83 per month), .50 time, October 1, 1994 through September 30, 1995. Professional Staff. Paid from 125-4232, Deaf/Blind Project, pos. 905.65. Paid from grant funds; subject to availability of funds

Changes:

Mary K. Banken, title corrected from Director to Associate Director, Geological Information Systems, salary changed from annual rate of \$45,600 for 12 months (\$3,800.00 per month) to annual rate of \$48,300 for 12 months (\$4,025.00 per month), August 1, 1994. Administrative Staff. Promotional increase. Paid from 122-7467, Geological Information Systems, pos. 106.65, and 195-6007, Geological Information Systems, pos. 905.65.

Jim Hall III, Special Assistant to the President and Assistant Director of Alumni Affairs, salary changed from annual rate of \$26,375 for 12 months (\$2,198.00 per month), .50 time, to annual rate of \$57,500 for 12 months (\$4,791.67 per month), full time, November 16, 1994. Paid from 152-7176, Alumni Affairs, pos. 102.65, and 112-7002, President's Office, pos. 111.65.

James E. Jones, promoted from Superintendent to Manager, Building Trades, Physical Plant, salary increased from annual rate of \$40,854 for 12 months (\$3,404.50 per month) to annual rate of \$45,200 for 12 months (\$3,766.67 per month), October 1, 1994. Managerial Staff. Paid from 132-7701, Physical Plant - Building Trades, pos. 102.65.

Paul D. Massad, Associate Vice President for University Affairs and Executive Director of Alumni Affairs, salary changed from annual rate of \$69,411 for 12 months (\$5,784.25 per month) to annual rate of \$79,000 for 12 months (\$6,583.33 per month), December 1, 1994. Increase to come from Alumni Association Life Trust Fund Revenues.

Chris A. Purcell, Executive Secretary of the Board of Regents, Secretary of the University, and Adjunct Assistant Professor of Educational Leadership and Policy Studies and of Human Relations; given additional title Secretary of Cameron University; salary changed from annual rate of \$70,000 for 12 months (\$5,833.33 per month) to annual rate of \$95,000 for 12 months (\$7,916.67 per month), effective December 1, 1994. Paid from 112-7001, University Regents, pos. 101.65, and 112-7011, Cameron University.

Terry P. Rizzuti, promoted from Associate Director, Geological Information Systems, to Director, Center for Spatial Analysis, salary increased from annual rate of \$42,000 for 12 months (\$3,500.00 per month) to annual rate of \$48,000 for 12 months (\$4,000.00 per month), October 1, 1994. Administrative Staff. Paid from 122-7416, Center for Spatial Analysis, pos. 101.65.

John Underwood, promoted from Assistant Athletic Director to Associate Athletic Director, Athletic Department, salary increased from annual rate of \$55,700 for 12 months (\$4,642.00 per month) to annual rate of \$58,485 for 12 months (\$4,873.75 per month), December 1, 1994. Administrative Staff. Paid from 117-1121, Athletic Administration, pos. 5.65. Retention agreement.

Ida E. Wilson, Assistant to the President and University Affirmative Action Officer, salary changed from annual rate of \$69,000 for 12 months (\$5,750.00 per month) to annual rate of \$79,000 for 12 months (\$6,583.33 per month), October 1, 1994. Paid from 112-7135, Affirmative Action Office, pos. 101.65. Additional responsibilities at the Health Sciences Center.

Resignation and/or Termination:

John R. Morris, Jr., Interim President of The University of Oklahoma, November 16, 1994.

Retirement:

William O. Williams, Director of Publications, December 31, 1994.

Interim President Morris recommended approval of the administrative and professional actions shown above.

Regent Lewis moved approval of the recommendation. The following voted yes on the motion: Regents Gullatt, Blankenship, West, Bentley, Hall, Halverstadt, and Lewis. The Chair declared the motion unanimously approved.

The Regents expressed appreciation to Dr. J. R. Morris upon his leaving the position of Interim President for the enormous contributions he has made to the University and his willingness to serve the past five months.

President-Designate Boren commented he is most fortunate coming into a University Presidency having had J. R. Morris occupying the position and serving as advisor, tutor and friend during the transition. He said Dr. Morris represents the best traditions of this University and of higher education and the kind of spirit he hopes to continue as President.

Dr. Morris responded it has been a joy working with this Board of Regents, the outstanding executive officers and the whole University community. He said he appreciated the opportunity given him by the Regents to serve as Interim President during this time.

NEW BUSINESS

OIL AND GAS LEASE

Chief Legal Counsel Fred Gipson advised the Regents as follows:

"There is an oil and gas lease that Marathon Oil Company requested they receive from the University. In accordance with the policies of the University, we published notice in *The Norman Transcript*, gave the general public the opportunity to bid, and the only bid received is the one from Marathon Oil Company. The land they are leasing from the University is land directly east of Lloyd Noble Center, south to Highway 9. I know that Vice President Farley had some concern about perhaps drilling on this particular tract. The spacing is 160 acres and under the laws of the State of Oklahoma and those of the Oklahoma Corporation Commission, they could pool the University's interest in that particular tract. I think the offer is fair and one option is to accept the one fourth royalty and the other is to accept the 3/16 royalty and bonus. Under the circumstances while it might not necessarily require approval by the Board because the amount is only \$6,000, we do as a matter of practice bring it before the Board. For that reason, I would request under New Business that we go ahead and approve this request for an oil and gas lease."

Chairman Gullatt said the two options are a \$6,000 bonus and 3/16 royalty, or no bonus and 1/4 royalty. The term of the lease is 30 months, rentals are \$50 an acre. The recommendation is to accept the option of the cash bonus. He said he would certainly concur with that.

Regent Halverstadt moved approval of the recommendation to accept the bonus and 3/16 royalty. The following voted yes on the motion: Regents Gullatt, Blankenship, West, Bentley, Hall, Halverstadt, and Lewis. The Chair declared the motion unanimously approved.

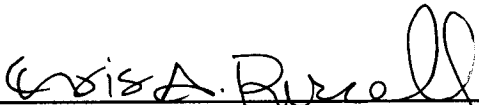
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LITIGATION

Regent Lewis moved the Board meet in executive session for the purpose of a report and discussion on pending and possible litigation. The following voted yes on the motion: Regents Gullatt, Blankenship, West, Bentley, Hall, Halverstadt, and Lewis. The Chair declared the motion unanimously approved and announced he did not anticipate any action would be taken as a result of the executive session. The executive session began at 10:30 a.m. and concluded at 12:34 p.m.

There being no further business, the meeting adjourned at 12:35 p.m.


Chris A. Purcell
Executive Secretary of the Board of Regents