

**OFFICIAL PROCEEDINGS OF THE
ONE HUNDRED AND SEVENTY-SECOND MEETING
DECEMBER 4-5, 1997**

I. CALL TO ORDER

The meeting of the Wright State University Board of Trustees was called to order by Mr. Daniel W. Duval, chair, on Thursday, December 4, 1997, 4 p.m., in 219 Rike Hall. Ms. Daisy Duncan Foster called the roll:

Present

Absent

Robert E. Buerger

Dodie Ditmer

Matthew O. Diggs, Jr.

Frederick W. Schantz

Dodie Ditmer

Rajesh K. Soin

Daniel W. Duval

Daisy Duncan Foster

Martin D. Jenkins

Thomas E. Palmer

II. PROOF OF NOTICE OF MEETING

Mr. Duval reported that this meeting was called by written notification and that a quorum was present.

III. DISPOSITION OF PREVIOUS MINUTES

Mr. Duval moved that the October 2-3, 1997, minutes be approved as submitted. Mr. Buerger seconded, and the motion was unanimously approved by voice vote.

IV. EXECUTIVE SESSION

In accordance with the Ohio Open Meetings Law, the Board, after a majority of a quorum, determined to hold an Executive Session by offering the following resolution:

RESOLUTION 98-18

RESOLVED that the Wright State University Board of Trustees agreed to hold Executive Session on Thursday, December 4, 1997, and be it further RESOLVED that pursuant to the Ohio Revised Code 121.22 (G), the following issues may be discussed in Executive Session:

- Legal Report
- Potential dismissal, demotion, or discipline of a tenured faculty member, and pertinent personnel matters

- Purchase of real property by WSU Foundation, Inc., and pertinent real estate matters

Mr. Buerger moved for approval. Mr. Diggs seconded, and the motion was unanimously approved by roll call vote.

V. RECESS

VI. RECONVENE - ROLL CALL

The Wright State University Board of Trustees reconvened on Friday, December 5, 1997, 8:30 a.m., in the Berry Room of the Ervin J. Nutter Center.

Ms. Lynnette Heard called the roll:

Present

Absent

Matthew O. Diggs, Jr.

Robert E. Buerger

Daniel W. Duval

Dodie Ditmer

Daisy Duncan Foster

Frederick W. Schantz

Martin D. Jenkins

Rajesh K. Soin

Thomas E. Palmer

Lynn E. Rapp

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Mr. Duval stated that the Wright State University Board of Trustees is a public body subject to the Ohio Open Meetings Act. It operates on a fixed agenda available to those attending the meeting. Persons wishing to address the Board in its public session should submit a written request to the Board of Trustees' office 72 hours in advance of the meeting in order to be placed on the agenda. However, all persons address the Board at the invitation of the Board and are subject to time limitations and other guidelines established to maintain the good order of the meeting.

VII. PRESENTATION AND POLICY DISCUSSION

**AAMC OUTSTANDING COMMUNITY AWARD PRESENTATION
SCHOOL OF MEDICINE - DR. KIM GOLDENBERG**

Wright State University School of Medicine was honored recently by the Association of American Medical Colleges (AAMC) for Wright State's efforts to address a unique mix of urban and rural health care needs in the Dayton community. The School of Medicine was selected as the 1997 recipient of the AAMC's Outstanding Community Service Award at a ceremony held November 1, 1997, in Washington, D.C.

"The purpose of this award is to recognize the vitally important service medical schools and teaching hospitals provide to communities across the country," said AAMC President Jordan J. Cohen, M.D. "We salute Wright State University for its innovative leadership to instill in new physicians the value of community service, and for its highly effective efforts to provide compassionate health care services to the underserved citizens of the Dayton area."

An AAMC site survey team toured Dayton in September and reviewed more than a dozen community programs. All of them involve partnerships between Wright State and other community organizations. The survey team visited the Yellow Springs Family Health Center, the East Dayton Health Center, and the Charles R. Drew West Dayton Health Center. The AAMC award cited Wright State-community partnerships such as the Center for Healthy Communities, Reach Out of Montgomery County, Student-to-Student, and programs in substance abuse intervention, child abuse, community psychiatry, and breast cancer and heart disease prevention.

"We consider the Dayton community to be the real winner of this award. Dayton deserves the national recognition for its tradition of community partnerships in health care," said Dean Kim Goldenberg. "It's significant to note that the finalists for the AAMC community award were the UCLA Medical Center in Los Angeles, Rush Medical College in Chicago, and Wright State in Dayton."

The award recognizes the partnership Wright State University has developed with members of the medical community to meet the needs of Dayton and the Miami Valley. The award is a clear indication that Wright State is fulfilling its mission as a metropolitan university that's here to serve the community.

VIII. REPORT OF THE CHAIR

A. Enrollment Increase Resolution

The following resolution was presented for the Board's approval:

RESOLUTION 98-19

WHEREAS, in order to develop strategies to stem the enrollment decline the university had experienced over the past several years, and to position the university to achieve the goals of Vision 2020 and the University Strategic Plan, President Harley E. Flack appointed in November of 1996, the University Enrollment Planning Council (EPC); and

WHEREAS, the president charged the council to work with the university community to increase university enrollment by the fall of 1997; and

WHEREAS, under the leadership of EPC and through the setting of specific goals and outstanding performances by the deans, the Offices of Undergraduate and Graduate Admissions, the faculty, staff, and the entire university community, the university was able to achieve its enrollment goals; and

WHEREAS, not only did enrollment increase, but the academic profile of first-year students also improved significantly and the university experienced an unprecedented 3% increase in the retention of first-year students; therefore be it RESOLVED that the Wright State University Board of Trustees commends the University Enrollment Planning Council, the deans, faculty, Undergraduate and Graduate Admissions, and the entire university community on these very significant achievements, and pledges to continue to support the Enrollment Planning Council and the university community in their collective efforts to continue to increase university enrollment.

Mr. Duval moved for approval. Mr. Diggs seconded, and the motion was unanimously adopted by voice vote.

B. Early Retirement Recommendation

The following resolution was presented for the Board's approval:

RESOLUTION 98-20

WHEREAS the Ohio General Assembly enacted legislation enabling Ohio public universities and colleges to establish retirement incentive plans for employees of their respective institutions who are members of the State Teachers Retirement System of Ohio (STRS) and the Public Employee Retirement System of Ohio (PERS); and

WHEREAS, the Board of Trustees has been studying the needs and benefits of such a retirement incentive plan; and

WHEREAS, the Board of Trustees wishes to receive the views and suggestions of the Faculty Senate, USAC and CSAC of such a retirement incentive plan; therefore be it

RESOLVED that the Board of Trustees hereby requests the Office of the President to present to the Board at its February 1998 meeting a recommendation for a specific early retirement plan, including timing, eligibility, and financial plans, with the intent that the Board will likely act on the issue of a early retirement plan at that meeting.

Mr. Duval moved for approval. Mr. Palmer seconded, and the motion was adopted by roll call vote. Mr. Jenkins abstained.

IX. REPORT OF THE PRESIDENT

In Dr. Flack's absence, Dr. John Fleischauer summarized the Report of the President.

A. Acknowledgment of University - Response to Assault

In late October, Thuy Mai and Eric Borton (Wright State University students) were seriously wounded by an assailant who very carefully targeted them. While the assailant has not yet been apprehended, the two students are at home continuing to recover from their injuries.

The university's administration, faculty, staff and student body responded in an extraordinary outpouring of support and concern for these two students. In the

early hours following the attack, several offices were particularly instrumental in addressing the needs of the two students and the remainder of the university community. The Board of Trustees expressed appreciation to the following for their outstanding efforts during a very difficult time:

- The Office of the Vice President for Student Affairs and Enrollment Services
- The Department of Public Safety
- The Office of Public Relations
- The Office of Student Life
- The Center for Asian, Hispanic and Native American Students
- Faculty and Advisors to Ms. Mai and Mr. Borton
- The many individuals who responded to the emergency and to the students who demonstrated care and concern

Through the response, Wright State showed its heart and defined itself as a caring and compassionate community.

B. Tenure - Dr. Etta R. Hollins, Associate Dean

College of Education and Human Services

The university-wide Promotion and Tenure Committee agreed to conduct a mail ballot to consider the recommendation received from the College of Education and Human Services for consideration of tenure for:

Dr. Etta R. Hollins, professor of Teacher Education

Associate Dean of the College of Education and Human Services

Dr. Hollins held a tenured position at her previous institution and has a distinguished record of scholarship, teaching, and service. The University Promotion and Tenure Committee has approved the recommendation of the college committee and the dean.

RESOLUTION 98-21

RESOLVED that the tenure recommendation as submitted to this meeting be, and the same hereby is approved.

Mr. Diggs moved for approval. Mr. Jenkins seconded, and the motion was adopted by roll call vote. Ms. Foster abstained.

C. Approval of December Graduates

Dr. Fleischauer stated that fall commencement will be held on Saturday, December 6, 1997, 10 a.m., in the Ervin J. Nutter Center.

Section 1.03 of the Wright State University Code of Regulations provides that the Board of Trustees shall grant degrees to qualified graduates after due consideration of nominations by the faculty. Candidates were nominated at the General Faculty Meeting on November 18, 1997.

Since applications for degrees are accepted in advance, the recommendation is that we be permitted to make changes in the list to correct errors and to add or delete names of persons who unexpectedly will or will not meet all

requirements for graduation. A list of fall 1997 degrees follows, along with comparison figures for fall 1996.

	<u>1996</u>	<u>1997</u>
<u>BUSINESS AND ADMINISTRATION</u>		
Bachelor of Science in Business	177	176
<u>EDUCATION AND HUMAN SERVICES</u>		
Bachelor of Science	29	12
<u>EDUCATION AND HUMAN SERVICES</u>		
Bachelor of Science in Education	98	103
<u>ENGINEERING AND COMPUTER SCIENCE</u>		
Bachelor of Science in Biomedical Engineering	1	4
Bachelor of Science in Computer Engineering	5	11
Bachelor of Science in Computer Science	10	13
Bachelor of Science in Electrical Engineering	17	17
Bachelor of Science in Engineering Physics	1	3
Bachelor of Science in Human Factors Engineering	5	2
Bachelor of Science in Mechanical Engineering	10	14
<u>LIBERAL ARTS</u>		
Bachelor of Arts	169	175
Bachelor of Arts	6	15
Bachelor of Music	1	5
Bachelor of Science	7	8
<u>NURSING AND HEALTH</u>		

Bachelor of Science in Nursing	89	49
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SCIENCE AND MATHEMATICS

Bachelor of Arts	44	45
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Bachelor of Science	56	47
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SCHOOL OF GRADUATE STUDIES

Doctor of Philosophy	14	11
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Educational Specialist	4	4
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Master of Arts	31	34
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Master of Business Administration	79	127
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Master of Education	143	122
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Master of Humanities	4	---
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Master of Music	5	4
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Master of Rehabilitation Counseling	7	7
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Master of Science	158	174
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Master of Science in Computer Engineerin	5	11
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Master of Science in Engineering	50	62
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Master of Science in Teaching	---	1
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Master of Urban Administration	2	6
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SCHOOL OF MEDICINE

Doctor of Medicine	1	5
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SCHOOL OF PROFESSIONAL PSYCHOLOGY

Doctor of Psychology	26	24
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WRIGHT STATE UNIVERSITY LAKE CAMPUS

Associate Degrees

21

22

TOTAL

1,275

1,313

RESOLUTION 98-22

RESOLVED that the candidates for degrees for August and December 1997, be and the same hereby are confirmed and approved.

Mr. Jenkins moved for approval. Mr. Diggs seconded, and the motion was unanimously adopted by voice vote.

D. Acceptance of Gifts and Donations

Dr. Fleischauer reported that since the last meeting of the Board, the following gifts and donations have been received and acknowledgments sent to the donors:

To the Athletics Department

From: Ira H. Stanley

2528 Wood Bluff Lane
Centerville, OH 45459
Laptop Computer and Printer
Estimated Value - \$2,000

From: Paul Newman

2352 El Cid Drive
Beavercreek, OH 45431
Framed Artwork
Estimated Value - \$389.95

From: Jon P. Ramey

860-3A Pimlico Drive
Centerville, OH 45459
IBM Aptiva Computer
Estimated Value - \$1,000

From: Stephen Williams

Lockwood, Jones & Beals, Inc.
3100 Research Boulevard
Dayton, OH 45435
Acer Open Pentium 166 PC
Estimated Value - \$1,847

To the College of Engineering and Computer Science

From: Modern Technologies Corporation

5002 Linden Avenue
Dayton, OH 45432-3015
Network Equipment and Cables
Estimated Value - \$150

To Annual Giving Office

From: Wright State University Bookstore

Barnes & Noble
E182 Student Union
Dayton, OH 45435
Thermal Insulated Mugs
Estimated Value - \$1,000

From: SODEXHO

W106 Student Union
Dayton, OH 45435
Thermal Insulated Mugs
Estimated Value - \$1,000

The following resolution was submitted for the Board's approval:

RESOLUTION 98-23

RESOLVED that the gifts and donations listed above are hereby accepted. Mr. Duval moved for approval. Mr. Diggs seconded, and the motion was unanimously approved by roll call vote

E. Confirmation of Academic and Administrative Appointments and Changes

Dr. Fleischauer noted that since the last Board meeting, the following academic and administrative appointments, changes, retirements, departmental reporting, resignations and terminations have been made:

RESOLUTION 98-24

RESOLVED that the academic and administrative appointments, changes, retirements, departmental reporting, resignations and terminations submitted to this meeting be, and the same hereby are approved.

Mr. Jenkins moved for approval. Mr. Diggs seconded, and the motion was unanimously ratified by roll call vote.

F. Report on Investments

Dr. Fleischauer stated that since the last Board meeting, investments for September 30, 1997, have been received. These reports have been distributed to the trustees and will be filed with the official Board of Trustees' records.

G. Ratification of Contracts and Grants

Dr. Fleischauer reported that since the last meeting of the Board of Trustees, \$1,402,318 in contracts and grants has been received. While the dollar volume of awards for fiscal year 1997-98 is down by 10% from last year at this time, Wright State University faculty are still successfully competing for significant funding. Since the October 1997 Board of Trustees' meeting, Dr. Dennis Moore, associate professor in the community health department, and project director of Substance Abuse Resources and Disability Issues (SARDI), has received a major grant from the U.S. Department of Education. The five-year

grant will support the continuation of the Rehabilitation Research and Training Center. Support for the five-year project should total almost \$2.5 million; first-year funding has been awarded in the amount of nearly \$500,000.

The following resolution was submitted for approval by the Board:

RESOLUTION 98-25

RESOLVED that the contracts and grants submitted to this meeting be, and the same hereby are ratified.

Mr. Diggs moved for approval. Mr. Jenkins seconded, and the motion was unanimously ratified by roll call vote.

X. REPORTS OF THE COMMITTEES OF THE BOARD

A. Academic Affairs Committee

Ms. Foster, chair, reported on the Academic Affairs Committee meeting of November 5, 1997. The following topics were discussed:

Faculty Senate

The Faculty Senate passed a resolution of support for President Flack. Joanne Dombrowski, professor of mathematics and statistics, was elected University Professor-at-Large to the University Promotion and Tenure Committee.

The Senate has accepted the spirit of a code of principles for student development in the NASULGC report, "Returning to Our Roots: The Student Experience."

Faculty Senate meetings are held the first Monday of each month, 3:15 p.m., in the Student Union. Board members are welcome to attend and are sent copies of meeting minutes.

Strategic Planning

The university Strategic Plan is underway across campus. Deadlines for submission of action plans are approaching, and plans are being reviewed by the Strategic Planning Council. The council will meet jointly with the University Budget Review Committee to review recommendations about budget requests.

1997 AAMC Outstanding Community Service Award

As earlier reported, the School of Medicine has been chosen by the Association of American Medical Colleges (AAMC) for its 1997 Outstanding Community Service Award. Other finalists in the competition were UCLA and Rush Medical College in Chicago. Dr. Goldenberg noted that the award recognizes the partnership Wright State has developed with members of the medical community to meet the needs of Dayton and the Miami Valley.

B. Advancement Committee

Mr. Palmer, chair, reported on the committee meeting of September 3, 1997. The following topics were discussed:

Memorandum of Understanding Between the University and WSU Foundation

In order to increase private financial support and prudently manage contributions, a close and smooth collaboration between the Foundation and the university is necessary. The current operating agreement between the Foundation and the university dates back to 1983 and is not specific in some areas. A revised draft Memorandum of Understanding, a list of "guiding premises," as well as Foundation expenditure and fund data for FY '92-97 and investment policies for endowment and restricted funds was submitted for the committee's review. The revision is a result of many discussions between trustees from both Boards, with particular emphasis on corpus growth through sound investment management and devising a formula to determine payout from the Foundation each year to the university.

The Foundation's Executive Committee and WSU's legal counsel will review a draft of the document.

Institutional Marketing Plan

A "draft" of the 1998 Marketing Plan developed by Mr. Chuck Vella of the Edward Howard Company was highlighted. The plan's objective is to improve existing perceptions of Wright State in the Miami Valley by managing its image and reputation with a strong, clear advertising message, and to enhance our current publicity program and communication activities around the central theme of academic quality at Wright State.

Many of the strategies outlined in the marketing plan are already taking place. The Public Relations Department is being reorganized to improve the department's ability to support a development campaign and balance the staff in its public relations activities. All advertising will be outsourced as of January 1, 1998; other major elements of the plan will be in place by March 31, 1998. Evaluation of the department reorganization and development of the ad agency, community relations planning organization, strategic use of publications, etc., will take place in June 1998.

Campaign Planning

It was reported that in the president's absence, campaign planning continues. The case for support is being refined, major gift prospects identification and cultivation is continuing, with assistance from trustees and deans. While the president is on leave, however, we cannot move forward as aggressively on leadership gifts or enlisting the Blue Ribbon Advisory Committee.

Development Progress for FY '97-98

As of November 10, 1997, fund raising results reached \$831,000, towards the goal of \$4 million. Two major gifts totaling \$2 million are anticipated by the end of the month.

C. Building and Grounds

In Mr. Soin's absence, Mr. Jenkins reported on the committee meeting of October 31, 1997.

During the last Building and Grounds meeting there was some discussion on the Nutter Center storage facility. The initial reaction was that the in-ground construction proposal was expensive and, during the meeting, an alternate building was discussed. It was recommended selecting the correct design and finding funds to do so. After the meeting, Ms. Achterman identified funds for the underground facility. The decision to construct the facility as designed was taken and not brought back to the committee. This was not an action item; it was for informational purposes only.

1. Six-Year Capital Budget (1999-2004)

The summary of the six-year plan that will be submitted to the Ohio Board of Regents was presented. The first two years of the capital plan (1999-2000 biennium) request for funding must include a detailed plan and proposal with a commitment to payment of debt service on this money. The following two biennia are WSU's best attempt to forecast what is going to be done; however, the university will have another opportunity in two years to further detail those items.

In the first biennia, \$8,300,000 funding for Allyn Hall Rehabilitation construction is requested; the occupants of Allyn Hall will move to the New Academic Building. The money to design this rehabilitation has been received. The College of Education and Human Services will move into the renovated Allyn Hall space. This will become the permanent location for the College of Education and Human Services.

The next line item \$1,000,000 is for Millett Hall Rehabilitation. This item will fund the design phase for the rehabilitation of the entire facility. The project team recommends that all of Millett Hall be vacated for rehabilitation after Allyn Hall has been completed. The College of Liberal Arts will return to Millett Hall after project completion. The goal is to totally displace all of the occupants of Millett Hall into unoccupied or underutilized space and completely shut down Millett Hall in order to replace the HVAC systems. At that time, Millett Hall will be the oldest unrenovated building on campus.

The following resolution was presented to the Board for its approval:

RESOLUTION 98-26

RESOLVED that the existing capital dollars for the current biennium, 1997-1998, be reallocated as requested; and

RESOLVED that the Capital Improvements Plan for the period 1999-2004 as submitted to this meeting be, and the same hereby is approved.

Mr. Jenkins moved for approval. Mr. Diggs seconded, and the motion was unanimously adopted by roll call vote.

Water Detention Facilities

Severe erosion problems have occurred in the woods area over the past 30 years. The scope has changed from the original plan because there is a difference of 13 feet between the outflow at the Colonel Glenn outlet and the inlet; to get any retention at all we would have to go below that depth resulting in a moat 30-35 feet deep to achieve the acre feet needed. The play fields would have to be constructed on huge mounds, which would be very difficult to maintain. A study was undertaken to discover what has been occurring in the catchment area. The study showed that the bulk of the problem occurs with frequent rains--one-, two- and five-year storms. The location of the facility is between Fred A. White Center and the Nutter Center. The structure will be an earthen dam that will tie back into the knoll and blend into the existing contours to allow for mowing. The only concrete that will be visible from Center Road will be a six-inch curb. The detention structure will have a recessed flue on top to handle anything over a five-year storm. Two hundred eighty feet of the existing 72-inch pipe will be replaced with 96-inch pipe to match the existing feeder pipe under Colonel Glenn. That water will not remain in the basin; it will dissipate within 24-36 hours and return to mowable green space. Limits of construction will impact 2 1/2 acres. Trees within the construction that are not to be damaged or lost will have a cost assigned to each; the contractor will be responsible for any damage. Construction will occur during summer so that Center Road can be opened for fall quarter. The design team has met with biology faculty members who are in favor of this solution and are researching the replanting methods for the eroded banks. After construction is complete, trees would be planted to block the view of the dam. The estimate for this work is \$625,000; the original budget was \$700,000.

Capital Projects Status Report

The status of Phase I of the Access Circulation Project was reported. The contractor hydro seeded earlier this week; the lot will be open Tuesday, November 4, 1997; street lighting will be set and checked by Tuesday evening; all traffic control signs will be in place; and, all lot striping has been completed. There are 500 new parking spaces in this lot for a total of 900 new paved spaces. The connecting spur is not intended to become the main entrance.

Updates Discussion

An inquiry about the status of the computer rendition of the wall along Colonel Glenn Highway was made. A vendor (EastPoint Communications) has been selected. The videos will be completed by year end and available for review by this committee.

Mr. Soin asked about the project time schedule if it is decided that the window wall is not the preferred design. It was reported that the edge treatment is something that can be pulled out of construction bidding since it can be bid as

an add alternate. Alternate landscaping edge treatment photographs were reviewed by the committee.

D. Finance and Audit

Mr. Diggs, chair, reported on the committee meeting of November 14, 1997.

1. Quasi-Endowment Fund Policy

The university has created a policy (Attachment A) whereby departments and colleges may utilize cash balances within their respective operating units to create a quasi-endowment fund. It will be used to help fund initiatives identified by the department or college as high priorities to their continued success. These monies will be treated as endowment funds, but since they are internally designated, they are defined as quasi-endowment funds.

Highlights of the proposed policy are:

The minimum amount necessary to establish an account is \$50,000 and would come from departmental cash balances.

The monies will be placed in the university's endowment fund subject to the same spending policies as all other endowment funds.

These accounts are considered permanent. Any subsequent request for discontinuance would also require Board of Trustees' approval.

RESOLUTION 98-27

WHEREAS, the university and its numerous operating departments have a continuing need to fund initiatives and serve students; and

WHEREAS, the university may have internal funds that can be utilized to permanently establish a funding source for such initiatives; therefore be it RESOLVED that the approval of the attached "Quasi-Endowment Fund Policy" which defines the conditions under which university funds can be utilized to permanently fund university priorities as submitted to this meeting be, and the same hereby are approved.

Mr. Diggs moved for approval. Mr. Palmer seconded, and the motion was unanimously adopted by roll call vote.

Wright State University

Quasi-Endowment Fund Policy

To help support the university's continuing efforts to achieve its mission, external donors may provide gifts to the university *through the Wright State University Foundation*. The donor may impose no restrictions on the gift whereby the gift may be used for any university purpose (an unrestricted gift) or they may restrict the gift to be used only for a specific department, activity, or project (a restricted gift). One method of giving is to establish an "endowment." An endowment is a gift where the donor has stipulated, as a condition of the gift, that the principal is to be maintained either (1) for a specified period of time; (2) until an event occurs; or, (3) in perpetuity. The funds are invested for the purpose of producing present and future income

which may either be expended currently or added to the principal. **All of these types of gifts, including endowments, are to be received and accounted for by the Wright State University Foundation.**

It is also possible that the university may wish to internally allocate and designate university funds as "quasi-endowment" funds in order to better achieve its initiatives and serve the needs of the students. A quasi-endowment functions the same as an endowment except that it is created by the university, not an external donor, and therefore it is at the discretion of the university's Board of Trustees whether or not the principal can be expended or whether the quasi-endowment continues in existence. **Quasi-endowments are to be maintained within the university** separate from the Wright State University Foundation accounts which are funded by external gifts only. The following policies govern the establishment, maintenance, and termination of a quasi-endowment fund.

1. Creation of a quasi-endowment fund may be recommended by a department to the provost or appropriate vice president for further submission and approval by the president's cabinet. After such approval, the recommendation will be submitted to the Finance and Audit Committee of the university's Board of Trustees and ultimately the full Board of Trustees for their approval.
2. The submitting department needs to include as part of the recommendation a description of the quasi-endowment including its purpose and relatedness to the university's mission and an identification of the source of the funds for establishing the quasi-endowment. The funds that are being utilized to establish the quasi-endowment are to be cash balances, not base budget. The minimum amount necessary to establish an account is \$50,000.
3. The quasi-endowment will be accounted for in the university's endowment fund and accordingly will be subject to the spending policies and investment guidelines in place for those funds. In addition, no endowment principal may be expended without Board of Trustees' approval.
4. Once approved, the Office of Financial Services will create an account number in the endowment fund to account for the quasi-endowment. The department must identify an operating account number from which the annual earnings will be expended. Any questions regarding an appropriate account from which to expend funds should be directed to Financial Services.
5. Establishment of a quasi-endowment is to be considered permanent. As such, any request for termination or discontinuance of the quasi-endowment and subsequent transfer of funds back to the general university is subject to the same approval process as number 1 above, including Board of Trustees' approval.

Financial Trend Analysis

An analysis of selected university financial trends for the period FY '93 through 1997 was distributed to the committee. Management continues to evaluate the university's financial trends in comparison with its peer institutions. There are two sets of data on the trend analysis: first is Wright State's financial trends, and second is Urban 13+ (peer institutions) data. The trend analysis assists in creating financial benchmarks which in turn assist in allocating the university's resources. A copy of the analysis is on file in the Board office.

Quarterly Budget versus Actual

A document detailing unrestricted, restricted and auxiliary financial activity for the quarter ended September 30, 1997, was distributed. The information compared budget to actual financial results. Budget variances highlighted for the quarter ended September 30, 1997, are as follows:

- The state budget was adopted at a higher than forecasted amount for higher education. As a result, instructional subsidy earnings will be over \$1,000,000 greater for the year.
- Instruction and General Fees - Enrollment is up approximately 2%; however, fees have not increased. This is largely due to the fact that there are more full-time students, who pay the same tuition for taking 11 to 18 credit hours. It is important to note that while no additional fee income is being generated, the FTE count will result in new subsidy dollars in FY '99 and beyond.
- The variance in instruction and departmental research is primarily attributable to the recognition of summer school salary expense (\$800,000) which was budgeted in Academic Support. An additional \$400,000 relates to the School of Medicine purchasing equipment from funds carried forward.
- Significant carryovers expended in the current year accounts for \$300,000 of the variance in separately budgeted research. The additional variance of nearly \$150,000 is the result of transferring salary expense dollars to Separately Budgeted Research from other function categories.
- Nearly \$100,000 of the variance in public services is the result of increased volume at the Pharmacy. A variance amount of approximately \$100,000 reflects activity at the Kettering Center greater than budget.
- There is an increase in revenue in restricted funds in part due to an increase in OhioLink. OhioLink is purchasing several large databases, and funding is greater than anticipated.
- Main Campus and Lake Campus Bookstores are relatively stable.
- There is a \$75,000 favorable variance in Food Services attributed to an increase in food purchase points by commuter students.
- Intercollegiate Athletics - There is a negative variance due mainly to the summer athletic camps. The coaching staffs in basketball and soccer were unfamiliar to prospective camp participants. There is a favorable variance in scholarships and fellowships due to how scholarships are budgeted.

- Nutter Center has a favorable \$100,000 variance due to unplanned events.
- The first quarter in Parking and Transportation shows that they are doing better than expected as a result of parking fees being sold via Raider Express.
- There is a favorable variance in revenues from damage fines and other miscellaneous income in Residence Services.

Residential Technology Fee

A revised Resident Student Technology Fee Proposal was distributed to the committee. Over the last several months, both the Department of Residence Services and Computing Services (CaTS) have been working to complete connectivity (Turnpike) to the residence halls and residential apartment communities. This project is expected to be completed in January 1998. During the winter and spring quarters, no fee will be assessed to residential students. This will allow time to ensure access and appropriate levels of service by knowledgeable professional staff. Students who do not own their own computer, but plan to purchase one, will be advised as to the type of hardware they should purchase, required components and associated costs. Hamilton Hall is ready to go on-line, and volunteers are being solicited to use the service. A \$35 per quarter fee is being discussed for implementation for fall quarter 1998 when consistent, quality access can be assured.

A brief summary of the conservative 10-year dollar projections for this project was discussed.

It was pointed out that the existing hardware will become obsolete within five years and will require an estimated capital expenditure of \$500,000 to \$750,000. In order to monitor cash flow, a separate account will be established into which all revenues and expenses will be placed. It is anticipated that the technology fee would need to be increased approximately \$3 every two years.

2. Purchase of PERS and STRS Service Credit

For years the State Teachers Retirement System of Ohio (STRS) and the Public Employees Retirement System of Ohio (PERS) have offered WSU employees the option to purchase certain types of retirement plan service credit by payroll deduction. Service credit has included equivalent credit for military service and out-of-state teaching service and the repurchase of credit for which contributions were previously withdrawn. These payroll deduction contributions have been made with "after-tax" dollars which have already been subjected to federal and Ohio income taxes.

In 1997, the Internal Revenue Service issued a ruling authorizing the adoption of plans that allow state employees contributing to STRS and PERS to purchase service credit with payroll deduction contributions on a "pre-tax" basis, dollars for which federal and Ohio income taxes are deferred.

The following resolutions will allow the purchase of PERS and STRS service credit with pre-tax payroll deduction dollars, effective February 7. This is the

first day of the classified pay period, 60-days after the date when the Board will consider these resolutions. State Teachers Retirement System rules require a 60 day notification of the effective date of the plan. Adoption of these resolutions will allow employees to choose either pre-tax or after-tax payroll deduction options to purchase PERS and STRS service credit.

The following resolution was presented to the Board for approval:

RESOLUTION 98-28

WHEREAS, pursuant to federal and Ohio laws, participating employees of Wright State University can defer federal and state income taxes on a portion of their wages or salaries if the university will "pick-up" (assume and pay) contributions to the State Teachers Retirement System of Ohio ("STRS") for the purchase of additional service credit or the redeposit of contributions previously withdrawn by such employees; and

WHEREAS, the university will not incur any additional costs in the deferment of federal and state income taxes for these employees; therefore be it

RESOLVED that the STRS Pick-up Plan set forth in Attachment E, which follows and is incorporated herein by this reference, is hereby adopted with an effective date of February 7, 1998; and be it further

RESOLVED that the president and/or his designee(s) are hereby authorized to act for and on behalf of the university in developing the necessary legal instruments and amendments thereto, and taking all actions necessary to implement the provisions of this resolution.

Mr. Diggs moved for adoption. Mr. Palmer seconded, and the motion was unanimously approved by roll call vote.

Attachment E

STRS Section 414(h)(2) Pick-Up Plan
for the Purchase of Additional STRS Service Credit
and the Redeposit of Withdrawn STRS Contributions

Section 1:

Effective February 7, 1998, the full amount of the contributions to purchase additional service credit in and to redeposit withdrawn contributions in the State Teachers Retirement System of Ohio (STRS) shall be withheld from the gross pay of each person within the class established in Section 2 herein and shall be "picked-up" (assumed and paid to STRS) by Wright State University. This "pick-up" by the university is, and shall be designated as employee contributions and shall be in lieu of contributions to purchase additional service credit in STRS or to redeposit withdrawn STRS contributions by each person within the class established in Section 2 of this Plan. Upon completion of the payroll authorization form no person subject to this "pick-up" shall have the option of choosing to receive the contribution to STRS directly instead of having it "picked-up" by the university or of being excluded from the "pick-

up." No person subject to this "pick-up" shall have the option to increase, decrease or terminate the amount of the "picked-up" contribution unless the member has terminated employment or all of such service credit has been purchased.

The university shall, in reporting and making remittance to STRS, report that the employee's contribution for each person subject to this "pick-up" has been made as provided by the statute.

Section 2:

The "pick-up" by Wright State University shall apply to all persons who:

- (A) are employees of the university who are contributing members of STRS;
- (B) are eligible to purchase additional service credits or to redeposit withdrawn STRS contributions under any of the following sections of the Ohio Revised Code: 3307.021, 3307.28, 3307.32, 3307.411, and any other sections of Chapter 3307 of the Ohio Revised Code now existing or hereinafter enacted which permit employees to purchase additional service credit; and,
- (C) have properly completed a payroll authorization form making an irrevocable election to purchase STRS service credit under this Plan.

Section 3:

The university's method of payment of salary to its employees who are participating in this Pick-up Plan is hereby modified as described in Section 4 of this Plan to provide for a salary reduction pick-up of employee contributions.

Section 4:

The total salary for each STRS contributing member shall be the salary otherwise payable by Wright State University. Such total salary for each employee shall be payable by the university in two parts: (a) deferred salary and (b) cash salary.

An employee's deferred salary shall be equal to that percentage of the employee's total salary which is required by STRS to be paid as an employee contribution by that employee, plus the amount of the employee's total salary which the employee has designated on the payroll authorization form for the purchase of STRS service credit or the redeposit of previously withdrawn STRS contributions. The employee's deferred salary shall be paid by the university to STRS on behalf of the employee as a picked-up contribution and in lieu of the employee contributions otherwise payable by that employee.

An employee's cash salary shall be equal to the employee's total salary less the amount of the picked-up contributions for that employee, and shall be payable, subject to applicable payroll deductions, to the employee.

Wright State University shall compute and remit its employer contributions to STRS based upon each employee's total salary. The total combined expenditures of the university for each employee's total salary payable under applicable university policies and the pick-up provisions of this Plan and any

prior plans for mandatory contributions shall not be greater than the amounts it would have paid for those items had this provision not been in effect.

Section 5:

The president and/or his designee(s) are hereby authorized to act for and on behalf of the university in developing the necessary legal instruments and taking all actions necessary to implement the provisions of this Plan to institute the "pick-up" of contributions to STRS for eligible employees of the university.

RESOLUTION 98-29

WHEREAS, pursuant to federal and Ohio laws, participating employees of Wright State University can defer federal and state income taxes on a portion of their wages or salaries if the university will "pick-up" (assume and pay) contributions to the Public Employees Retirement System of Ohio (PERS) for the purchase of additional service credit or the redeposit of contributions previously withdrawn by such employees; and

WHEREAS, the university will not incur any additional costs in the deferment of federal and state income taxes for these employees; therefore be it

RESOLVED that the PERS Pick-up Plan set forth in Attachment F, which follows and is incorporated herein by this reference, is hereby adopted with an effective date of February 7, 1998; and be it further

RESOLVED that the president and/or his designee(s) are hereby authorized to act for and on behalf of the university in developing the necessary legal instruments and amendments thereto, and taking all actions necessary to implement the provisions of this resolution.

Mr. Diggs moved for adoption. Mr. Palmer seconded, and the motion was unanimously approved by voice vote.

Attachment F

PERS Section 414(h)(2) Pick-Up Plan
for the Purchase of Additional PERS Service Credit
and the Redeposit of Withdrawn PERS Contributions

Section 1:

Effective February 7, 1998, the full amount of the contributions to purchase additional service credit in and to redeposit withdrawn contributions in the Public Employees Retirement System of Ohio (PERS) shall be withheld from the gross pay of each person within any of the classes established in Section 2 herein and shall be "picked-up" (assumed and paid to PERS) by Wright State University. This "pick-up" by the university is, and shall be designated as employee contributions and shall be in lieu of contributions to purchase additional service credit in PERS or to redeposit withdrawn PERS contributions by each person within any of the classes established in Section 2 of this Plan.

Upon completion of the payroll authorization form no person subject to this "pick-up" shall have the option of choosing to receive the contribution to PERS

directly instead of having it "picked-up" by the university or of being excluded from the "pick-up." No person subject to this "pick-up" shall have the option to increase, decrease or terminate the amount of the "picked-up" contribution unless the member has terminated employment or all of such service credit has been purchased.

The university shall, in reporting and making remittance to PERS, report that the employee's contribution for each person subject to this "pick-up" has been made as provided by the statute.

Section 2:

The "pick-up" by Wright State University shall apply to all persons who:

(A) are classified and unclassified employees of the university who are contributing members of PERS;

(B) are eligible to purchase additional service credits or to redeposit withdrawn PERS contributions under any of the following sections of the Ohio Revised Code: 145.31, 145.301, 145.293, 145.291, 145.28, and any other sections of Chapter 145 of the Ohio Revised Code now existing or hereinafter enacted which permit employees to purchase additional service credit; and,

(C) have properly completed a payroll authorization form making an irrevocable election to purchase PERS service credit under this Plan.

Section 3:

"Salary" shall mean for the purposes of this Plan salary or wages payable to an employee of the university.

The university's method of payment of salary to its employees who are participating in this Pick-up Plan is hereby modified as described in Section 4 of this Plan to provide for a salary reduction pick-up of employee contributions.

Section 4:

The total salary for each classified and unclassified employee shall be the salary otherwise payable by Wright State University. Such total salary for each employee shall be payable by the university in two parts: (a) deferred salary and (b) cash salary.

An employee's deferred salary shall be equal to that percentage of the employee's total salary which is required by PERS to be paid as an employee contribution by that employee, plus the amount of the employee's total salary which the employee has designated on the payroll authorization form for the purchase of PERS service credit. The employee's deferred salary shall be paid by the university to PERS on behalf of the employee as a picked-up contribution and in lieu of the employee contributions otherwise payable by that employee.

An employee's cash salary shall be equal to the employee's total salary less the amount of the picked-up contributions for that employee, and shall be payable, subject to applicable payroll deductions, to the employee.

Wright State University shall compute and remit its employer contributions to PERS based upon each employee's total salary. The total combined expenditures of the university for each employee's total salary payable under applicable university policies and the pick-up provisions of this Plan and any prior plans for mandatory contributions shall not be greater than the amounts it would have paid for those items had this provision not been in effect.

Section 5:

The president and/or his designee(s) are hereby authorized to act for and on behalf of the university in developing the necessary legal instruments and taking all actions necessary to implement the provisions of this Plan to institute the "pick- up" of contributions to PERS for eligible employees of the university.

Investment Report

The committee reviewed the investment report for September 1997. No action was required. It was reported that the university is finalizing the contract for the new investment managers and is scheduling placement of the funds.

E. Student Affairs

In Ms. Ditmer's absence, Ms. Lynn Rapp reported on the committee meeting of November 21, 1997.

Student Government President's Report

- Jennifer Patton was elected as the representative for the University Division and Mridul Prakash will represent the Graduate School. Student Government is currently looking into student concerns regarding parking and the technology/connectivity fee proposal. A survey has been distributed soliciting responses on student satisfaction with the service provided by the Student Government Office.

Vice President for Student Affairs and Enrollment Services Report

- An extensive review by Peggy Wynkoop, assistant director of athletics and Charles Hartmann, professor of business law, into the allegations by the Dayton Daily News regarding recruiting is complete. No improprieties were discovered in the review.
- Gender equity in athletics as it relates to budget issues was discussed. The history of gender equity policies and how certification by the NCAA depends on having a gender equity program in place was explained.
- An overview of the proposed residence hall connectivity/technology program was presented. It is anticipated the computer connectivity services will be available January 5 at no cost to the students for the winter and spring quarters. Two full-time staff will be assigned to the project. A network engineer and a desk-top technician will make house calls, install programs and provide training. Two student technicians will also be assigned. Service will be available from 8 a.m. to 10 p.m. Sunday through Friday.

- No fee will be required for winter and spring quarters. If there is no funding beyond this time, then the university will be faced with a difficult decision as to how the technology program will be maintained.
- Future construction for on campus housing is under review. Interest in building additional housing was highlighted this spring when the waiting list for fall housing on campus was over 200. The university will be working with architects and corporate partners on meeting the needs of the students and developing plans.
- Dan Bertso, director of residence services, is working closely with the admissions office in monitoring applications and evaluating housing needs.
- An update on the status of the students who were attacked on campus was provided. The efforts of student affairs staff in Public Safety and Student Life in this matter were acknowledged. The courage of the two students involved, Eric Borton and Thuy Mai, was also acknowledged.

XI. UNFINISHED BUSINESS

None

XII. NEW BUSINESS

A. Next Board Meeting - February 5 and 6, 1998

B. December Graduation - December 6, 1997

Ervin J. Nutter Center

Board and Faculty Breakfast - 8:30 a.m. - Berry Room

Commencement - 10 a.m. - Main Arena

XIII. ADJOURNMENT

The meeting adjourned at 9:40 a.m.