

SAGINAW VALLEY STATE COLLEGE

BOARD OF CONTROL

MINUTES

REGULAR MONTHLY MEETING

MAY 2, 1980

Saginaw Valley State College Library

INDEX OF ACTIONS

	<u>PAGE</u>
RES-456 RECOMMENDATION FOR REVISION OF THE POLICY ON NEPOTISM (Effective Immediately) <u>APPROVED</u>	8
RES-457 RECOMMENDATION FOR REVISION IN BOARD AND ROOM RATES (Academic Year Room and Board Rates Effective Fall Semester 1980-81) <u>APPROVED</u> (Miscellaneous Room and Board Rates Effective May 1, 1980) <u>APPROVED</u>	17
RES-458 RECOMMENDATION ON FIRST AID FACILITY FUNDING DESIGNATION (Effective Immediately) <u>APPROVED</u>	23
RES-459 RECOMMENDATION FOR REVISION IN TUITION AND FEE RATES (Effective Fall Semester 1980-81) <u>APPROVED</u>	25
RES-460 RECOMMENDATION FOR MODIFICATIONS IN TRAVEL POLICY (Effective Immediately) <u>APPROVED</u>	33
RES-461 RECOMMENDATION FOR MICHIGAN BANKARD AUTHORIZATION (Effective Immediately) <u>APPROVED</u>	34
RES-462 PRESIDENTIAL AGREEMENT (Effective July 1, 1979 and ending June 30, 1983) <u>APPROVED</u>	35
BM-569 MR. CHARLES B. CURTISS ELECTED CHAIRMAN OF THE BOARD (Effective Immediately)	37
BM-570 MR. JOHN W. KENDALL ELECTED VICE CHAIRMAN OF THE BOARD (Effective Immediately)	38
BM-571 MRS. DOROTHY D. ARBURY ELECTED SECRETARY OF THE BOARD (Effective Immediately)	39
BM-572 MR. MELVIN J. ZAHNOW ELECTED TREASURER OF THE BOARD (Effective Immediately)	39

BOARD OF CONTROL
SAGINAW VALLEY STATE COLLEGE

REGULAR MONTHLY MEETING
Pioneer Room--Pioneer Hall of Engineering and Technology
May 2, 1980

Present: Arbury
Curtiss
Darin
Gilmore
Kendall
Majewski
Saltzman
Zahnow

Others

Present: Arora
Colvin
Dickey
Gilbert
C. Kendall
Kilpatrick
Lange
Loiacano
Novey
Rummel
Ryder
Sharp
Warrick
Woodcock
Zylka
Press (1)

I. CALL TO ORDER

Chairman Curtiss gaveled the meeting to order at 9:45 a.m. and announced that a quorum was present.

II. PROCEDURAL ITEMS

1. Approval of Minutes of Regular Monthly Meeting held on March 10, 1980

Chairman Curtiss noted that the Minutes of the Regular Monthly Meeting held

on March 10, 1980 were mailed. He asked if there were any additions or corrections. There being none, he declared the Minutes approved as mailed.

2. Official Representative of Faculty Association

Chairman Curtiss called for the official representative of the SVSCFA. Professor Novey, President of the Faculty Association, identified himself. Mr. Curtiss welcomed him and asked if he had any comments for the Board. Professor Novey indicated he had none.

3. Communications and Requests to Appear before the Board

Chairman Curtiss asked if there were any requests to appear before the Board. Dr. Ryder advised there were none. Chairman Curtiss asked if there were any communications. Dr. Ryder reported that he had a letter from the Governor expressing his regret for not being able to attend SVSC's commencement...it was a very nice letter and he appreciated receiving it.

3A. Procedural Questions

Chairman Curtiss advised that before proceeding any further under Procedural Items he would like to raise some procedural questions.

The committee that was working on the development of Board policy spent quite a bit of time several weeks ago discussing the process of Board meetings, he said, and he thought it would be making some recommendations. However, the policy manual, in its entirety, probably wouldn't be available for approval for perhaps a year... there was a lot more that had to go into it. He stressed that he was a little reluctant to encourage the Board to approve it a few pages at a time...at least certain sections should be viewed in their entirety, but he had a concern about some recommendations that he believed the committee would make, that could easily

be implemented or attempted now, to see how they worked, before they went into the manual. He observed that the Board could continue on as it had been doing and wait for the manual to change everything. To him, Mr. Curtiss continued, it would make a lot more sense to consider implementing some of those recommendations early on, and if the members of the Board would like to hear some of them, he would bring one or two of them up, at least today, for their reaction... if they were in accord with trying them, he would like to see if they couldn't find a way to implement them before the policy was summarily adopted. He asked if there were any problem. None were voiced.

1. Content of the Minutes

Mr. Curtiss noted that he thought most of the Board members felt, that while having accurate and comprehensive Minutes were important, the Board and the institution as a whole had gone much further than was necessary in including items in the Minutes...he thought the committee would like to recommend that they make an effort to consolidate on Action taken by the Board for inclusion in the Minutes, with some reasonable synopsis of supportive or objecting comments in terms of the rationale for the decision. He stressed they were trying to find a way to avoid what were turning out now to be almost verbatim Minutes, and he would like to see if they couldn't find a middle-ground where the content of the Minutes of a typical meeting might be able to be put into 10 pages instead of 50.

Dr. Ryder observed that it would take a little bit of adjustment on the part of the Board members, because administration had attempted to do that at times, and then Board members had come back and indicated certain comments they had made had not been included.

Mrs. Saltzman emphasized that questions and responses should be included for the benefit of present as well as future Board members.

Mr. Curtiss concurred and added that objections should also be concisely included, but lengthy explanations, he thought, were consuming a great deal of the administrative time, which the committee didn't feel was necessary to the extent it was being done now.

Mrs. Saltzman noted that Board members did like to have copies of significant reports attached to the Minutes.

Mr. Curtiss agreed, indicating that if the Board members were given a written report or a written communication, it probably ought to be attached to the Minutes.

Dr. Ryder summarized his understanding of what the Board members were suggesting...insofar as Action items were concerned, to report concisely objections, questions, answers and the reason for the action...with respect to Discussion items, to briefly summarize.

Mrs. Darin recalled the committee had discussed the desirability of having a front page to the Minutes listing the actions taken so Board members could go back very easily and refer to their Minutes.

Mr. Curtiss concurred, noting this could be an Index that would actually be a part of the Minutes...not more than one page...which would list the Action item, page number in the Minutes, one-liner type of reference, with no description.

Mrs. Darin suggested it would also be helpful if the Index were to include the effective date after the date of action.

Mr. Curtiss asked the administration to try to find a happy medium again.

The Minutes had been briefer originally, he said, and then there had been some comments by Board members that some discussion had been left out...the result being a rather massive expansion. He concluded there should be the attempt made to make the Minutes more concise.

Dr. Ryder indicated administration would proceed on that basis.

2. Method of Voting

Mr. Curtiss advised that another recommendation of the committee was that on other than essentially procedural matters, that the Board voting be recorded by a roll call, with the secretary calling the roll so that each Board member had an opportunity to express his or her own vote. He noted there had been many votes on this Board where two had voted "yes" and five had either mumbled under their breath or not voted at all, and the Chair had declared the "Aye" votes to be unanimous.

Mrs. Saltzman suggested that there not be a roll call vote except where there were truly controversial issues and it should really be established how each Board member voted. She pointed out that the Chair declared what he heard...if it were erroneous, the Board members should question him before the secretary recorded it in the Minutes.

Mr. Curtiss observed there had been some feeling on the part of some Board members from time to time, that members had gone along with the prevailing attitude, although they might have been concerned as to whether it was the right decision or not, and he thought the roll call vote recommendation was really an effort to be sure that the individual voted.

He concluded the discussion by suggesting the Board continue its voting

as in the past, and if a Board member felt an issue was worthy of a roll call vote, to request it of the Chair. He indicated they all should try to find a way to make it work, and whatever they found did work, would probably end up in their policy manual. He asked if this were satisfactory with the members of the Board. The consensus was affirmative.

3. Handling of Action Items

Mr. Curtiss observed there was a feeling by the committee members that the Board could clean up the process effectively and recommended that a motion be on the table prior to any extensive discussion...there had been instances in the past where they had had a 10 to 15 minute discussion before a motion was made. This, he said, was not perfecting, amending, or speaking to the motion, but was a discussion that might have been helpful, but might not have been pertinent.

Continuing, Mr. Curtiss noted that since essentially on most of the Action items the administration had made recommendations to the Board...administration could give the Board some background on the recommendation after the motion was on the table, and then there could be discussion. The Board members concurred.

4. Recording of Motions

Mrs. Saltzman suggested that since some changes were being made, the Board members might want to consider the recording of motions. She indicated that it was not necessary to record who made or supported a motion, and asked if this change couldn't be initiated also.

Mr. Curtiss noted then that the Minutes would read "It was moved and supported" omitting names, and asked if it was agreeable with the members of the Board to drop the names of the maker of a motion and the supporter of it.

Dr. Majewski observed that later there might be some question about the motion, and having the names would recall the motion to somebody...refreshment of memory, he thought, would be the only reason to retain the names.

Mrs. Saltzman noted that making a motion was simply to get it on the table and that the later voting would revitalize memories.

Mr. Curtiss agreed and pointed out that actually with the Board's modified process, the reason for making the motion was to get something on the table to discuss...so the fact that someone made the motion did not mean that he or she was in favor of the Action item as drafted. He asked the Board members if they wished to try it...if they ran into problems, they could go back to recording names. It was agreed that henceforth the Minutes should simply say "It was moved and supported."

4. Remarks by the President

Dr. Ryder introduced the newly elected President of Student Government, Mr. Mike Kilpatrick. He noted that Mr. Kilpatrick had served on the Student Government for the previous two years...was a student senator...and had been very active in the development of the Children's Center, and all kinds of things on campus...he had been a real contributor. He was so popular among his colleagues, Dr. Ryder added, that he was elected President of Student Government without opposition. He welcomed Mr. Kilpatrick and told him he was very pleased to have him represent the students on this Board.

Because Mr. Rich Gill, current President of Student Government, until Mr. Kilpatrick took office on May 13th, was not present, Dr. Ryder suggested to the Chair that Mr. Kilpatrick be invited to move to the table.

Mr. Curtiss asked if there were any objections to Mr. Kilpatrick moving to the table. There were none, whereupon Mr. Curtiss invited him to take a seat at the table.

Dr. Ryder explained to Mr. Kilpatrick that he had the freedom to express himself on any issue that came before this Board...he hoped he would do so.

III. ACTION ITEMS

5. Recommendation for Revision of the Policy on Nepotism

Chairman Curtiss indicated this recommendation had been included in Board packets and asked if someone would care to move its adoption:

RES-456 It was moved and supported that the following resolution be adopted:
 WHEREAS, There exists the need to revise the College's current policy on nepotism, and
 WHEREAS, The Saginaw Valley State College's administration has reviewed and recommends replacement of existing policy, and
 WHEREAS, it is deemed desirable to adopt this policy statement prior to its inclusion in the College's overall Affirmative Action Plan;
 NOW, THEREFORE, BE IT RESOLVED, That the attached Nepotism Policy be adopted.

Mr. Curtiss asked President Ryder if he had any comments.

Dr. Ryder recalled that the Board members had had for some time copies of the former policy that was adopted five or six years ago, and that two months ago they were provided copies of a revised policy. This was tabled, he said, because administration wanted to make a modification in the approach to it. At that time, they were talking about "Anti-Nepotism" and really what they wanted was a policy on "Nepotism" and the recommended revision was now constructed in a positive frame.

This was a policy, Dr. Ryder said, which would become part of the Affirmative

VI. Nepotism PolicyA. Introduction

During the past decade the Board of Control of Saginaw Valley State College has acted to eliminate policies or practices which prohibit or limit the simultaneous employment of two members of the same family. This policy contains only two significant restrictions, and neither, on its face, is related to the question of discrimination based upon sex, race, ethnic origin, religion, or age.

B. Definitions

1. Relationship -- The words "related," "relative" and "family" as used in this policy statement refer to the following types of relationships:

By Blood: Parent, child, grandparent, grandchild, brother, sister, half-sister, half-brother, uncle, aunt, nephew, niece, first cousin.

By Marriage: Spouse, step-parent, step-child, brother-in-law, sister-in-law, father-in-law, mother-in-law, son-in-law, daughter-in-law, uncle, aunt, nephew, niece.

2. Supervision -- The directing and controlling of the functions of an employee(s) who is in a subordinate relationship. This could include the analysis and recommendation of a subordinate(s) competence for hire, retention, promotion, and salary.

C. General Provisions1. Relatives of Board of Control Members

/other than from student employment funds,
No person shall be employed, who is related by blood or marriage to a member of the Board of Control of Saginaw Valley State College.

2. Supervision of Relatives

No person whether a full-time, part-time, or temporary employee including student employee, may be employed in or transferred to a

position within the scope of supervision or authority of a member of the same family.

3. Financial Control

No relative may be employed in any office or operation where internal financial control would be jeopardized according to standards set by the American Institute of Certified Public Accountants.

4. Exclusion of Financial Aid

Scholarships, grants and awards to students shall not constitute employment within the provisions of this regulation.

5. Marriage Between Employees

In the event of marriage between College appointees creating a relationship not in accord with the general provisions number two and three, one of the persons affected must give up that position by the end of the fiscal year or within six months from the date the relationship was established, whichever is the greater period, but may be transferred or re-employed in another position compatible with the general provision in number two. If the individuals do not make a decision, the College retains the right to make this decision.

6. Questionable Relationships

A person recommending, or considering the acceptance of, an appointment to a staff, faculty, or other position who has reason to believe that a relationship by blood or marriage of the kind described exists or may exist, is to report the facts to the Personnel and Affirmative Action Offices so that a determination may be made prior to the actual appointment.

D. Exceptions to the Nepotism Policy

Any exceptions to this policy are to be made at the discretion of the Board of Control.

Action Policy...the Board had Chapter I of that...this Nepotism Policy was simply one piece out of it but the administration felt, because of its importance, it should be dealt with before the total Affirmative Action Policy was approved. He indicated it would help SVSC in guiding its personnel actions.

He pointed out that one of the differences and key elements in this policy which was spelled out here, and which really was not addressed in SVSC's prior policy, had to do with supervision of relatives. He recalled that in some audit reports in the past, concerns were expressed about a person in a control position supervising a relative that related to that control position. This, and the entire question of supervision of relatives had been dealt with in this revised policy.

Under EEO and provisions of the Federal Government, Dr. Ryder noted, SVSC could make a decision not to employ two people who were related...it could not say, however, it would employ a faculty member in one area and then say it would not employ an individual in another area because the two were related...this was illegal. This was not always the case, Dr. Ryder said, and indicated that in his early days as an administrator, he would not hire two faculty...husband and wife, on his faculty. That was completely out of the new law now, but it was possible for SVSC to establish a policy...and this one did, that one relative could not supervise another relative. "Supervision" was the key element here.

Dr. Ryder observed that the Board could establish a policy which would permit relatives to supervise relatives...it was not illegal to do that. If this were done, then administration would recommend that a policy be established that would say that in the evaluation of that individual, with respect to salary adjustments, promotions, etc., a committee be established composed of so-called disinterested

people, which would do the evaluation and make a recommendation. Dr. Ryder said he personally didn't like this approach...it was fraught with problems...he liked what was in the revised policy...it was legal to take the position of not having relatives supervising relatives, and that was his recommendation, but in so doing, he did want the Board to know it could take a different position on it.

Mr. Curtiss called attention to 4. "Exclusion of Financial Aid" under Section C. "General Provisions" and asked if work-study would be included in the scholarships, grants and awards.

Dr. Gilbert indicated he would say it would not include work-study or student employment.

Mr. Woodcock defined work-study as being employment...a student could work at the college but could not work for a relative.

Mr. Curtiss observed that his daughter would be the exception...she had applied for a job two years ago in the cafeteria and then didn't take it, but this policy would prevent her from even working four hours a day in the cafeteria...C. "General Provisions" 1. "Relatives of Board of Control Members" was pretty clear.

Mr. Woodcock explained that the intent here was to prohibit a staff or faculty member from hiring a relative.

Mr. Curtiss responded that it probably wouldn't be an issue in the future any way, but it was kind of interesting since no employee of the college, other than the President, worked for the Board...so there was really no way that the Board could employ a relative.

Dr. Ryder pointed out that D. "Exceptions to the Nepotism Policy" provided the Board a way to deal with exceptions, but he questioned whether the Board would

want to bring the matter of employment of a relative of a Board member to the Board as an exception.

Mr. Curtiss indicated that if there were a case of a relative working directly under the supervision of a Board member, it definitely should come to the Board. But, he said, if in the normal course of events, a student at the institution were employed on a part-time basis, he didn't see that it ought to be all right for everyone except those related to the Board members. What he saw here was that as long as students were not employed under the supervision of a relative, it was all right, except that there was a blanket prohibition for relatives of Board members.

Mrs. Arbury stressed that this would be penalizing a Board member who was donating his or her time...it seemed to her that no relative of a Board member should be denied employment at the college, because they would not be working for the Board. If they were sitting where Opal was, taking notes, etc., that would be a different thing.

Mr. Curtiss observed that he would be inclined to take the attitude that if that relative was a student, the student ought to be eligible to compete for normal student employment programs...he would have difficulty if someone closely related to him applied for a regular full-time job at the institution, and it was assumed that he or she got the job because he was on the Board...that could present a problem, and that kind of a problem could multiply.

Mr. Curtiss asked if C.1. might be amended to say something along this line... "except in the event that a relative is currently a student at the institution and would be employed under normal part-time student employment rules and regulations"?

Mrs. Saltzman stressed that discretion would have to be exercised on what the job was...she wouldn't want it associated with the Board. Mr. Curtiss agreed.

Dr. Ryder pointed out that the rationale behind the present wording hinged upon the fact that SVSC would have a pool of resources to employ students...would the administration be influenced by the fact that one of those students was a child of a Board member, and would get the job opposed to someone else. He said they could view this as not being that critical at all or they ought to treat it as an exception, with the administration coming to the Board and saying, "we want to have an exception to employ this person" and give the reason...the related Board member could abstain and the others could support...and the person would be employed. He concluded he didn't know whether it was worth all that or not...probably not in the long run...but it was up to the Board to make the decision.

Mr. Curtiss indicated he thought the way the policy was drafted now it had cleared away a lot of the cobwebs...from the point of view of the implications though...he could not recommend that any of his children or any of his relatives' children attend school at SVSC, because he would have to say to them that they could not be employed at SVSC. Although the air had been cleared in one respect, he noted other problems had been created. Maybe, he said, it should be that way...they should just take the position that no Board member's relatives were encouraged to attend school here...that was what the policy was saying.

Mr. Curtiss noted that work-study frequently was related to the academic. Mrs. Saltzman indicated she thought there would be the possibility of accusations of favoritism and pressure on the administration...there were real problems associated with employment of relatives of Board of Control members.

Dr. Ryder noted that one of the things administration was concerned about in looking at what kept students in school...what made them feel good about their educational experience, and so on...and one of the things that had been analyzed nationally was that the student who worked on campus, participated in the life of the campus in some other way than just the academic, tended to stay with it...there was a responsiveness to the institution when participating in student activities, such as Mr. Kilpatrick here, or in athletics, or in something more than just going to class and going back to the dorms or going home.

Continuing, Dr. Ryder said, administration was looking at this carefully and he thought in next year's budget, they were going to be expanding their support... in other words, redirecting it, for more student employment on campus, one way or another. So, he concluded, it did seem unfair in some respects, with regard to relatives of Board members, and perhaps there was a different way to handle that, other than the exception...which would, he felt, stick out and make people feel a little uncertain about it.

Mr. Curtiss indicated he didn't believe his daughter had ever been employed by the college...just for the record...but she did have to work part-time if she was going to get through school. He noted that Mr. Kendall's daughter was at SVSC for a couple of years and he thought she did have a part-time job when she was here...and so, he concluded, what they were now saying was "no more." He added that he had also taken a pretty strong position that he wanted no favoritism for his daughter, but he couldn't prove whether that had been upheld or not... there was always a question.

Mr. Woodcock observed that Mr. Curtiss had a legitimate concern. He reported that several hours had been spent in developing this policy in the first place, and then it was changed to its present form. He agreed with Mr. Curtiss that he had brought forth a good point, and suggested there might be a way to resolve it in the addition of "excluding student employment" in the first sentence of C.1., because the control would still be under C.2., because the point there would still prevail "that under no circumstances would a relative be able to supervise a member of the same family" and the point Mr. Curtiss had made was that really the Board of Control did not have individuals working directly for it, for which it had to make employment decisions. Thus, he said, a relative in the case of student employment would be able to work at the college as long as a Board member did not have direct control of him or her...which would be the case since the Board basically wouldn't even be doing the hiring.

Mr. Curtiss noted that Mrs. Saltzman had made the point that a relative should not be working for the Board and that he would like to add that such a person should not be working in the President's office, or in the office of the Administrative Assistant either, or something like that, but total exclusion was going to extremes.

Dr. Gilbert suggested that with that addition to the statement, it would allow a Board member's wife to work as a student. Mr. Woodcock concurred, saying if she were a legitimate student seeking work-study employment, there was a different expectation in the use of students as opposed to a regular employee.

Discussion revealed that the Board members were not completely satisfied with the use of the words "excluding student employment" and after further thought, it was decided that the words "other than from student employment funds" be used.

Chairman Curtiss asked if someone would like to move to amend C.1.

BM-568 It was moved and supported that the following be an amendment to C.1. of the Revised Policy on Nepotism:
The words "other than from student employment funds" be inserted after "employed" and before "who" so that it should read, "No person shall be employed, other than from student employment funds, who is related by blood or marriage to a member of the Board of Control of Saginaw Valley State College.

Mr. Curtiss asked if there any further discussion on the amendment. Mrs.

Darin suggested Mr. Kilpatrick might like to say something.

Mr. Kilpatrick noted that he knew Mr. Curtiss' daughter...so far as the jobs that were available to the students that lived on or off campus, they were really not that big of a deal...working in the cafeteria, cleaning up the dorms, etc., he couldn't see where there would be a conflict.

Mr. Curtiss added, that only if it were charged that she had been given favorable treatment in getting one of those jobs because of her relationship...that was where the danger came in...if someone got bumped out of a job or something like that. He expressed the hope that the administration would be very careful that that didn't happen with any relative of any Board member.

There being no further discussion, Mr. Curtiss called for a vote on the motion to amend C.1.

Motion unanimously carried.

Mr. Curtiss asked if there were any further discussion on the main motion to adopt the resolution on Nepotism.

Dr. Majewski called attention to D. "Exceptions to the Nepotism Policy" and indicated that the whole basis for having a Policy on Nepotism was to prevent favoritism and power...if they started making exceptions, they were going to be

subject to all kinds of attacks...they would have to have some type of a rule as to what the exceptions would be...they couldn't just say it was OK for Mr. Curtiss' daughter, but not his...were they just going to pick it 'out of the blue" and say it was OK for 'A" but not for 'B" or what basis?

Dr. Ryder explained that it was just saying that if there was to be an exception to the policy, it would have to come to this Board, and the Board would have to approve it.

Mr. Curtiss indicated he thought they had two issues here. One was an exception to the clearly stated policy, and the other one, which was more likely, was how should the policy be interpreted...they would probably have problems in the grey area rather than the very forthright ones. In any event, he said, if it were grey or clearly an exception, the Board would have the right to make exceptions to any policy or to change the policy. So, he concluded, when they got right down to it, he didn't think D. said anything and it might just as well be dropped... if the Board made the policy, it always had the rights and prerogatives to change it or to interpret it.

Dr. Ryder asked that the Board members keep in mind that this Nepotism Policy was also being provided for the benefit of others looking at it too...faculty or staff...and D. said "you can come in and make a case"...he thought it was good to have it.

Mr. Curtiss asked if there were any further discussion on the main motion to adopt the amended Nepotism Policy. There being none, he called for a vote.

Motion unanimously carried to adopt RES-456 on Nepotism.

6. Recommendation for Revision in Board and Room Rates

Mr. Curtiss noted that this recommendation had been included in the Board packets and asked if anyone would care to move its adoption.

RES-457 It was moved and supported that the following resolution be adopted:
WHEREAS, Sufficient information regarding projected operating expenses of the housing and food service operations can be ascertained;
NOW, THEREFORE, BE IT RESOLVED, That effective for Fall Semester of 1980-81, the academic year board and room charges will be as follows:

	<u>Meals per Week</u>	
	<u>21</u>	<u>15</u>
Room and Board	\$1,930	\$1,870
Resident Hall Association	<u>\$ 4</u>	<u>\$ 4</u>
Total	<u>\$1,934</u>	<u>\$1,874</u>
Extra charge for single room	<u>\$ 330</u>	<u>\$ 330</u>

BE IT FURTHER RESOLVED, That the Miscellaneous Room and Board Rates, as per attached document, be approved effective May 1, 1980.

Mr. Curtiss asked if the President had any comments.

Dr. Ryder indicated he thought it was apparent to all present what the inflation rates were...what the cost of living rate was...and the problems of virtually every institution in the country in dealing with things where they had very little to say about them, such as the increased cost for energy and food. While the food costs, he said might not be going up at the same rate as energy costs, they were going up as well. Any food operation used a considerable amount of energy...gas...and electricity, and so, combining all of these things, it was important for SVSC

SAGINAW VALLEY STATE COLLEGE
MISCELLANEOUS ROOM AND BOARD RATES
Effective May 1, 1980

Academic Sessions (Housing only)

Spring Session (May 12 - July 2)	
Double bedroom occupancy (2 per bedroom)	\$ 180.00
Single bedroom occupancy (1 per bedroom)	255.00
Summer Session (July 7 - August 27)	
Double bedroom occupancy (2 per bedroom)	180.00
Single bedroom occupancy (1 per bedroom)	255.00
Class Seminars	
Double bedroom occupancy (2 per bedroom)	4.00/night
Single bedroom occupancy (1 per bedroom)	7.50/night

Guest Rooms (Housing only, except freshman orientation)

Double bedroom occupancy (2 per bedroom)	4.00/night 25.00/week
Single bedroom occupancy (2 per bedroom)	7.50/night 40.00/week
American Youth Hostels	3.00/night
Freshman Orientation	
Room (one night only)	4.00
Board (2 partial days, refreshments, snacks)	14.90

Conferences

<u>Conference Count</u>	<u>Room Rates*</u>	<u>Board Rates*</u>	<u>Total</u>
1-50	4.50	Not Available	4.50
50-100	4.25	8.00	12.25
Over 100	4.00	7.75	11.75

Single rooms (space permitting) 7.50

Other

Internal sponsored activities (paid from college funds)
Minimum of two nights

Room	2.50/night
Board	Negotiable

*Room/Board Rates may vary according to services
and selections desired, number of persons
involved, and length of the activity.

JAW:kjw
4/3/80

to keep up with those costs. Several years ago, Dr. Ryder recalled, SVSC had considerable difficulty in keeping students current in the payment of their room and board. Now, Mr. Woodcock and his staff had really done a fine job of changing that. Formerly, administration might have turned to the student and said, well, he really wasn't carrying out his responsibilities. The fact of the matter was, Dr. Ryder said, that SVSC's policy was not very clear...the procedure was not very clear, and those things were clear now. Therefore, if a student were delinquent now, it would be his or her responsibility. What administration was finding now was that in most cases the students were taking care of their commitments, so it had permitted the college to function in a better way than ever before, although administration was recommending an increase in the rates.

He called upon Mr. Woodcock for comments.

Mr. Woodcock noted that this board and room document was slightly different in format than it had been in the past, when the Board of Control had only acted on the first page. This year, on Page 2, administration was including miscellaneous room and board rates, which he thought were self-explanatory. These rates in the past, he said, were set administratively, but from this year on, they would be brought to the Board to act upon so they would be a matter of record with this Board. Basically just two areas remained where the rates were set administratively...the casual meal rate...and the snack bar rates, where administration would adjust the prices, based upon food cost, such as any restaurant downtown would do.

With respect to the basic board and room rate area, Mr. Woodcock indicated this had been discussed briefly with the Business, Finance and Investments Committee members. The attempt here, he said, was to combine several aspects to give a high

level quality service, and at the same time, meet the obligations having to do with when the bond indentures were taken out. Administration was looking toward funding the required reserves which were going to be necessary if SVSC was going to be able to sell parity bonds in the future in order to finance new facilities to take care of student needs in a self-liquidating environment. Administration, he said, was projecting it would be at least June 30, 1983 before those reserves were funded, which meant that if the method of acquiring new facilities was through a sale of bonds, it would be after that date before SVSC could fund them. Questions pertaining to this had been raised by Board members before, Mr. Woodcock said, and that was why he wanted to highlight that aspect of it.

Incorporated in this also, Mr. Woodcock stressed, were concerns on the part of students about the level of services that had been provided by the staffing, and also concern on the part of the Student Services staff as to whether SVSC was being able to provide now, particularly with the density of the students and expectations, a high quality of service. Therefore, included for 1980-81 were three positions: Coordinator of Residential Life, Assistant Head Resident, and one additional Resident Assistant.

Dr. Ryder explained that the Resident Assistant was a student, and SVSC had a number of them. Dr. Gilbert noted there were seven or eight, and they received board and room support for part-time work.

Mr. Curtiss asked what percent of increase 1980-81 rates were over 1979-80. Mr. Woodcock responded that it was a 10% increase...\$1,759 to \$1,934...the latter including a \$4 per year Resident Hall Association charge.

Mr. Curtiss asked how much additional gross revenue Mr. Woodcock anticipated this increase in board and room rates would raise, and then what proportion of that was going to be used to fill the new positions...Mr. Woodcock was saying "new positions" but he believed some of them had been filled and were eliminated in the cutbacks two years ago...his understanding was that the students felt the positions should now be filled in order to enhance the quality of living in the dorms. This was not just an inflationary increase, it was a quality improvement, he concluded, and the reason for his question was because he was wondering how much of the increase could reasonably be attributed to qualitative improvement.

Mr. Woodcock responded that also incorporated in the increase were some slight additional services that were new, as well as positions. In total, it represented \$67.61 per person or 3.8% of the entire increase.

Mr. Curtiss indicated that his understanding, from what Mr. Woodcock had been saying, was that SVSC's capital costs, although they were high, were fixed. Cash flow might increase moderately for debt service, but the interest rate was fixed, as was the construction cost...so the inflation factor would be primarily salaries to staff the dormitories and the dining hall and the cost of food. He asked if this understanding was correct. Mr. Woodcock, adding utilities, insurance and necessary supplies, indicated Mr. Curtiss was right.

Then, Mr. Curtiss asked, was nearly 40% of that increase for qualitative improvements? Mr. Woodcock indicated that also was correct...this increase was projected to develop \$81,500 which would be available to add to required reserves to

build them up to the levels that were required. Mr. Curtiss pointed out that at about \$200 a year increase, with 480 students, the amount would be \$96,000. Mr. Woodcock explained that in developing the board and room rates, administration took a look at SVSC's entire expected activity...bringing in conferences related activities and providing food service, this helped to reduce the cost to the students...any monies made off of those services helped make the debt service payments. SVSC had been increasing those activities not only during the periods when the students were not in the dorms, but also during the year when the students were here.

Moving to a report on comparison of SVSC with its sister four-year public colleges and universities in Michigan with respect to board and room rates for 1979-80, Mr. Woodcock advised SVSC was within a range of \$46 with seven other schools, and was second highest. Part of this, he said, was due to the fact that this institution's facilities were all relatively new, having been built in the late '60's or early '70's, with higher construction costs. Institutions which were older and had facilities that were built back in the '20's, '30's or '40's, had long since paid them off, and the current revenue from individuals living in them had been pledged to construction of new facilities. Thus, their debt...the principal, and the interest load, on a per student basis, had been considerably less than SVSC's. But still in all, Mr. Woodcock concluded, SVSC was within the seven-school range of \$46...he expected that even with the 1980-81 rate increases, it would still be within that band.

With respect to what other schools were doing for 1980-81, Mr. Woodcock noted

some had acted and had already increased their rates...one was 12.64%, another was 11.2%, and yet another 10.8%. He indicated he had administrative studies on the other ones and what they were going to recommend ranged from 8.6% to approximately 11.0%.

Mr. Zahnow stressed that someone might think SVSC hadn't collected enough money in the past to take care of its reserves, where it was doing it now, but he didn't think that was true. SVSC's rates in the past had been within the ball park of the other colleges and universities, but it did not have full occupancy of the dorms...SVSC had always endeavored to be within the ball park, although he thought that it was just a little bit higher than the average now because of its newer facilities which were not fully depreciated,

Mr. Curtiss recalled that SVSC's reserve accounts hit their low point about four years ago, at which time a concerted effort was made to try to build them up to legal requirements ever since. He indicated he was pleased that good progress had been made in doing so...the financial condition of the dorms at this point in time he suspected were as good as they had been since they were built.

Mr. Curtiss asked Mr. Kilpatrick if he had any comments about whether or not SVSC needed additional personnel in the dorms. Mr. Kilpatrick indicated he believed it did...since his first year, '78, he thought the dorm life, dorm activities, etc. had gone down slightly. He stated he believed the additional Resident Assistant was definitely needed, and of course, the position of Coordinator of Residential Life was extremely important...he hoped that whoever replaced Cuffy, who had done such a good job, would do likewise.

Mr. Curtiss asked if there were any further discussion on the resolution to approve the room and board rates for 1980-81. There being none, he called for a vote.

Motion unanimously carried to adopt RES-457 board and room rates for 1980-81.

7. Recommendation on First Aid Facility Funding Designation

Mr. Curtiss stated this recommendation had been included in the Board packets and asked if anyone would care to move its adoption.

RES-458 It was moved and supported that the following resolution be adopted:
 WHEREAS, Public Act No. 92 of 1979 of the State of Michigan states that First Aid facilities and/or Health Services facilities at Michigan Colleges and Universities are not to be funded and operated within the General Fund of the institution;
 NOW, THEREFORE, BE IT RESOLVED, That an amount up to and not exceeding one Dollar (\$1.00) of the student credit hour tuition charge be designated to support the First Aid Facility.

Mr. Curtiss asked President Ryder if he had any explanation.

Dr. Ryder recalled that Chairman Curtiss was present at the Higher Education Subcommittee of the Appropriations Committee hearing last year and learned of the statement included in the Bill that said "You can't use State money for health services" so it had to be viewed as coming from fees. What administration was saying here was that it was identifying the required amount of the per credit hour fee which would be transferred to an account to support the health service that SVSC provided. The adoption of this resolution, Dr. Ryder concluded, would enable SVSC to conform to the law, and he would hope that the subject would not be brought up again in the future.

Dr. Ryder advised that in the past SVSC had taken the position that since it was so small, and basically its health service was a first aid kind of function, the State shouldn't worry about its funding...but with this resolution, he said, SVSC didn't have to establish any special fee structure...it was just a way of spreading it out after it was collected...he felt there would be no problem with it.

Mr. Curtiss stated his understanding of administration's proposal...

(1) this was not a fee increase, but only a designation of a portion of a fee which was already being expended (2) it would not lead to any increase in the first aid facility services or facilities, and (3) SVSC was not spending anywhere near \$1.00 per credit hour at this point for that service and didn't intend to. He concluded that the State was trying to identify the costs to the institutions for providing whatever level of health care they opted to provide, and this resolution would only allow administration to set up the account.

Dr. Ryder concurred.

Mr. Curtiss asked if anyone else wished to discuss the resolution. There being no further discussion, he called for a vote.

Motion unanimously carried to adopt RES-458 on First Aid Facility Funding Designation.

8. Recommendation for Revision in Tuition and Fee Rates

Mr. Curtiss said this recommendation had been included in the Board packets and asked if anyone would like to move its adoption.

RES-459 It was moved and supported that the following resolution be adopted:
 WHEREAS, It is extremely important to maintain and enhance the quality and extent of academic and support services and activities of the College, and
 WHEREAS, The cost associated with supporting the above are increasing beyond current resources from State appropriations and student fees;
 NOW, THEREFORE, BE IT RESOLVED, That the attached schedule of charges for tuition and fees be approved effective beginning with the Fall semester, 1980.

Mr. Curtiss asked if there were any comments from the President.

Dr. Ryder responded that the comments he had made about room and board rates really applied to the area of tuition as well. All those present, he said, knew about increasing costs, etc., but more than that, in this state, they were faced with serious concerns about the revenue available for not only higher education but for all other kinds of services as well.

Recalling the Governor's recommendation at the end of last year, Dr. Ryder indicated the recommendation for SVSC was a 6.9% increase over 1979-80. At that time, the administration had hopes that the legislature would come through and provide perhaps even another couple of percentages, up to 9.0%. Just recently, he said, he had received the revised recommendation of the Governor's Office for SVSC, as well as other institutions, and SVSC's revised recommendation was now down to 3.8%.

Even at 9.0%, Dr. Ryder stressed, administration had some concern over being able to employ a sufficient number of faculty, etc. to meet SVSC's needs, and take care of all of the other kinds of increasing costs...and now they were looking at something less than possibly 4.0%...or 5.0% if the legislature could get that.

Dr. Ryder advised he had talked with Senator Jerry Hart, Chairman of the

ATTACHMENT

RES-459

Recommendation for Revision in Tuition and Fee Rates

SAGINAW VALLEY STATE COLLEGE

TUITION AND FEES1980-811979-80Proposed
1980-81TUITION (On and Off-Campus Courses)

Michigan Residents:

Undergraduate courses
Graduate courses\$27.00/cr. hr.
37.00/cr. hr.\$30.50/cr. hr.
42.00/cr. hr.

Non-Residents:

Undergraduate courses
Graduate courses61.00/cr. hr.
72.00/cr. hr.70.00/cr. hr.
90.00/cr. hr.

Auditor:

Tuition Rate

Tuition Rate

Credit by Examination

Tuition Rate

Tuition Rate

FEES

Facilities (On-Campus Courses)

2.00/cr. hr. (a)

2.00/cr. hr. (a)

Student Government -

Undergraduate Students

.55/cr. hr.
up to \$6.60.60/cr. hr.
up to \$7.20

Student Government -

Graduate Students

.55/cr. hr.
up to \$4.95.60/cr. hr.
up to \$5.40

Publications

1.50/semester

1.50/semester

Athletic Season Pass (per semester)

8.00/optional

8.00/optional

Listener's Permit

15.00/course

15.00/course

Off-Campus Service Fee

See footnote (d)

See footnote (d)

Laboratory

12.00/course

12.00/course

Applied Music

35.00/cr. hr. (b)

35.00/cr. hr. (b)

Equitation

N/A

25.00/cr. hr.

Matriculation (On & Off Campus)

25.00/first
registration at
SVSC25.00/first
registration at
SVSC **(Excluding guest students
and high school students)

TUITION AND FEES
1980-81

Page 2

	<u>1979-80</u>	<u>Proposed 1980-81</u>
<u>FEES (Continued)</u>		
Late Registration	\$ 10.00	\$ 10.00
Hand Registration	25.00/transaction	25.00/transaction
I. D. Replacement	5.00	5.00
Graduation	15.00	15.00
Transcript	2.00/official copy (c) .50/student copy	2.00/official copy (c) .50/student copy

SPECIAL TUITION AND/OR FEE RATES

Senior Citizens (60 & Over), employees and employee dependents	$\frac{1}{2}$ tuition & $\frac{1}{2}$ facility fee plus other fees	$\frac{1}{2}$ tuition & $\frac{1}{2}$ facility fee plus other fees
Macomb Program - Off-Campus Service Fee	15.00/cr. hr.	15.00/cr. hr.
Alpena/Wurtsmith Program - Undergraduate Michigan Tuition	50.00/cr. hr.	50.00/cr. hr.

(a) Comprised of: \$1.00 per hour athletic facility fee and \$1.00 per hour transportation use fee (Maximum of \$12.00/semester and maximum of \$6.00 per spring and summer session).

(b) Plus tuition; subject to variance by instrument upon administrative approval.

(c) First transcript is provided at no cost.

(d) Distance From Campus:

30 miles - includes Bay City, Midland & Saginaw	\$ 5.00/cr. hr.
31 - 45 miles - includes Caro	10.00/cr. hr.
46 - 60 miles - includes West Branch	15.00/cr. hr.
61 & over miles - includes Kirtland Comm. College	20.00/cr. hr.

Appropriations Committee, and several other legislators, on Wednesday night, and they were even concerned about the Governor's recommendation as being too high. So, he said, the appropriation could be anywhere from zero to perhaps 5.0% or 6.0%...but there was even discussion about not even passing a budget until late in the year...maybe January. Because of the uncertainty, Dr. Ryder emphasized that it was hard to say what the legislature would do...it might just hold off and have a continuation budget.

There was no doubt in his mind, Dr. Ryder said, that if SVSC was going to be able to carry forward adequately, it was going to have to raise the tuition rates... this was not unusual...virtually every institution in the state was raising them... with some of them raising them higher than SVSC, and Mr. Woodcock would speak to that a little later. He noted that if they would look at the country as a whole, they would see very substantial increases, many of which would be well above SVSC's. Administration at SVSC felt that it really couldn't go any higher at this point... it was comparable to other state institutions, and as they saw what was going to be done at the state level, SVSC was just going to have to deal with it in other ways...it didn't have any other choice.

Assuming that the Federal BEOG funds were available, Dr. Ryder indicated he would have to say that this support would relieve some people slightly from the full impact of this burden, because if they were getting that support, and the cost went up, they would get the same percentage of a higher figure in terms of Federal support. With respect to State support, Dr. Ryder pointed out, the Governor had cut \$1 million from what was originally proposed for competitive scholarships...it

looked as though the State was going to have to reduce the individual amounts of scholarship awards, or spread them over fewer people. He concluded that colleges and universities in the state were getting squeezed in all directions, and thus, it was his recommendation that the Board adopt the resolution on 1980-81 Tuition and Fees. He then called upon Mr. Woodcock for his comments.

Mr. Woodcock distributed copies of a document which had not been included in the Board packets, "SVSC Comparison of 1979-80 & 1980-81 Michigan Undergraduate Required Tuition & Fee Rates" (see Attachment) and reviewed. He explained that all of SVSC's sister four-year public colleges and universities in the state shared information as to what their required tuition and fees per academic year were for an undergraduate student to graduate within four years. Of the 15 institutions reporting, for 1979-80, SVSC was the fifth least expensive school to attend, so there were 10 schools more expensive than SVSC. Of those 10, however, there were eight institutions that were basically closeted together, including SVSC, within a \$60 range of each other.

In comparison to SVSC's tuition and fees increase for 1980-81 of 12.1%, Mr. Woodcock reported that the U of M, Ann Arbor...Dearborn...Flint, had already gone up 9.5%, 10.0% and 10.5% respectively. These institutions increase their rates in two stages...once in January and then again before the Fall semester starts. Another institution raised to 10.53% for tuition only and there were to be other increases in the fees. Another school raised tuition and fees 12.3%, and for those institutions whose Boards have not yet acted upon increases, he had found that the proposed increases ranged from 9.5% to 15.0%.

SAGINAW VALLEY STATE COLLEGE

Comparison of 1979-80 & 1980-81 Michigan
Undergraduate Required Tuition & Fee Rates

	<u>1979-80</u>	<u>1980-81</u>
<u>TUITION</u>		
31 hrs. x \$27.00	\$ 837.00	
31 hrs. x \$30.50		\$ 945.50
<u>FEES</u>		
Facility		
31 hrs. x \$1.00 (Athletic)	31.00	31.00
24 hrs. x \$1.00 (Transportation use)	24.00	24.00
Student Government	13.20	14.40
Publication	<u>3.00</u>	<u>3.00</u>
TOTAL	<u>\$ 908.20</u>	<u>\$1,017.90</u>
Increase		<u>12.1%</u>

Mrs. Saltzman observed that MSU was charging its third and fourth year students more than the first and second. Dr. Ryder added that the U of M also had a differential rate. Mr. Woodcock advised that several of the schools had the difference in rates, particularly the larger ones...in those cases, for comparison purposes, he was using their freshman and sophomore rates...lower level undergraduate, and not the upper level.

Mr. Woodcock turned to the two-page attachment to the resolution mailed in the Board packets, noted that last year the format was completely revised and that there were very few changes this year. He reviewed in detail.

Mr. Curtiss asked if there were any discussion.

Mr. Kilpatrick stated that it didn't bother him that tuition had to be raised... he could understand that, but he would like to see information about it communicated to the students in a better manner than in the past. He indicated he had discussed this with Dr. Ryder and Mr. Woodcock and had been informed that Dr. Beal would get out such a communication. He stressed it was extremely important that the students be informed so that they would understand.

Dr. Ryder advised that SVSC would be getting out a communication, along with one of their mailings, to all of the students that would have something describing rationale for the tuition increase, etc.

Mr. Curtiss said he would like to bring up a couple of things (1) he might have a conflict of interest in voting on tuition rates if his daughter came back to school... he wanted to get that on the table, and (2) in giving this considerable thought last year while the Conflict of Interest Bill was going through public hearings, it occurred

to him that if Board members could not set prices, there wouldn't be any property taxes anywhere in the state, because each city or township set their own property tax rate, which covered themselves...they had certain latitude, within their charters, in setting fees which applied to themselves.

Mrs. Saltzman suggested he abstain from voting, but he indicated he didn't really want to unless he was directed to. The point that concerned him here, more than anything else, Mr. Curtiss said, was the way the process of government and fee setting was working. First of all, over the years, they had been encouraged directly at legislative hearings by legislators to "do your share"...that was to say, if they gave the college increases, they expected SVSC to share some of the responsibility of increasing the tax...and tuition, in a real sense, was a voluntary tax...and he thought SVSC would be willing to do that.

Continuing, Mr. Curtiss observed, this was the first and most blatant rationale of that policy...where, because the state went down, the college would go up more than it would have otherwise. This, he said, could be dangerous over the long term for a couple of reasons (1) if SVSC were going to increase its tuition by four times what the state was willing to give it, then if SVSC said very clearly "whatever it didn't get from the State, it would raise itself"...the College was saying something very important (2) in terms of SVSC raising the money itself, that was "nuts" because almost half of the students would pay only a small portion of this increase... what they were looking at here were two things (1) inflation in action, and (2) a tax shift...voluntary, but no more than a tax shift where middle income Michigan were being asked to pick up an increasing share of what heretofore had been State

responsibility. Mr. Curtiss said he was getting angry...he didn't know what the answer was, but he would say that at some point in time the State ought to decide what priority it was going to give to higher education. As a matter of fact, he noted, this year, he thought it had done fairly well for higher education, which had not been cut anywhere near as badly as many other programs but stressed this institution, over the course of the coming year, should address itself as to what its policy should be on how tuition rates were set. It shouldn't be that if the State didn't give money to SVSC, it would make it...nor should it be, everybody else was doing it, so SVSC should...nor should it be, let's take advantage of the current inflation rate to raise the extra money.

What it should be, Mr. Curtiss indicated he didn't know...he didn't have any of the answers, but SVSC was getting itself in a bind, which, if it continued over the next few years, this institution's cost to the student would be precisely what the private colleges were, because they were being subsidized in increasing amounts by the State.

Mr. Zahnow observed that he intended to raise the very same point...Dr. Ryder alluded to it earlier...they were going to have good and bad times in the state...they had had them in the past, and would again. But, again, he thought the main point was that SVSC, in some way or another, had to get itself in a position, as an educational institution, to do everything it could to influence Lansing in giving more for education. He stressed this was really the thing they were talking about, and it behooved them at this college to have some kind of a program, no matter how small, to do their part to try to influence the legislature, so that it would do a

better job for SVSC and its sister institutions...SVSC should have a program for doing and pushing for its purposes all the time...no matter how small, it would be worthwhile. He concluded that higher education in Michigan, in both good and bad times, had not been getting its share of state support.

Mrs. Arbury noted that Michigan used to rank a lot higher in public education than it did now...it was slipping, and it scared her to think that the University of Michigan would not continue to be one of the finest universities in the world.

Mr. Curtiss observed that over the last decade, the idea that price had an impact on usage had fallen out of favor...they had worked into a situation where cost determined price...if the cost went up...it was just passed through. Essentially that was what they were doing here...if the revenues went down, they were shifting the cost to a different sector of society. He stressed that the market they served might be more price elastic, or price sensitive than they thought it was going to be. He described the dilemma of the Bay City Water Treatment Plant where the tripled cost of water had affected its usage, although a steady rate of growth had been projected, and concluded SVSC would be making a big mistake to assume that it could just indefinitely pass through cost increases without having an impact on the market.

Mrs. Saltzman noted that Michigan's new state constitution said the State was responsible for education, and what it was doing, as Mr. Curtiss had pointed out, was transferring the cost of that responsibility to the individual...but at the same time, she said, she couldn't use the State as a "whipping boy" because she knew what unemployment was like in Michigan and what the needs were now.

Referring to Mrs. Saltzman's comment about the state constitution, Dr. Ryder advised he thought the Tisch Amendment would be on the ballot again this year. From his preliminary review of it, it would create havoc in higher education if it passed. The resources were simply not going to be adequate at the state level to support anything like what it was doing now, which meant that tuition rates were going to have to go way higher. He said he didn't want to go into any more detail now, but by the June meeting, he thought this Board, along with Boards throughout the state, was going to have to address itself to that particular situation. By June also, he stated, the Presidents Council would have completed its study on alternative approaches to Tisch, and he should know where they stood so he could transmit to the Board.

Mrs. Saltzman, referring to the uncertainty of 1980-81 appropriations, indicated she was worried about SVSC's tuition and room and board rates...she questioned if SVSC was increasing enough.

Dr. Ryder pointed out that administration hadn't yet finished its 1980-81 budget, so it was going to have to take this into consideration to the extent it could...it was conceivable that it could come back second term with a fee increase...it had happened on occasions like this before, and it might be that SVSC would have to deal with it that way. He noted that he shared Mrs. Saltzman's concern, and concluded that if SVSC continued to increase rates, etc., it would be just pushing in the same direction that Mr. Curtiss had said, and he, personally, didn't like it at all.

Mr. Curtiss asked if there were any further discussion on the recommendation to establish the 1980-81 tuition and fee rate. There being none, he called for a

vote.

Motion carried with one dissenting vote to adopt RES-459 tuition and fee rates for 1980-81.

Chairman Curtiss called a recess at 11:00 a.m. and the meeting reconvened at 11:15 a.m.

9. Recommendation for Modifications in Travel Policy

Noting that this recommendation was included in Board packets, Mr. Curtiss asked if someone would like to move its adoption.

RES-460 It was moved and supported that the following resolution be adopted:

WHEREAS, In recognition that the operating expenses of personal automobiles is increasing and after a review of Internal Revenue Service regulations and policies of other Michigan four-year public institutions of higher education;

NOW, THEREFORE, BE IT RESOLVED, That Paragraph 1 under the heading of Transportation of the travel regulation policy, Resolution-420, adopted by the Board of Control on June 11, 1979, be modified as set forth below, to be effective July 1, 1980.

Transportation

1. Personal vehicle - Travel by private automobile will be reimbursed at the established College rate of \$.185 per official map mile and for reasonable vicinity mileage where a motor pool vehicle is not available. Mileage reimbursement may not exceed the cost of round-trip economy airfare and airport limousine. Travelers using more than one car where one would be sufficient will receive a proportionate share of the reimbursement for one car. If at the option of the traveler, a personal car is used, reimbursement will be at \$.16 per mile.

Chairman Curtiss asked if there were any discussion. Hearing none, he called for a vote.

Motion unanimously carried to adopt RES-460 modifications in travel policy.

10. Recommendation for Michigan Bankard Authorization

Chairman Curtiss noted this recommendation was included in the Board packets and asked if someone would like to move its adoption.

RES-461 It was moved and supported that the following resolution be adopted:

WHEREAS, Michigan Bankard has revised its regulations and requires a formal Board resolution in order that credit cards may be utilized by authorized college personnel;

NOW, THEREFORE, BE IT RESOLVED, That the Administration is authorized to enter into an agreement with Michigan Bankard in order that VISA or Master Charge credit cards may be utilized as deemed appropriate.

Mr. Woodcock indicated he thought this resolution was self-explanatory...in the past it took just administrative requests for credit cards for SVSC's personnel.

Mr. Curtiss asked if this action would change SVSC's relationship with Michigan Bankard.

Mr. Woodcock indicated not...the attorneys for Michigan Bankard had requested this action by Boards of all non-profit corporations.

There being no further discussion, Mr. Curtiss called for a vote.

Motion unanimously carried to adopt RES-461 Michigan Bankard credit card authorization.

10A. Presidential Agreement

Chairman Curtiss announced he would like to add one item to the Agenda. For more than a year, he said, they had had a rather extensive analysis and evaluation of the role and performance of the President and this Board during the first three years of the President's term. Many positive recommendations had come out of that evalua-

tion...he thought the President was responding very positively to those recommendations, as was the Board. Some of the things the Policy Committee was talking about, he noted, were a direct result of those recommendations ..they had made substantial progress, although they were by no means through in implementing those suggestions. As a result of that evaluation and a review of Dr. Ryder's Memorandum of Appointment, which was entered into when he was originally employed by this institution, a resolution was being distributed recommending Dr. Ryder's appointment be extended, with an appropriate salary adjustment. He suggested that Board members read the resolution, and then he would entertain a motion for its adoption.

RES-462 It was moved and supported that the following resolution be adopted:

WHEREAS, The Board of Control of Saginaw Valley State College believes that President Jack M. Ryder has contributed significantly to the qualitative growth of the College, and

WHEREAS, The Board believes it is in the best interest of the College, its faculty, staff, and students, the surrounding communities, and the State of Michigan, that the services of President Ryder be retained;

NOW, THEREFORE, BE IT RESOLVED, That the Board of Control through its Chairman enter into a four year agreement, effective July 1, 1979 and ending June 30, 1983, which would include among other things a salary set at \$51,400 for each of the first two years of the agreement with additional fringe benefits in the areas of retirement, deferred compensation and life insurance leading to a total average increase of 8.7% for the first two years of the agreement. Consideration is to be given to any additional increases for 1981-82 and 1982-83.

Chairman Curtiss asked if there were any discussion.

Dr. Majewski indicated he went along with the agreement with one exception. He noted that the Board was entering into a four-year contract, but that the President

could drop it at any time in three months...SVSC was bound for four years...the President was bound for three months...it was rather one-sided. He stressed that the institution had no real protection that it would have a president six months from now.

Mr. Curtiss observed that it seemed to him that it would be very difficult for SVSC to do much more than what it had tried to do in requiring a three-month's notice if the President voluntarily resigned. He asked Dr. Majewski if he had a specific recommendation and Dr. Majewski indicated he did not...if he were to vote right then, he would vote for it, but he did have that one concern.

Dr. Ryder spoke to Dr. Majewski's concern...he had studied contracts or letters of agreement from the point of view of the employer and found that contracts for administrators or for faculty, other than under a general union contract, such as SVSC had, when they really got down to it, they were one-way contracts...the fact of the matter was that unless one could prove damages, he couldn't recover damages anyhow.

For example, Dr. Ryder said, if he were to give notice and leave in three months and the college had serious problems in replacing him...had all kinds of losses somehow, as a result of his leaving, then if the institution had built into the agreement that if it suffered any serious losses as a result of his leaving without giving longer notification, then it could recover damages. But, Dr. Ryder pointed out, the college would be having 150 people apply for this job the minute it opened it, so it would not have any trouble, so far as he could see.

Mr. Curtiss indicated the point was well-taken, but he was not sure he would

want to try to make somebody work for him for a year, who didn't want to do so.

Dr. Majewski observed that he had brought this out in the open to show that the Board members had examined it...they knew it was true, but did think it was a good deal. He concluded he thought SVSC had a good man and he felt the Board should go along with this agreement...he would like it to go into the record, however, to show that the Board did not go into this agreement blindly.

Dr. Ryder advised that typically in the move of a President from one job to another, there was even a longer period of lead time...six months...eight months, etc. For example, a President wanted to leave in three months...typically what he would do was to work it out with the Board, which might ask "could you stay six months?" Then he would work with the other institution and arrive at a mutual agreement.

Chairman Curtiss asked if there were any further discussion. There being none, he called for a vote.

Motion unanimously carried to adopt RES-462 presidential agreement.

11. Organization of the Board of Control

Chairman Curtiss advised that the new By-Laws specified that the officers of the Board should be elected at the Regular May Meeting each year. He asked what the pleasure of the Board members was. It was the consensus the election should be held.

BM-569 It was moved and supported that Mr. Charles B. Curtiss
be elected Chairman for another year.

Mr. Curtiss stated that he had very much enjoyed the opportunity to serve as Chairman of this Board for the last six and a half years...it had been challenging,

and an experience that had benefitted him substantially. During his tenure, he said, he thought this Board and this administration had done an excellent job of building the institution. Many of the problems which they attacked some years ago were now getting resolved quite effectively. On the other hand, he noted, when he took the Chair, he did not expect a lifetime occupation...especially at the salary.

Continuing, Mr. Curtiss stressed, hearing the comments just a few minutes ago about appropriate notice for the presidency, he would say that he would enthusiastically serve as Chairman for one more term...this was his notice. He would like very much to work, if elected, in trying to develop policies which would assure reasonable succession of the Chair. He concluded he had enjoyed serving...this did not reflect on the institution at all...there were a variety of reasons why he was doing it. What he thought they needed to do now in the Policy Committee and as a Board, was to give some good thought as to how they could assure reasonable continuity of people who were prepared to step into the Chair.

Mr. Curtiss asked if there were any discussion. Hearing none, he turned the gavel over to Vice Chairman Kendall for voting on the Chairman.

Motion carried with one abstention that Mr. Charles B. Curtiss serve as Chairman for another year.

BM-570 It was moved and supported that Mr. John W. Kendall be elected Vice Chairman for another year.

Motion unanimously carried that Mr. John B. Kendall serve as Vice Chairman for another year.

BM-571 It was moved and supported that Mrs. Dorothy D. Arbury be elected Secretary for another year.

Motion unanimously carried that Mrs. Dorothy D. Arbury serve as Secretary for another year.

BM-572 It was moved and supported that Mr. Melvin J. Zahnow be elected Treasurer for another year.

Motion unanimously carried that Mr. Melvin J. Zahnow serve as Treasurer for another year.

Chairman Curtiss announced the results of the election of officers of the Board of Control for 1980-81 as follows:

Mr. Charles B. Curtiss	Chairman
Mr. John W. Kendall	Vice Chairman
Mrs. Dorothy D. Arbury	Secretary
Mr. Melvin J. Zahnow	Treasurer

IV. INFORMATION AND DISCUSSION ITEMS

12. Report on the Declaration of the First Free Enterprise Day in Michigan

Chairman Curtiss called upon Dr. Shiv K. Arora to give this report.

Dr. Arora described the projects undertaken by his Marketing class in relation to Free Enterprise and referred to the one they were most proud of...working with the legislators, which resulted in Representative Barcia and six other representatives introducing House Resolution #416, which was unanimously passed, asking the Governor to declare a Free Enterprise Day in the State of Michigan...and also, Senator Hart introduced Resolution #499 in the Senate, which was passed unanimously. Subsequently, the Governor, during a "Signing Ceremony" which his students and he attended on April 1, declared July 1 as Free Enterprise Day in Michigan.

Dr. Arora advised that U. S. Representative Traxler was sponsoring resolution #485 in the U. S. Congress to similarly declare July 1 as Free Enterprise Day in the U.S.A. Senator Levin had given his support to this resolution and it was now pending in the U. S. Congress.

At this time, Dr. Arora presented Chairman Curtiss with the original House Resolution #416 and the original Executive Declaration of April 1, designating July 1 as Free Enterprise Day in Michigan, and suggested the Board might have a suitable place to display them.

In connection with his Marketing class participation in the Free Enterprise System, it competed in the Student Free Enterprise competition...there were about eight regions, with over 200 colleges participating, and last week, his class won first place in the Michigan/Indiana regional...this was the second time SVSC had participated...two years ago, his class won second place. The award for first place this year was \$1,200 and the money went to the School of Business and Management.

Dr. Arora announced that his class would be participating in the National competition in Dallas, Texas from July 13 through 15...Dow Chemical was paying for four students and him...there were actually eight in the class, so it would accept any donations to permit the other four to go to Dallas too.

On July 1 Free Enterprise Day in Michigan, Dr. Arora advised that his class was planning a big program on the SVSC campus, and when finalized, the Board would be hearing more about it. As a finale to his presentation, Dr. Arora presented President Ryder with the framed plaque received from the Dow Chemical

Company for the first place award in the Michigan/Indiana regional competition and suggested the Board might like to hear a few words from a student representative of his class, Mr. Zylka, who was present. Mr. Zylka indicated the students planned to work hard the next couple of months because they felt they had a very good chance in Dallas...as representatives of the college and the student body, through their efforts, promote SVSC, which they all felt had a lot to offer.

Chairman Curtiss and Dr. Ryder congratulated Dr. Arora and Mr. Zylka on their accomplishments to date and wished them success in Dallas in July.

13. Review 1980 Commencement Activities Saturday

Dr. Sharp, noting that Commencement was the highlight of SVSC's full academic year, announced the schedule of activities for Saturday...there would be three honorary degrees conferred, and the Landee Award winner and Distinguished Alumni Award winner would be honored.

14. Review Activities surrounding the Dedication of Morley Field

Dr. Sharp announced that a week from tomorrow, May 10th, Morley Field would be dedicated...an important event in the history of the college. He reviewed the schedule of activities for the day and indicated he was looking forward to seeing as many of the Board members as possible on that day.

15. Sponsored Programs Report

Dr. Ryder distributed copies of the Activity Report from the Office of Sponsored Programs for December 1979 through April 30, 1980 and indicated he didn't think comments were necessary, unless the Board members had some. None were voiced.

16. Personnel Report

Dr. Ryder distributed copies of the Personnel Report of May 2nd and noted he had no comments to make.

17. Academic Report

Dr. Ryder called upon Dr. Earl L. Warrick, Interim Dean of the School of Science, Engineering and Technology, for comments.

Dr. Warrick advised he was standing in for Vice President Yien, who was attending a meeting of Academic Vice Presidents in Lansing this morning, but that Dr. Yien would be back in the afternoon.

He reported that grants had been received from the National Endowment of the Humanities for two of SVSC's instructors to study this summer...a grant award from the American Chemical Society, and also distributed copies of the Bulletin of Faculty Research and Publication, and copies of the Spring, 1980 issue of SVSC's Business and Management, Economic & Business Review.

18. Faculty Research Grants

Chairman Curtiss asked the status of these grants and if Dr. Ryder anticipated Board action today on them. Dr. Ryder advised they would be discussed in the afternoon meetings and brought before the Board at the June meeting.

V. OTHER ITEMS FOR CONSIDERATION

There were none.

VI. ADJOURNMENT

There being no further business to transact, Chairman Curtiss adjourned the

SVSC BOARD OF CONTROL
Regular Monthly Meeting

May 2, 1980

1980-125

meeting at 12:20 p.m.

Respectfully submitted,

Charles B. Curtiss--Chairman

Dorothy D. Arbury--Secretary

JMR
omc

Opal M. Colvin
Opal M. Colvin--Recording Secretary