

SAGINAW VALLEY STATE COLLEGE

BOARD OF CONTROL

MINUTES

OCTOBER 12, 1981

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MINUTES

1981-171

BOARD OF CONTROL  
SAGINAW VALLEY STATE COLLEGE

REGULAR MONTHLY MEETING  
Pioneer Room--Pioneer Hall of Engineering and Technology  
October 12, 1981

Present: Arbury  
Braun  
Curtiss  
Darin  
Gilmore  
Kendall  
Williams

Others  
Present: Colvin  
Dickey  
Gilbert  
Hamling  
Kuehn  
Lange  
Lee  
Michaels  
Rayfield  
Rummel  
Ryder  
Saft  
Sharp  
Tepe  
Woodcock  
Yien  
Press (2)

Absent: Saltzman, excused

I. CALL TO ORDER

Chairman Kendall called the meeting to order at 9:38 a.m. and noted that a quorum was present.

II. PROCEDURAL ITEMS

1. Approval of Minutes of Regular Monthly Meeting held on August 10, 1981

Chairman Kendall stated that the Minutes of the last Regular Monthly Meeting

held on August 10, 1981 were mailed. He asked if there were any corrections or additions. Hearing none, he declared the Minutes approved as mailed.

2. Official Representative of Faculty Association

Chairman Kendall asked if there were an official representative of the SVSC Faculty Association present. President Ryder responded that none was in attendance.

3. Communications and Requests to Appear before the Board

Chairman Kendall asked if there were any communications or requests to appear before the Board.

President Ryder indicated there had been no requests to appear before the Board but that he did have two communications.

A. Communication from Mrs. Saltzman

Dr. Ryder advised he had received a telephone call from Mrs. Saltzman before coming to the meeting this morning...he thought they were all well aware of the tragedy that had befallen the Saltzman family in the death of their son, Ray, as a result of the plane crash. Mrs. Saltzman had assured him, Dr. Ryder said, that she would be coming to the meetings in the future, but was just not up to it at this point.

Mrs. Arbury asked if they, as a Board, had sent anything in lieu of flowers. Dr. Ryder noted that first of all, the College community had sent a contribution to the Burn Unit of the University of Michigan Hospital, and that flowers then had been sent from the Board. He concluded that Mrs. Saltzman had expressed appreciation not only for those things, but also the kind comments and notes from Board members as well as from members of the campus community...they had meant so much to her and her family.

B. Communication from the Governor

Dr. Ryder read into the record a letter he had received on August 14, 1981 from Governor William G. Milliken (see Attachment) appointing Mr. Hugo E. Braun, Jr., of Saginaw, to the Board of Control, succeeding Dr. Melvin J. Zahnow, and the reappointment of Mrs. Florence "Jo" Saltzman, of Franklin, to the Board of Control, succeeding herself...both terms expiring July 21, 1989.

At this time, Dr. Ryder observed, they might all like to officially welcome Mr. Braun to the Board as its newest member. On behalf of the Board, Chairman Kendall welcomed Mr. Braun. Mr. Braun thanked Chairman Kendall, stated he was very much looking forward to serving with all of the members of the Board, Dr. Ryder and members of his administrative team...many of whom he had already met...and concluded that he was grateful for the opportunity to serve SVSC.

4. Remarks by the President

President Ryder indicated he would like to make comments in two areas which needed to be drawn to the attention of the Board of Control, although the members of the Board might already be sensitive to them. It was extremely important, he said, to reiterate the problem they were facing not only at Saginaw Valley State College, but throughout the higher education system in Michigan and the country.

A. Funding for Higher Education

Dr. Ryder pointed out that the economy, as it had developed, had, of course, limited the resources at the state level that could be, or at least were being provided for higher education. While SVSC had taken a cut a year ago, as they all knew, it had now taken another 3% cut, which they would be talking about more under one of the Action Items on the Agenda.

This latest cut, Dr. Ryder noted, had come in the first quarter of SVSC's fiscal year and the last quarter of the State's fiscal year, and so SVSC was having to deal with it during this 1981-82 fiscal year.

Dr. Ryder stated that it appeared to him that as a result of reduced state support, not only in this state but in a number of other states in the country, access to higher education was being limited...it was interesting that this should be taking place at a time when throughout the world other nations were scrambling to increase access to higher education, particularly in the countries that seemed to be competing so well with the U.S. now, such as Germany, Japan, Taiwan and Korea, for example. The demand there was high, the effort was great, and more and more people were participating in higher education, and with the support of the government. Not only that, Dr. Ryder noted, but the government, at least of Japan, for example, was bent upon a plan of increasing the international activity of its student body and all its educational system...it wanted people to be involved internationally...its students to become involved, and it was helping support sending students throughout the world to know about the international scene and to understand other countries at a time when the U.S. was limiting its resources in that respect very dramatically.

In addition, Dr. Ryder observed, the Reagan program had placed constraints this year already upon financial aid for students, and it was expected, if passed, that those constraints would be very substantial even next year.

Dr. Ryder stated that he would just like to quote a few figures for the Board. In the fall of 1980, the number of PEL grants (formerly BEOG) SVSC had 711 recipients...in the fall of 1981 it had 631. The total dollars for SVSC for 1980 were \$637,000 as opposed to \$626,000 for 1981.

These figures, Dr. Ryder noted, reflected that there were fewer grants but somewhat more dollars per grant because of the increase in students' costs, however, if things went the way they were being recommended by the administration in Washington, the number of these grants and the dollars available would be reduced substantially.

Last year, he said, SVSC had 296 students on the College Work Study program as opposed to 298 this year...SVSC spent \$154,000 last year and would be spending \$202,000 this year, plus an additional \$50,000 of college funds which were realized in part by the elimination of two custodial positions. With this additional amount put into student employment, Dr. Ryder observed, he was hopeful it would help the students to be able to afford the cost of attending SVSC, keeping in mind that SVSC had to raise tuition 34% this fall over the preceding fall.

In the area of National Defense Student Loans (NDSL), there were 149 a year ago...for this fall, there were 90...this year there were 194 Supplemental Educational Opportunity Grants (SEOG) as opposed to 202 last year.

Basically, Dr. Ryder pointed out, the direct negative implication of the cutback for this fall was not serious except for the publicity that was disseminated nationwide, and which, he thought, had some bearing upon peoples' reservations about being able to provide the funds to go to school...he thought it was going to be worse if the trend continued in the same direction.

Dr. Ryder stressed that he was very concerned about continuing to increase the cost, while at the same time the demand for SVSC's programs was solid...SVSC had no weak programs and it needed to continue with the effort that it was providing here to the students of this area. Many of SVSC's students, he noted, could not go anywhere else and receive their college education because of having to work, to

support their families, not only fiscally but in other ways as well, etc, and so it was a very important thing and made a big difference between this institution and a residential campus.

Dr. Williams asked if Dr. Ryder had any data as to the percentage of the population or student body that went on from secondary education to higher education in Germany, Japan and some of the other countries versus the U.S... it was his recollection that the U.S. had a lot more graduating seniors from high school going on into higher education than most other developed nations. He stressed he thought there was still a fair amount of ground to cover before the developed nations and the U.S. came together and concluded that they had to be careful about comparing themselves to other nations and saying "you know, we are not doing as well by our students as they are doing by their's" because the data said that the U.S. was doing better.

Dr. Ryder reviewed Taiwan as an example, pointing out that only about one-third of their students could go on to college after taking competitive exams... their objective was to increase the percentage substantially, given their resources... they were trying to do everything they could to get more people to go to college at a time when the U.S. was having problems of maintaining what it had done.

In many ways, Dr. Ryder observed, the U.S. had served as an example to them and they wanted to emulate it...and now, the U.S. was going back and they were continuing to progress in that direction.

Dr. Ryder agreed with Dr. Williams that the U.S. was doing better by its students than other nations, noting that it was a comparative thing in terms of what they were attempting to do. He referred to the technological developments in the U.S. and observed that much of the technology that other nations had and



was using came out of the U.S. This was not to say, Dr. Ryder stressed, that those nations were not making developments and progress, but the U.S. was far ahead of all other countries in technological developments, so it was a relative thing...there was no doubt about that.

B. Economic Development in the State of Michigan

Dr. Ryder indicated he wanted to talk about another aspect of the state of Michigan in particular. He referred to the recent 3% cut at SVSC in state appropriations and noted that one of the things the Governor had said in his economic message was that Michigan needed to develop high technology, not be so dependent upon the automobile industry and that small business development was very important because it produced jobs. Then, in another statement the Governor made at Mackinac Island not long ago, Dr. Ryder said, he pointed out that "we can go no further in the cutting of higher education support because of the integral relationship between higher education and the economic development of the state" at the same time these cutbacks were having a serious effect on higher education.

Dr. Ryder stated that SVSC's fall enrollment was up by 1%...there were only two other institutions that were up also...Ferris State and the University of Michigan--Flint...all others were down. In his judgment, Dr. Ryder stressed, the enrollment increase would have been higher had it not been for the increase in the tuition rate and the lack of housing facilities, because SVSC had to turn away some students who otherwise would have come.

With what appeared to be a continual problem at the state level with respect to resources, Dr. Ryder indicated that he foresaw the question of continuing to support all the institutions in the state would be surfacing. On the other side of that was the tuition rate. If the tuition rate continued to rise, the

access would be limited more than it had been, and thus, Dr. Ryder concluded, they were in for a real problem, with one temptation being, in effect, to eliminate some institutions so that the resources of those institutions could support others and maintain their quality. There was always the question, he said, of which institution should go, if that were the case.

Right now, Dr. Ryder stressed, the state was supporting private higher education in this state at over \$37 million...SVSC's total state appropriation was roughly \$7 million, and the question, it seemed to him was..."is that the appropriate direction in a time when resources were limited?" Although there had been others who opposed his position, Dr. Ryder noted that he had been one who personally supported the notion of supporting the private schools to a limited degree because he thought it was important to have different approaches and the private institutions provided that, but in the face of insufficient funds to maintain the public institutions, it seemed to him unwise to destroy that system in any degree where it was meeting the need in order to maintain private institutions which were not established as state supported colleges. In other words, they were established with the idea that they would not be receiving state funds.

In summary, Dr. Ryder stated that he had raised these points with the Board members because he thought they were going to see them in the press...they were going to see concerns expressed by institutions of higher education, both public and private in the next few months ahead as the problem seemed to be worsening in this state.

Dr. Williams asked how SVSC's appropriation from the state for the 1981-82 school year compared with the 1979-80 school year before the cutback in 1980-81.

Dr. Ryder responded that SVSC received \$6,687,400 in 1979-80...\$6,335,000

in 1980-81 (down \$400,000) and \$7,392,900 for 1981-82, but that it had already received a cut in the first quarter of SVSC's fiscal year, which was not noted in the latter figure, because it was based upon the state's fiscal year. It got rather complicated, Dr. Ryder noted, but SVSC got this \$6,335,000 and one-quarter of that was part of the 1981-82 fiscal year SVSC was in right now, and SVSC had taken another cut in that...and by all indications, there was likely to be more cuts made in 1981-82.

On a relative basis, compared to other institutions, Dr. Ryder said, it would appear that percentagewise, SVSC was better off because it had the highest percentage of increase going into this last fiscal year...the only thing they had to keep in mind, however, was that almost 2% of that increase had to do with the mobile units that got built into SVSC's operating budget, and if another institution didn't get any of its money for space, then it got it all for operating, whereas SVSC had to spend it on space.

Dr. Williams observed that with a \$7,392,900 appropriation for 1981-82, less the 3% cut, it would mean that SVSC was getting close to \$7,000,000 this year versus about \$6,500,000 two years ago...a very modest increase with the way costs had gone up.

Dr. Ryder agreed and noted too that they were not talking about SVSC's fiscal year...in other words, SVSC had taken a cut in the first quarter of its fiscal year already, and if the state came back and cut again the in next three-quarters.. (the first three-quarters of the state's fiscal year) that would all take place in SVSC's fiscal year, and that was the problem. If the state were to wait until the fourth quarter, that would be the first quarter of SVSC's 1982-83 fiscal year, and presumably SVSC could manage it that way, however he didn't know what would happen.

III. ACTION ITEMS

5. Recommendation for Adoption of Resolution regarding Endowment Fund and Investment Income

Chairman Kendall stated that this resolution had been included in Board packets and asked if someone would care to move its adoption.

RES-517    It was moved and supported that the following resolution be adopted:  
              WHEREAS, In certain individual endowment accounts the assets constitute a substantial cash position which is invested through the College's pooled cash investment program, and  
              WHEREAS, It is recognized that there is a fiduciary responsibility to attempt to maintain the purchasing position of the endowment assets in order that in the future sufficient earnings exist to fulfill the objectives of the Endowment Fund, and  
              WHEREAS, It is deemed appropriate to formally recognize this objective and approve a method whereby the objective can be accomplished;  
              NOW, THEREFORE, BE IT RESOLVED, That effective July 1, 1980, of the investment income allocated from Saginaw Valley State College's working capital investment pool to the Endowment Fund, 6% of the principal or 50% of the investment income allocated, whichever amount is greater, is to be utilized to fulfill the expenditure objectives of the individual endowment funds, and  
              BE IT FURTHER RESOLVED, That the remainder of the investment income allocated from the working capital pool is to be allocated as an addition to principal for each of the individual funds to the Endowment Fund as "Funds Functioning as Endowments," and  
              BE IT FURTHER RESOLVED, That it is acknowledged that amounts within "Funds Functioning as Endowments" may be utilized by the Board of Control at a future date for an appropriate purpose as determined by the Board of Control in accordance with any agreement which thereby established the individual endowment funds.

Dr. Ryder indicated this resolution was self-explanatory and that administration recommended its adoption.

Chairman Kendall asked if there were any discussion.

Dr. Gilmore asked for clarification of Paragraphs #2 and #4.

Mr. Woodcock gave an in-depth review of the handling of Endowment Funds, advised that they had been doing what the resolution set forth administratively for about two years...this had been discussed in committee...and that when the state auditors were on campus recently, they recommended that if the administration were going to continue this practice, there should be formal Board action.

After brief discussion, Chairman Kendall called for a vote.

Motion unanimously carried to adopt RES-517 regarding Endowment Fund and Investment Income.

6. Recommendation for Adoption of Resolution regarding Banking with Chase

Chairman Kendall noted that copies of the resolution had been included in the Board packets and called for a motion to adopt.

RES-518 It was moved and supported that the attached resolution be adopted.

Dr. Ryder observed that administration felt this resolution was self-sufficient.

Mr. Woodcock advised it had been reviewed with legal counsel.

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

Motion unanimously carried to adopt RES-518 regarding Banking with Chase Manhattan Bank.

7. Recommendation for Adoption of Resolution regarding Authorization and Agreement to Wire Transfer Funds

Chairman Kendall referred to this resolution included in the Board packets and asked if anyone would care to move its adoption.

RES-519 It was moved and supported that the following resolution be adopted:  
WHEREAS, The most efficient method of transferring funds between investment sources and the College's operating accounts is by wire transfer, and

BANKING RESOLUTION WITH CHASE MANHATTAN BANK

WHEREAS, Saginaw Valley State College has made arrangements with Metropolitan Life Insurance Company (hereinafter referred to as "Metropolitan") whereby Metropolitan will administer the Employee Benefit Plan of this College; and

WHEREAS, to facilitate the administration of this Plan under the Employee Benefit Plan of this College, this College desires to open an account with the Chase Manhattan Bank (National Association), with withdrawals therefrom to be subject to the direction of Metropolitan.

NOW, THEREFORE, BE IT RESOLVED, that this College open a deposit account with the Bank to be entitled The Saginaw Valley State College Benefit Plan or such other name as may be agreed upon by the Vice President for Business Affairs of the College and that the officers and agents of the College and of Metropolitan be and hereby are and each of them hereby is authorized to deposit any of the funds of the College in the Account.

RESOLVED, that, until the further order of this Board of Control, any of the funds of this College and of Metropolitan Life Insurance Company deposited in the Account be subject at any time, and from time to time, to withdrawal or charge upon checks, drafts, or other orders for the payment of money drawn in the name of this College and bearing the signature of such persons as may be designated to the bank from time to time by the Treasurer or any Vice President of Metropolitan or when bearing or purporting to bear the facsimile signature of such persons.

RESOLVED, that the Bank is hereby authorized to pay any such instrument or make any such charge, regardless of what means the actual or purported facsimile signature or signatures thereon may have been affixed thereto, and also to receive the same from the payee or any other holder without inquiry as to the circumstances of issue or the disposition of the proceeds, even if drawn to the individual order of Metropolitan or any signing person, or payable to the Bank or others for its or his option of the Bank, even if the Account shall not be in credit to the full amount of such instrument or charge.

RESOLVED, that the Bank is authorized and directed (a) to send to Metropolitan drafts purporting to be drawn by this College upon itself which are made payable through the Bank, and (b) to accept instructions from the persons designated by the Treasurer or any Vice President of Metropolitan to charge the Account and pay the drafts designated by such persons or, upon return of any such drafts to the Bank with instructions not to pay them, to return such drafts, unpaid to the presentor.

NOW, BE IT FURTHER RESOLVED, that all statements of account in connection with the account shall be addressed and delivered to the Controller of this College, with copies thereof to Metropolitan and that all cancelled vouchers and correspondence in connection with the Account shall be addressed and delivered or sent to Metropolitan.

WHEREAS, Michigan National Bank is now requiring that a resolution and authorization and agreement to wire transfer funds be adopted by the Board of Control in order to continue this practice, and

WHEREAS, College legal counsel has reviewed these documents and negotiated changes in the agreements with Michigan National Bank, which are incorporated into the attached documents;

NOW, THEREFORE, BE IT RESOLVED, That the resolutions included in the documents titled "Certified Copy of Resolution of Un-incorporated Association or Corporation for Transferring Funds," and "Agreement to Wire Transfer Funds," as attached are adopted.

Chairman Kendall asked if there were any discussion.

Mr. Woodcock noted that this had been reviewed by legal counsel, and in fact, there was a clause in the second document that was not agreeable to SVSC and a revision was agreed upon by the legal counsel of Michigan National Bank Corporation, as the Board members would note that Paragraph 10 had been stricken and a replacement substituted...so, in reality, there was an amended document which was negotiated by SVSC's legal counsel.

Dr. Williams asked if other banks were requiring the same thing. Mr. Woodcock responded that of all the banks SVSC wired transfers to, Michigan National was the only one...it wouldn't surprise him however, if the other banks wouldn't require the same type of a resolution in the future.

There was brief discussion after which Chairman Kendall called for a vote.

Motion unanimously carried to adopt RES-519 regarding Wire Transfer of Funds.

8. Recommendation for Budget Revisions Based upon the 3% Cut in State Appropriations

President Ryder stated that he was going to have Mr. Woodcock present this, but before doing so, he wanted to make a few comments.

Dr. Ryder recalled that when the administration presented the 1981-82 budget to the Board in August, it had planned for a holdback of \$100,000 which would have



Michigan National Bank-Saginaw

(FULL PROPER BANK NAME)

**A Michigan National Corporation Bank**

**CERTIFIED COPY OF RESOLUTION OF UNINCORPORATED ASSOCIATION  
OR CORPORATION FOR TRANSFERRING FUNDS**

Saginaw Valley State College

Name of Corporation or Association

I, the undersigned, hereby certify to Michigan National Bank-Saginaw, that I am  
(FULL PROPER BANK NAME)

the \_\_\_\_\_ and the keeper of the records and corporate seal of \_\_\_\_\_,  
duly organized and existing under the laws of the state of \_\_\_\_\_, and that the following is a true  
and complete copy of a resolution duly adopted at a meeting of the \_\_\_\_\_  
of said Association or Board of Directors of said Corporation, held in accordance with its By-Laws on \_\_\_\_\_  
and that such resolution has not been rescinded or modified and do not contravene any provisions of the charter By-Laws  
of said Corporation or Association:

RESOLVED: Vice President for

1. That the Business Affairs of this Corporation or Association, whose name is Jerry A. Woodcock,  
is hereby directed and authorized to enter into, execute, modify or terminate the attached "Authorization and Agreement  
To Transfer Funds" agreement (hereinafter referred to as "Agreement") with Michigan National Bank-Saginaw  
(FULL PROPER BANK NAME)  
(hereinafter referred to as "Bank").
2. That transfers of funds made from the account(s) of this Corporation or Association are to be limited to the requests  
of the individuals named in the Agreement, to any maximum dollar amount limitations listed following the name(s)  
of each of those individuals, and to the receiving financial institutions, account names and numbers specified, if any,  
in said Agreement.  
Vice President for
3. That the Business Affairs of this Corporation or Association shall certify to the Bank, the names of those  
individuals who are authorized to make requests to transfer funds of this Corporation or Association, any maximum  
dollar amount limitations applicable to each of those individuals certified and the receiving financial institutions,  
account names and account numbers to be credited, if any; and, from time to time as any changes are made by this  
Corporation or Association in any authority so certified, shall immediately certify any and all of such changes to the Bank  
by letter or in such other manner as the Bank may specify including, but not limited to, the execution of a new Agreement.  
Vice President for
4. That the Bank shall be fully protected in relying on such certifications by the Business Affairs and  
shall be indemnified and saved harmless by the Corporation or Association from any claims, demands, expenses, loss  
or damage resulting from or growing out of, Bank acceptance of a request to transfer funds from any individual so  
certified, or from the Bank's refusing to honor any request received from a person not so certified.
5. That this Corporation or Association does expressly assent and agrees to be bound by all the terms and conditions of  
the Bank as specified in the Agreement
6. That the foregoing resolutions shall remain in full force and effect until written notice of their amendment or rescission  
shall have been received by the Bank, and that receipt of such notification shall not affect any action taken by the Bank  
prior thereto.

IN WITNESS WHEREOF, I have hereunto set my hand and have caused the seal of said Corporation or Association to  
be affixed this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_.

(SEAL)

Secretary (Assistant Secretary)

I hereby certify that I am a director of said Corporation, or an officer of said Association; that the foregoing is a correct  
copy of resolutions passed as therein set forth; that the same are now in full force and effect and that the above signature  
of the Secretary is genuine.

\*\* If corporation, to be signed by a  
director other than the secretary;  
If association, to be signed by an  
officer other than the secretary.



Michigan National Bank-Saginaw  
(FULL PROPER BANK NAME)

A Michigan National Corporation Bank

## AUTHORIZATION AND AGREEMENT TO WIRE TRANSFER FUNDS

Account Name Saginaw Valley State College Account Number(s) 600-096-8The Undersigned hereby requests and authorizes Michigan National Bank-Saginaw  
(FULL PROPER BANK NAME)

(hereinafter "Bank") to accept requests, from the individuals listed below, to transfer funds from the account number(s) shown above and in accordance with the instructions herein contained by means of the Federal Reserve Communication System or other similar network used primarily for transfers between financial institutions or between businesses. Transfers under this Agreement are to be limited to the requests of individuals named and listed below, and to the maximum dollar amounts, receiving institutions, account numbers and names listed across this Agreement following the name of each individual so authorized.

Name	Verif.	\$ Limit	Receiving Financial Institution	Acct. Name To Be Credited	Acct. No.
Jerry A. Woodcock		None	*	*	*
Donald Henne		None	*	*	*
Allan C. Orr		None	*	*	*

Additional Instructions: \* Any financial institution we are designated to send to.

In consideration of the Bank's promise to use its best efforts to effect any and all transfers under this Agreement, the Undersigned hereby agrees to and confirms the following additional conditions and covenants:

1. The Undersigned agrees to promptly notify the Bank in writing, of any changes in this Agreement with respect to individuals authorized, dollar amount limitations, receiving financial institutions, account names and/or account numbers to be credited or of any other changes relevant hereto.
2. If a dollar amount limitation is not listed or specified in this Agreement for any individual(s) listed above, the Bank may assume that such individual(s) has authority to transfer funds in any dollar amount without limitation.
3. If a receiving financial institution is not listed or specified in this Agreement for any individual(s) listed above, the Bank may assume that such individual(s) has authority to transfer funds to any and all financial institutions, domestic or foreign, without limitation.
4. If an account name or number at a receiving financial institution is not listed or specified in this Agreement for any individual(s) listed above, the Bank may assume that such individual(s) has authority to transfer funds to any and all account names or numbers at any and all financial institutions specified herein or authorized hereunder.
5. With respect to authorization of receiving financial institutions and account names and account numbers to be credited, if reference is made to this paragraph for any individual(s) listed above, such authorization shall be deemed to extend only to transfers between accounts specified hereunder at this Bank.
6. With respect to transfers between accounts at this Bank, only transfers between such accounts specified hereunder will be honored. Requests for transfers between such accounts not specified hereunder will be refused.
7. If a request to transfer is made via telephone and no return call or specified verification procedure is set forth in the "Additional Instructions" section of this Agreement, the Bank is authorized to act upon such telephone instructions received by it from anyone who represents themselves to be any of the above named or listed individual(s).
8. The minimum allowable transfer from an account at this Bank to an account at a designated receiving financial institution will be \$ None. The minimum allowable transfer between accounts at this Bank will be \$ None.
9. The Undersigned hereby indemnifies the Bank and saves it harmless from any claims, demands, expenses, loss or damage resulting from or growing out of acceptance by the Bank of a request to transfer funds from any individual(s) named or listed herein or from the refusal by Bank to honor any request received from any individual(s) not so named or listed, or from the refund by the Bank to honor any request received which does not in all respects conform to the authorization specified hereunder with respect to the individual(s) making such request.
10. ~~The Undersigned further agrees that the Bank shall not be liable in any manner whatsoever for any miscarriage, mistake, delay, misfeasance or non-feasance on the part of any agent or agency selected by the Bank in connection with any matter relating to this Agreement, and further, the Undersigned hereby releases the Bank from any and all liability for any loss or damage caused or occasioned by any act or thing beyond the immediate direct control of the Bank or by the malfunction of any equipment used by the Bank in connection with the services provided hereunder.~~
11. The Undersigned further agrees, and consents to the Bank recording by any type of recording device, any telephone conversations between the Bank and the Undersigned or any employees or agents of the Undersigned, including, but not limited to, the individual(s) named or listed herein, in connection with any matter relating to this Agreement.
12. The Bank shall receive its normal fees as established by the Bank for services hereunder.
13. All transfers made pursuant to a telephone request shall be governed by the Bank's appropriate Rules and Regulations to the same extent as though such transfers had been made at a teller's window within the Bank. Where such transfers involve an account at this Bank represented by a passbook, the Undersigned agrees to present such passbook within a reasonable time so that such transfers may be recorded therein.
14. The terms and conditions hereof may be altered or amended by the Bank at any time and such alterations or amendments shall become effective ten (10) days after notice thereof shall have been given to the Undersigned or conspicuously posted in the Bank's office for fifteen (15) consecutive days.
15. The Bank may terminate the services provided hereunder, or revoke their use, at any time without notice or liability. Any such termination shall not affect prior transactions.

SEE  
ATTACHED

IN WITNESS WHEREOF, we have subscribed our names this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_\_.

ACCEPTED:

Michigan National Bank-Saginaw  
(Full Proper Bank Name)

(Corporation, Partnership, Proprietorship)

## WIRE TRANSFER SECTION

By \_\_\_\_\_  
Name TitleBy \_\_\_\_\_  
Name Title

10. The Undersigned further agrees that the Bank shall not be liable in any manner whatsoever for any miscarriage, mistake, delay, misfeasance or non-feasance on the part of any agent or agency selected in a reasonable manner by the Bank (other than the Bank itself) in connection with any matter relating to this Agreement, and further, the Undersigned hereby releases the Bank from any and all liability for any loss or damage caused or occasioned by any act or thing beyond the immediate direct control of the Bank or by the malfunction of any equipment used by the Bank in connection with the services provided hereunder.

represented a little over 1.5% roughly and the total cut was 3.0%. Originally the Governor had recommended a 4.5% cut for SVSC and there was a lot of flurry after that. Fortunately, the final result was a 3.0% cut in higher education.

Mrs. Arbury asked if this 3.0% cut applied to all institutions. Dr. Ryder responded that the 3.0% cut was "across the board" with certain exceptions...he thought the Cooperative Extension Service was not cut and there were one or two others. Mrs. Arbury asked if one of those was the Experimental Station and Dr. Ryder indicated he thought it was...the emphasis was to keep agriculture going at least.

Mr. Braun asked how the cut was reduced from 4.5% to 3.0% politically. Dr. Ryder responded that he thought the legislature, in the first place, was very much concerned about the cuts in higher education and they sought other means. They found some funds in the railroad escrow account and were able to manipulate that account in such a way as to provide the resources and were able to get agreement to do so with the administration.

Dr. Ryder stressed that there was a lot of concern statewide about where the budget deficit was at the moment...the feeling was that it was very high and there was a lot of debate over many of the issues, and this, Dr. Ryder concluded, was what caused the SVSC administration to be fearful about the future and the next three-quarters of the state budget.

Mr. Woodcock distributed Agenda Item No. 8 materials which included a resolution, a Revised General Fund Budget Summary and the General Fund Budget Summary adopted by the Board of Control at its August 10, 1981 meeting, and indicated he would review in detail once the Board had moved the adoption of the resolution.

Chairman Kendall asked if someone would care to move the adoption of the resolution.

RES-520    It was moved and supported that the following resolution be adopted:  
WHEREAS, The State of Michigan has reduced its fiscal year 1980-81 appropriation by 3%, effective September 1981, due to economic conditions of the State, and  
WHEREAS, The amount of the reduction is \$190,062 for Saginaw Valley State College, which materially effects the institution's 1981-82 General Fund operating budget;  
NOW, THEREFORE, BE IT RESOLVED, That the General Fund budget summary as revised October 12, 1981, attached, be adopted as the revised General Fund operating budget for the fiscal year ending June 30, 1982.

Mr. Kendall asked if there were any discussion.

Mr. Woodcock recalled that when the Board adopted the original budget at its meeting in August, it was recognized that during the course of SVSC's 1981-82 fiscal year that there was a probability of a state reduction, but their anticipation was that it would not occur, however, until mid-year...January or later. Unfortunately, the state found it necessary to take the reduction in its 1980-81 fiscal year which amounted to 3.0% of SVSC's entire appropriation for its last 1980-81 fiscal year which was coming entirely out of the last quarter. It was not that SVSC was only getting one-fourth of that reduction, Mr. Woodcock stressed, it was getting a full year's reduction out of its first three months of its 1981-82 fiscal year...that was not the reduction in state appropriations that SVSC had anticipated.

In August, Mr. Woodcock continued, SVSC had set aside formally in the budget \$100,000 which represented a "hold" on certain expenditure areas. With an actual reduction now of \$190,000 that \$100,000 plus another \$50,000 had been identified to deal with the reduction, but \$40,000 still needed to be identified during the course of the year.

COMPARISON OF SELECTED BUDGETARY AREAS  
S.V.S.C.

	<u>Fiscal Year</u>	<u>Equipment</u>	<u>Remodeling</u>	<u>Micro-film</u>	<u>Library</u>		<u>Total</u>	<u>Planning Resource</u>
					<u>Books</u>	<u>Periodical</u>		
Original Budget	1979-80	\$103,500	\$40,000	\$ 7,300	\$ 95,000	\$30,000	\$132,300	N/A
Expended		118,550	40,110	10,003	87,594	41,663	139,260	
Original Budget	1980-81	59,000	30,000	5,000	56,000	30,000	91,000	N/A
Expended		80,014	14,232	8,010	59,274	48,385	115,669	
Original Budget	1981-82	90,418*	30,860	6,000	100,000	35,000	141,000	\$50,000
Revised Budget		75,418	10,860	6,000	88,000	35,000	129,000	10,000

\* Only \$25,000 was for general usage, the balance being for computer payments.  
Thus only \$10,000 remains for general usage.

10/12/81

GENERAL FUND BUDGET SUMMARY  
SAGINAW VALLEY STATE COLLEGE  
FISCAL YEAR 1981-82  
(As Revised 10/12/81)

	Original Budget (As Adopted 8/10/81)	Adjustments	Revised Budget
<u>Revenue and Other Resources</u>			
State Appropriation	\$ 7,133,343	\$(190,062) <sup>1</sup>	\$ 6,943,281
Tuition & Fees	4,136,736	--	4,136,736
Other Revenues	728,421	8,000 <sup>2</sup> 4,000 <sup>3</sup>	740,421
Total Revenue	\$11,998,500	\$(178,062)	\$11,820,438
Other Resources	346,500	20,000 <sup>4</sup> 40,062 <sup>5</sup>	406,562
Total	<u>\$12,345,000</u>	<u>\$(118,000)</u>	<u>\$12,227,000</u>

<u>Expenditure Allocations</u>	<u>Personal Services</u>	<u>Supplies, Materials, Services</u>	<u>Capital Expenditures</u>	<u>Total</u>
Original Budget	\$9,096,144	\$ 3,158,438	\$ 90,418	\$12,345,000
Reductions:				
Institutional Contingency		\$ (4,000)		\$ (4,000)
Equipment			\$ 15,000	15,000
Veterans Grant	\$ 3,000			3,000
Library		12,000		12,000
Planning Resources		40,000		40,000
Remodeling		20,000		20,000
Clerical Pool	2,000			2,000
Unemployment Compensation		3,000		3,000
Room Rental		2,000		2,000
Supply & Expense		25,000		25,000
Total Reductions	<u>\$ 5,000</u>	<u>\$ 98,000</u>	<u>\$ 15,000</u>	<u>\$ 118,000</u>
Revised Budget	<u>\$9,091,144</u>	<u>\$ 3,060,438</u>	<u>\$ 75,418</u>	<u>\$12,227,000</u>

<sup>1</sup>Executive Order reducing state appropriation.

<sup>2</sup>Additional SVSC Foundation support for purchase of library books.

<sup>3</sup>Adjustment to beginning fund balance.

<sup>4</sup>Increase unfilled position savings.

<sup>5</sup>Additional amount of revenue/expenditure savings.

GENERAL FUND BUDGET SUMMARY  
SAGINAW VALLEY STATE COLLEGE  
FISCAL YEAR 1981-82

REVENUE AND OTHER RESOURCES

State Appropriation			\$ 7,133,343
Tuition and Fees			
Tuition	\$3,920,740		
Fees	<u>215,996</u>		4,136,736
Other Revenues			
Indirect Cost Recovery	\$ 60,000		
Investment Income	140,000		
Departmental/Other Income	90,000		
Beginning Fund Balance	200,000		
Non-Recurring Revenues			
S.V.S.C. Foundation	\$ 89,821		
State Appropriation-Supplemental	<u>148,600</u>	<u>238,421</u>	<u>728,421</u>
Total Revenue			\$11,998,500
Other Resources			
Additional Revenue/Expenditure Savings	\$ 100,000		
Salaries Paid by Grants	34,500		
Unfilled Position Savings	<u>212,000</u>		<u>346,500</u>
Total			<u>\$12,345,000</u>

EXPENDITURE ALLOCATIONS

Personal Services		\$ 9,096,144
Supplies, Materials & Services		3,158,438
Capital Expenditures		<u>90,418</u>
Total		<u>\$12,345,000</u>

Mr. Woodcock listed the areas of expenditure "holds" as follows:

Equipment	\$ 10,000
Library Acquisitions	20,000
Planning Resources	30,000
Inflationary Adjustment to the Supplies and Expenditures at the Department Level	25,000
Remodeling	<u>15,000</u>
Total	<u>\$100,000</u>

Mr. Woodcock distributed copies of his "Comparison of Selected Budgetary Areas--SVSC" of 10/12/81 (see Attachment) which he reviewed in detail. He then turned to the "General Fund Budget Summary--Saginaw Valley State College--Fiscal Year 1981-82 (As Revised 10/12/81)" (see Attachment) which he reviewed in depth, comparing it with the original budget adopted by the Board of Control on August 10, 1981, and calling specific attention to the additional reductions.

After considerable discussion, Chairman Kendall called for a vote.

Motion unanimously carried to adopt RES-520 covering the Revised General Fund Operating Budget for SVSC for the 1981-82 fiscal year.

9. Recommendation for Appointment of Dr. Guy M. Lee, Jr. and Dean Harold W. Peterson to the Faculty Reappointment and Tenure Commission in Accord with the Provisions of the Faculty Contract

Chairman Kendall referred to the resolution included in the Board packets and asked if anyone would care to move its adoption.

RES-521 It was moved and supported that the following resolution be adopted:  
WHEREAS, A Reappointment and Tenure Commission shall be established to review appeals of faculty promotion, tenure, and sabbaticals, and  
WHEREAS, Two members of the Commission are selected by the Board of Control;



NOW, THEREFORE, BE IT RESOLVED, That Dr. Guy M. Lee, Jr., Special Assistant to the President/Director of Affirmative Action, and Dr. Harold W. Peterson, Dean, School of Education, be appointed to the Commission for fiscal year 1981-82.

Mr. Kendall asked if there were any discussion.

Mr. Curtiss asked if these two gentlemen had served on that Commission in the past. Dr. Ryder responded that both of them had served last year and had done a terrific job.

There being no further discussion, Chairman Kendall called for a vote.

Motion unanimously carried to adopt RES-521 covering appointments to the Faculty Reappointment and Tenure Commission.

10. Recommendation for Inclusion of that Portion of the Nepotism Policy Relating to Board of Control Members (Adopted February 1, 1980) in the Board of Control Operations Manual

Chairman Kendall noted this was included in the Board packets and asked if someone would care to move its inclusion in the Board of Control Operations Manual.

BM-600     It was moved and supported that the attached Portion of the Nepotism Policy Relating to Board of Control Members be included in the Board of Control Operations Manual.

Chairman Kendall asked if there were any discussion.

Dr. Ryder noted that although this was the same policy that was adopted almost two years ago, when the Board recently adopted its operating policies for the Board, this was not included and the administration felt this would be the appropriate place to have it.

Dr. Williams stated that he had two questions. He read the first paragraph under POLICY "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 SVSC" and asked what it meant and why it should be excepted.

Dr. Ryder stated it meant that if a Board member had a child attending SVSC who sought out student employment, along with all the other students, this institution ought to be able to employ that individual just as it would anyone else... it would be for a temporary appointment...not a full-time job, and the administration just didn't feel that it was fair to the child to be prevented from getting employment.

Dr. Williams observed that that was one of the problems they faced when they decided to go to school here...he couldn't see an awful lot of difference between hiring a student and hiring a child non-student...they still had the same potential for abuse...he didn't think there was going to be any abuse, it was just the possible appearance of it.

Dr. Ryder indicated the administration didn't think there would be any abuse... the feeling was that it was so limited in terms of dollars...typically it was a semester by semester kind of experience anyway.

Chairman Kendall pointed out that a Board member's child would go through the process the same as any other student, without any special consideration or dispensation.

Mr. Woodcock pointed out that some of those jobs were part of a learning process for the students...also if an individual were eligible for financial aid, and those factors were outside of what SVSC determined, part of the package might very well be a student employment position to earn the money rather than to be given a grant or a loan...to not allow the person to have that job would be to say "you cannot have part of a financial aid package which he or she might be entitled to."

Dr. Williams said that his second question was, "was there any similar policy

with respect to high administrative officers' children, such as president, vice presidents or deans?"

Dr. Gilbert responded that it was the same for all college employees...the original policy that the Board adopted in February 1980 included all college employees and the Board members...it didn't distinguish between levels of people who were in the institution. This particular document, he concluded, was just pulled out so that it could become a part of the Board of Control Operations Manual.

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

Motion unanimously carried to adopt BM-600 covering the Nepotism Policy relating to the Board of Control.

11. Recommendation for Ratification of the Capital Outlay Budget Request for 1982-83

Chairman Kendall noted that Page 1 of 7 of SVSC's Construction Program Summary for 1982-83 was included in Board packets.

Dr. Ryder explained that the Board members had received copies of it before... it was one of those things which the institution basically submitted every year with only minor modifications...it had been the same for about the last three years. The state requested it earlier this year than it ever had before, he said, so the administration had to move ahead, and although it had talked with the Board committee, proceeded ahead and submitted this summary. He observed that it could be revised if the Board should see any reason to change it, but that was why administration was asking for ratification now as opposed to the Board's approval before submitting it.

Chairman Kendall called for a motion to ratify.

BM-601     It was moved and supported that the 1982-83 SVSC Construction Program Summary, already submitted to Lansing, be ratified (see Attachment).

Chairman Kendall asked if there were any discussion.

There was, and at considerable length. The most salient points were as follows:

The Central Heating and Cooling Plant should be low on the Priority List but moved up at a point in time if it were decided feasible to construct.

The Physical Education Building and Outdoor Facility should be pushed with the state for early consideration.

The Physical Education Building and Outdoor Facility should be higher on the Priority List than No. 6...at least before the Central Heating and Cooling Plant.

The Fine Arts Facility should be included in the Summary...although the plans were to construct with private funds, the state should be asked for about \$100,000 just to let the state know that Saginaw Valley State College intended to do something for itself.

If SVSC tried to build the Fine Arts Facility without it being on the Summary and Priority List, when it came time to build, the state might assume it were a "snap" decision on SVSC's part.

MICHIGAN  
DMB FORM A: CONSTRUCTION PROGRAM SUMMARY

CODE

LEGEND

FISCAL YEAR 1982-83  
PAGE 1 OF 7

DEPARTMENT OR INSTITUTION: SAGINAW VALLEY STATE COLLEGE

A = Not Yet Authorized in Act  
B = Programming  
C = Schematic/Prelim. Plans  
D = Working Drawings  
E = Construction

No.	Classification & Project Title	Gross Sq.Ft.	Total Project Cost	Total State Funds	State Funds To Date	PROJECT CASH FLOW & SCHEDULE				
						Cash Flow		Date Const. Start	Date Const. Complete	Sta
						FY 1	Balance			
	<u>PROGRAMMING &amp; PLANNING</u>									
6	Physical Education Building & Outdoor Facility	180.0	17,105.0	17,105.0	0	750.0	16,355.0	9-83	6-86	B
	<u>COMPLETE PLANS &amp; BEGIN CONSTRUCTION</u>									
1	Instructional Facility No. 2 & Remodeling of Wickes Hall	*291.3	28,462.0	27,462.0	100.0	4,000.0	23,462.0	9-82	1-85	C
5	Central Heating & Cooling Plant & Tunnel Distribution System	-	20,603.0	20,603.0	180.0	1,000.0	19,603.0	3-83	1-85	C
	<u>MAJOR DEVELOPMENT</u>									
3	Site Improvement & Landscaping	-	1,078.0	1,078.0	0	178.0	900.0	1-83	1-86	A
2	Lighting & Walks for M.I.R. Road	-	77.0	77.0	0	77.0	-	6-82	1-83	A
4	Maintenance Equipment Building	6.0	100.0	100.0	0	40.0	60.0	6-82	6-83	A
	* New Construction									
TOTAL			67,425.0	66,425.0	280.0	6,045.0	60,380.0			

NOTE: An inflationary rate of 10% has been added to estimates made for '81-82

Dr. Ryder concluded that the administration would consider all these comments and concerns.

Mr. Curtiss requested that the Minutes show that he, at least, felt that the Central Heating and Cooling Plant should, at this time, be very low on the Priority List and in a position where it could be moved up rapidly if economics dictated that it should be. He said that he was not sure what the impact of this one sheet was, and who saw it, but as far as he was concerned, SVSC had made some commitments in Lansing with regard to the Central Heating and Cooling Plant and he didn't want to give anybody the impression of backing off on that, but that he did feel, as he looked ahead the next ten years that the Physical Education Building and Outdoor Facility should come ahead of the Central Heating and Cooling Plant in terms of priority.

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

Motion unanimously carried to ratify the 1982-83 Saginaw Valley State College Construction Program Summary, already submitted to Lansing.

Chairman Kendall called a recess at 11:03 a.m.

The meeting reconvened at 11:18 a.m.

12. Recommendation Authorizing the Administration to Take the Steps Necessary to Establish a Foundation to Serve as A Vehicle for the Operation of the Business and Industrial Development Institute

Chairman Kendall indicated there was no material in the Board packets covering this Agenda item.

Dr. Ryder suggested that all it needed was a motion.

Mr. Kendall asked if anyone would care to make a motion to this effect.

BM-602     It was moved and supported that the Board of Control authorize the Administration to take the steps necessary in preparation for establishing a Foundation to serve as a vehicle for the operation of the Business and Industrial Institute

Chairman Kendall asked if there were any discussion.

Dr. Ryder pointed out that what this amounted to was the employment of the attorneys to carry out their investigation and structure the Foundation Articles, etc., after which the Board could make a decision to establish a Foundation...there would be some considerable expense in moving to that point, and the administration wouldn't want the Board to say later on that it didn't want to have the Foundation when they had gone ahead and spent money in that connection.

Continuing, Dr. Ryder noted, they didn't even know at this point which kind of a Foundation for sure it would be. The administration had had an exploratory discussion with the college attorney, Jim Kendall. Upon his recommendation another attorney, Robert Bromberg of Cincinnati, who specialized in this area, and who was with the IRS for four years and wrote the provisions of the regulations dealing with it was brought in for a preliminary consultation.

This would cost in the area of \$10,000 and the SVSC Foundation, which met on September 30, 1981, authorized an amount up to \$12,000 in support of this project dependent upon positive action of the Board of Control.

Dr. Gilmore expressed concern about using the SVSC Foundation for this purpose and questioned why the state appropriation of \$83,000 for this project wasn't being used for this groundwork...too much reliance had been placed on funds from the private sector, he said, and they should separate state functions from gift functions.

It was pointed out, however, that any revenues received from a Foundation such as this would be for the benefit of SVSC and couldn't be used for anything else, and that because the state funds were to be used to support research projects, with the college being the beneficiary of the proposed Foundation, that the funding from the SVSC Foundation was felt to be appropriate.

After considerable discussion, Chairman Kendall called for a vote.

Motion unanimously carried giving the Administration authorization to proceed

13. Recommendation for Adoption of the SVSC Basic Policies for Sponsored Research and Consulting Relationships

Chairman Kendall noted that this Agenda item was included in the Board packets and asked if someone would care to move its adoption.

BM-603     It was moved and supported that the SVSC Basic Policies for Sponsored Research and Consulting Relationships (see Attachment) be adopted by the SVSC Board of Control.

Mr. Kendall asked if there were any discussion.

The following modifications were suggested by Board members:

Page 2--Heading--Use the word "Relating" instead of "Interrelating"

Page 4--Line 7--Delete the word "Foundations" replace with the word "Grants"

Page 4--Line 9--Delete the word "foundation" replace with the word "grant"

Page 4--Line 10--Delete the word "foundation" replace with the word "grantor"



Saginaw Valley State College  
BASIC POLICIES FOR  
SPONSORED RESEARCH AND CONSULTING RELATIONSHIPS

The recognized educational objectives of Saginaw Valley State College include, as important goals, the dissemination of existing knowledge and the discovery of new knowledge through research. The increasingly complex relationships among colleges and universities, government and industry call for more intensive attention to standards of procedure and conduct in government and industry sponsored research carried on at colleges and universities. Standards must be respectful of the purposes, needs and integrity of the universities and the rightful claims of the public interest; thus it is incumbent upon the academic community to be mindful of conflict-of-interest situations which may arise in these growing involvements of the College.

General Statement Concerning Sponsored Research

Saginaw Valley State College encourages faculty members and students to engage in research, including that sponsored by such outside agencies as foundations, professional associations, government, and private industry. Through continued and expanding research activity the excellence of teaching programs can be maintained and improved, and the function of the College as a contributor to the storehouse of knowledge can be fulfilled. Important reciprocal benefits from sponsored research accrue to the College and to sponsoring agencies if the basic purposes and functions of each are respected.

Major Guidelines in Interrelating Sponsored Research Projects and Consulting Relationships to Government and Business

1. Science advances through the creativity of scholars working either singly or in groups. Research projects proposed and developed by the faculty which are consistent with the goals of the College will be encouraged.
2. Sponsoring agencies frequently have rather specific purposes, and some may even specify problems for which research support is available. The College, through the Office of Sponsored Programs, will make such opportunities appropriately known within the College community.
3. Sponsored research should be consistent with the policies and plans of the department or school in which the research will be conducted. The research should be directed by faculty or administrative/professional staff within established units of the College. Cooperative programs cutting across academic units are also to be encouraged.
4. Research projects should be managed to avoid disruption of established research and teaching programs of the institution. For example:
  - a. Sponsored research should be accepted only if appropriate space and facilities can be made available; and
  - b. Consideration should be given to continuity of support.
5. Reports to sponsoring agencies should be consistent with the requirements of the project and should be submitted to the sponsoring agency on a timely basis since reimbursement of costs to the College is often contingent upon submission of such reports. Rapidly changing and unforeseen research directions may make more frequent reporting desirable.
6. In seeking or accepting support for research, care should be exercised to insure compatibility with the goals and objectives of the College.

7. The College should retain for its scholars the right of first publication. The imposition of restrictions on publication of research results is incompatible with the basic concept of an educational institution. Exigencies of national defense may at times make exceptions to this policy necessary.
8. No research publication, statement, or activity, either on behalf of the College or by an individual in his official capacity, shall endorse any commercial product, or advocate any specific commercial method or device, either directly or by implication.
9. The College will make a continuous effort to see that its own members are provided with sufficient information on the overall cost of research and other financial matters concerning grants and contracts.
10. The entire cost of sponsored research should be carefully determined. If grants or contracts are accepted which do not cover the direct and indirect costs, the institution will recognize that it is making a contribution to the cost of the work. Research proposals should include in their budget provisions for special costs for services such as computer operations, special equipment time, space modification, etc.
11. Research projects should conform to established College policy on patent rights.
12. Research involving human subjects will conform to established College Policy on human subject research.

#### General Statement Concerning Consulting Relationships

Through consulting relationships with government, business, and industry the faculty can provide an invaluable resource of expertise and assistance in the transfer of technical knowledge and skill. At the same time such relationships

serve the interests of research and education at the College. Consulting relationships are desirable, but require cognizance of the basic differences of purposes and functions of sponsoring agencies and the College. Specific policies and requirements, such as the Faculty Collective Bargaining Agreement, are applicable to segments of the academic community and should be consulted as the primary document governing consulting relationships.

#### General Statement Concerning Private Foundations

It has been deemed in the best interest of this College to avoid situations in which one unit of the College competes with another for outside foundation support. Such circumstances prompt the foundation to raise questions as to whether the College is clear concerning its own priorities. The foundation may be at a loss to know specifically what is expected of it. It never has sufficient funds or resources to honor the many requests directed to it. For this reason a coordination of approach to foundations, particularly the large foundations, has been deemed in the best interest of the respective units of the College. All requests to outside foundations for support of college related programs must be coordinated by the Vice-President for Development and College Relations.

#### Conflict of Interest

The College endorses the statement on conflict situations published in December 1964 as a joint statement by the Council of the American Association of University Professors and the American Council of Education entitled, "On Preventing Conflicts of Interest in Government-Sponsored Research at Universities." (See Appendix B)

## ADMINISTRATION OF SPONSORED RESEARCH

### General

Proposals will generally originate with the faculty or administrative/professional staff in one of the departments. Compatibility of research proposals with the College's educational goals can generally be best determined within the department itself. The review and approval of proposals by the respective department chairperson, dean, and Vice-President are to insure conformity with the objectives of the department and school. Equally important, such review will help keep academic administrators apprised of the proposals they are being asked to support. Questions of availability of space and equipment, recruiting of research assistants, and possible adjustments of teaching loads may arise. These frequently require specific administrative actions on the part of academic administrators if proposals are approved.

Projects are to be reviewed for budget construction by the Office of Sponsored Programs and the Business Office before their transmittal to outside agencies. The Office of the Vice President for Business Affairs is responsible for resolving complex and knotty problems of institutional financing, accountability of funds received in support of research, and establishment of efficient fiscal methods involved in the execution of research projects. Management of funds consistent with the terms of grants and contracts is a responsibility accepted by the College at the time it accepts a grant and represents a basic commitment with the respective agencies sponsoring projects.

The Office of Sponsored Programs is responsible to the President for developing administrative arrangements which insure the coordination of proposals prior to their transmittal to outside organizations. The President has the final authority for approving the submission of all proposals. The responsibility

for administering approved sponsored research projects or programs rests with the appropriate Dean or Director and the corresponding Vice President.

PROCEDURES PRIOR TO SUBMISSION OF  
APPLICATION TO EXTRAMURAL ORGANIZATIONS

1. Transmittal Sheet - A Transmittal Sheet (See Appendix A) has been prepared by the Office of Sponsored Programs and must accompany all proposals. The sheet is self-explanatory and indicates the course of action to be followed internally to secure College approval and commitment.
2. Number of Copies and Distribution - A copy of each proposal should be prepared for the Office of Sponsored Programs. The Transmittal Sheet should be attached to this copy. After all signatures have been completed on the Transmittal Sheet, the Office of Sponsored Programs will make the appropriate number of copies, insure transmittal to the sponsoring agency and will make appropriate on-campus distribution.
3. Deadlines - Deadlines, if any, which potential sponsors may have concerning the submission of proposals should be noted. Sufficient time for processing within the College must be allowed so that a final draft of each proposal will be received by the Office of Sponsored Programs at least seven days in advance of deadlines established by the sponsoring agency. Normally, five days are required in advance of deadlines for mail certified acceptance; A seven day time schedule will allow two days for review by the Office of Sponsored Programs.
4. Preparation of Proposal - Proposals are generally developed in a department by the faculty or administrative/professional staff and reviewed within the department. It is important to review the budget construction

in advance informally with the Office of Sponsored Programs for conformity with policies of sponsoring agencies and the College on such matters as allowable direct cost and indirect costs, etc. If there is something unusual about each proposal, in the sense that a heavy demand on the department's resources and programs may be involved, etc., discussion in advance with the department chairman, division director, and/or dean is also helpful and mutually advantageous.

5. Approval by Department Chairman - The department chairman is asked to make recommendations on proposals originating within the department. Subsequently, the respective dean or director and appropriate Vice-President will approve the applications. Interdisciplinary groups, established for purpose of a research program, will generally have one person designated as chairman or leader of the group, who will transmit proposals through established administrative channels and notify interested departments and schools of the progress of proposals.
6. Approval by College Business Office - A proposed budget is reviewed for allowable direct costs, indirect costs, and staff benefits. If the proposal anticipates computer use, this fact should be reflected in the budget proposal.
7. Review and Approval by Office of Sponsored Programs - Before proposals are transmitted extramurally, they are to be reviewed and approved by the Office of Sponsored Programs. This approval must accompany all applications in addition to any other signatures which may be requested by the potential sponsor.

Proposals are reviewed for approval by appropriate offices, for conformity with established policies, and for overall congruencies with education-research aims of respective units.

The project leader and other signatories are notified of the completion and execution of the transmittal sheets as soon as this occurs, as well as the time that proposals are mailed to the prospective sponsor. Proposals will be mailed only by the Office of Sponsored Programs. If questions arise concerning the proposal, these will be resolved through the services of the Office of Sponsored Programs prior to transmittal to a sponsoring agency.

8. Presidential Approval - The President or designee will sign all proposals on behalf of Saginaw Valley State College.



Page 4--Line 11--Delete the word "foundation" replace with the words  
"prospective grantor"

Page 4--Line 12--Delete the words "of it. It," replace with the con-  
junction "and"

Page 4--Line 14--Change the word form "coordinating" to read "coordinated"

Page 4--Line 14--Delete the word "foundations" replace with the words  
"prospective grantors"

Page 4--Line 15--Insert the words "and industrial firms," following the  
word "foundations"

Page 4--Line 16--Delete the word "foundations" replace with the word  
"grantors"

Upon completion of review of the document, Chairman Kendall called for a  
vote.

Motion unanimously carried to adopt the Policies as modified.

14. Recommendation for Adoption of the SVSC Patent Policy

Chairman Kendall referred to the material provided in the Board packets and  
asked if anyone would care to move its adoption.

BM-604     It was moved and supported that the SVSC Patent Policy  
(see Attachment) be adopted by the SVSC Board of Control

Mr. Kendall asked if there were any discussion.

The following modifications were suggested by Board members:

Page 2--Section c--Line 3--Delete the phrase "In general"

Page 3--Section 3--Line 19--Change "Paragraph 2 and 3" to read "Paragraph 1  
and 2"

Upon completion of review of the document, Chairman Kendall called for a  
vote.

Motion unanimously carried to adopt the Patent Policy as modified.

Saginaw Valley State College  
Patent Policy

Saginaw Valley State College (hereinafter called the "College") recognizes that patentable inventions may be made in the course of research sponsored by the College and supported in whole or in part with funds furnished by it and/or others. It is the desire of the College that such inventions be administered in a manner that will bring them into the public sector. The College recognizes this may best be accomplished through patenting and licensing of inventions in a manner consistent with the public interest. The Board of Control of the College hereby establishes the following patent policy, which the Board may amend from time to time as it deems necessary or desirable.

College Inventions

All inventions or improvements, whether patentable or not, which are conceived or first reduced to practice by employees of the College in the course of their duties or by others, under supervision of a College employee, who utilize research or development facilities owned by or otherwise made available by the College (such inventions and improvements being hereinafter collectively called "College Inventions"), shall be administered in accordance with the following provisions of this patent policy.

Non-College Inventions

Inventions made by employees outside their line of duty and on their own time and without the aid of College facilities are the sole property of the inventor.

- a. Patents from such inventions should be administered so as not to involve the College name or to discredit the College.

- b. Time spent in administering such patents should conform to the College policy on outside activities by staff members.
- c. In general, employees should not patent such inventions which are in the field of a College research program of which they have specific knowledge without first advising the President and allowing a reasonable time for response from the College.

#### Administration of College Inventions

1. As soon as reasonably possible in each case, all College Inventions shall be disclosed in writing to the President of the College. In accordance with paragraph d. below, the President shall be kept fully and currently informed in writing of the progress and results of all research and development work done with respect to such inventions.

- a. All College Inventions shall be the sole property of the College, except where ownership of such an Invention is subject to or is disposed of in accordance with any other provision of this patent policy.
- b. All College Inventions shall be assigned by the respective Inventors to the College or its designees, as directed by the President. The inventor(s) shall co-operate in the filing and prosecution of U.S. and foreign patent applications on assigned inventions at College expense except in cases where an Invention is released to the Inventor(s) by the President.
- c. All employees of the College who are engaged in research or development work, and all others who utilize research or development facilities owned by or otherwise made available by the College (excepting such facilities as are under lease to any organization not subject to the supervision of the Board of

Control of the College), will be required to sign an agreement reflecting the existence of this patent policy.

- d. The President shall designate a "Patent Committee" to consider Invention disclosures, recommend further action or disposition regarding such disclosures and otherwise act in all matters involving College Inventions except that such actions are subject to the final approval of the President. The Patent Committee shall consist of five (5) members - two full-time faculty members, and two members "At Large" to be designated by the President, and the Director of Sponsored Programs who shall act as Chairman of the Committee. The Committee may utilize, with the approval of the President, the services of professional patent counsel in matters pertaining to legal questions.

2. If research and development work on any College Invention is financed jointly by the College and one or more third parties, or solely by one or more third parties, prior to the start of work all parties must confer to arrive at a mutually satisfactory disposition as to ownership, licensing and use of the Invention.

3. Consistent with paragraphs 2 and 3, the President shall determine and carry out the disposition or retention of all College Inventions, and the administration of all such Inventions which remain the property of the College. The President shall have contractual authority with regard to all matters concerning College Inventions.

4. As to each College Invention the College owns, the President shall determine that the Invention be dealt with in accordance with one of the following alternatives:

- a. The Invention be submitted and assigned to the SVSC Foundation or to another similar non-profit organization, for administration thereof.
- b. Ownership and administration of the Invention be retained by the College , and patents thereon be applied for and administered by the College in such countries, including the United States, as determined by the President. However, the College shall not bring, prosecute or defend any litigation involving said Invention or any patent or patent application relating thereto without the approval of the College's Board of Control.
- c. Ownership and administration of the Invention be retained by the College , but no patent applications be filed.
- d. The Invention be released to the Inventor(s) or his or their designee(s), but only upon prior written determination by the President that such release is in the best interest of the College.
- e. Such other disposition or retention of the ownership or administration of the Invention as the President determines to be in the best interest of the College.

5. In the event that a College Invention is licensed for use, the Inventor(s) may share in the net royalty income derived by the College from the Invention after all costs are recovered in accordance with the following schedule:

- 25% of \$0 to \$50,000 cumulative total royalty income, plus
- 20% of \$50,000 to \$100,000 cumulative total royalty income, plus
- 15% of \$100,000 and over cumulative total royalty income.

Costs shall mean:

1. Expenses incurred in the patenting and licensing of the  
Invention.
2. Any other costs as may be negotiated with the inventor.

15. Recommendation for Participating as an Incorporator for a New Corporation called "Michigan Association of Governing Boards of Colleges and Universities"

Chairman Kendall noted material for this Agenda item was included in the Board packets. Dr. Williams asked the purpose of the organization and its cost.

Dr. Ryder suggested that since Mr. Curtiss had attended the meeting at which this was discussed, he should respond.

Mr. Curtiss said he didn't have the By-Laws with him here, but basically its purpose was to further public higher education in Michigan and was increasingly becoming the mechanism to encourage various forms of coordination between public institutions. The cost was reasonable...originally the dues were \$100 a year... they were cut to \$10 a year last year...he wasn't sure what they would be this year.

Continuing, Mr. Curtiss noted that the organization had been operating since about 1967 just as a group of people getting together quarterly, and more recently, bi-monthly on an informal basis.

The reason for incorporating, he said, was simply to establish a structure, as that of a corporation, primarily so that it would be eligible to receive grants... the group had several projects it had been working on...he didn't know whether any were grants, but in order to do so, it had to be incorporated.

He called attention to the proposed resolution and indicated there were two blanks that needed to be filled in...the legal name of the Board and the name of a Board member authorized to sign for the Board.

It was agreed that the first blank should read "Board of Control of Saginaw Valley State College" and the second blank should read "Charles B. Curtiss."

Chairman Kendall asked if someone would care to move the adoption of the

resolution.

RES-522    It was moved and supported that the following resolution be adopted:

BE IT RESOLVED, That the Board of Control of Saginaw Valley State College determines that it should be one of the incorporators of the proposed new corporation called "Michigan Association of Governing Boards of Colleges and Universities". Charles B. Curtiss is authorized to sign the Articles of Incorporation on behalf of the Board.

Mr. Kendall asked if there were any discussion.

Mr. Braun asked why the University of Michigan was not listed as one of the incorporators. Mr. Curtiss indicated it was not a member. Dr. Ryder added that it had been invited to become a member.

Hearing no further discussion, Chairman Kendall called for a vote.

Motion unanimously carried to adopt RES-522 with respect to the proposed new corporation called "Michigan Association of Governing Boards of Colleges and Universities."

16.    Recommendation for Adoption of a Resolution Endorsing the Theme "America's Energy is Mindpower"

Chairman Kendall stated this resolution was included in the Board packets and asked if someone would care to move its adoption.

RES-523    It was moved and supported that the attached resolution be adopted.

Mr. Kendall asked if there were any discussion.

Dr. Ryder noted that this was a national event...the Agenda item stated "America's Energy is Mindpower" and this Board's resolution was changed so that it stated "Michigan's Energy is Mindpower."

There being no further discussion, Chairman Kendall called for a vote.

Motion unanimously carried to adopt RES-523 "Michigan's Energy is Mindpower."



17. Recommendation for Acceptance, with Appreciation, a Distinguished Service Award from the Council for Advancement and Support of Education

Chairman Kendall indicated the Board members had received copies of the "Distinguished Service to Higher Education Award."

Dr. Ryder said he would like to read it into the record and proceeded to do so (see Attachment).

This was done back in July, Dr. Ryder noted, and the award was sent to this Board, as well as all other Boards of Council for Advancement and Support of Education (CASE) member colleges and universities. The Boards were recognized because of their lay contributions to the development of higher education which was so important in this country. Very few countries, he said, had this kind of a situation where lay Boards were contributing this way...usually it was done through government. This was one of the uniquenesses of the U.S. and something they should be very proud of...it had been very positive in terms of its results. Dr. Ryder concluded that what he was asking for here was simply that the Board accept this award with appreciation.

Chairman Kendall called for a motion.

BM-605 It was moved and supported that the Board of Control accept the CASE "Distinguished Service to Higher Education Award" with appreciation.

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

Motion unanimously carried to accept the award, with appreciation.

18. Recommendation for Adoption of Resolution Recognizing Melvin J. Zahnow's Contributions to SVSC through Able and Dedicated Service on the Board of Control

**I**N providing higher educational opportunities for its citizens, the United States has gone far beyond any other country in the world. The responsibility for this enterprise rests upon people who are not professional educators and who serve our institutions without compensation. These volunteers, our university and college trustees and regents have played a special role in this nation's development. Their involvement has helped create a flexible and adaptable American education system where quality takes many forms. Indeed the advancement of this system owes a large debt to the added vision, dedication, and stewardship of governing boards of American universities and colleges. The Council for Advancement and Support of Education salutes the contributions of your governing board and presents this

## *Distinguished Service to Higher Education Award*

*on National Support Higher Education Day,  
July the Sixteenth, Nineteen Hundred Eighty-One*

*James P. Fisher*  
VICE CHAIR

*Maurice Johnson*  
CHAIR OF THE BOARD

Chairman Kendall stated that this resolution was included in the Board packets and asked if someone would care to move its adoption.

RES-524 It was moved and supported that the attached resolution be adopted.

Mr. Kendall observed they shouldn't have any problem with this resolution and asked if there were any discussion. There being none, he called for a vote.

Motion unanimously carried to adopt RES-524 recognizing Dr. Zahnow's contributions.

Dr. Ryder advised that Dr. and Mrs. Zahnow would be with the Board for lunch at 12:00 noon.

Chairman Kendall asked if there were any other Action items. Dr. Ryder stated he had three to add, which could be handled rather quickly.

18A. Receipt of the 1980-81 Annual Audit

Dr. Ryder noted that the Annual Audit had been received by the administration and a motion was in order for the Board to receive it.

BM-606 It was moved and supported that the 1980-81 Annual Audit completed by the CPA firm of Yeo & Yeo be received.

Chairman Kendall asked if there were any discussion.

Mr. Woodcock advised he had copies of the audit to distribute to the Board members and that as soon as it had been formally received by the Board, distribution would be made to other channels, including a copy on reserve in the Library under Dr. Ryder's name.

Hearing no further discussion, Chairman Kendall called for a vote.

Motion unanimously carried to receive the audit.

RESOLUTION: EXTENDING APPRECIATION TO MELVIN J. ZAHNOW FOR HIS EFFORTS  
AND SERVICE ON BEHALF OF SAGINAW VALLEY STATE COLLEGE

WHEREAS, The dream of a baccalaureate college in the Saginaw Valley region was conceived and accomplished, in large measure, because of the wisdom and foresight of Melvin J. Zahnow, and

WHEREAS, Dr. Zahnow was an incorporator and member of the Saginaw Valley State College Board when it was organized in 1963 as Saginaw Valley College, and

WHEREAS, He was appointed by Governor George Romney to the Board of Control when the College became a public institution in 1965, and

WHEREAS, He has represented the people of the state of Michigan with distinction on the Board continuously to the present, serving as Treasurer of the Board of Control for 16 years, and

WHEREAS, He has been a member of the SVSC Foundation Board of Directors since its inception in 1977 and has provided countless donations of his time and other resources to the College, and

WHEREAS, Under his guidance numerous gifts to the College and the Foundation have resulted through his efforts and affiliation with area organizations and foundations, and

WHEREAS, Dr. Zahnow's dedication and commitment to the goals of the College and his work and time to accomplish these have been unsurpassed;

NOW, THEREFORE, BE IT RESOLVED, That we, the members of the Saginaw Valley State College Board of Control, convey to Dr. Zahnow and his wife, Lillian, our heartfelt appreciation and thanks, not only from ourselves but from the entire SVSC community, including present and past students, alumni, faculty and staff on this, the occasion of his retirement from active service on the Board.

18B. SVSC 1980-81 Student Senate Amendment to Supercede Article V, Section 2.

Copies of this Amendment were distributed and Dr. Ryder called upon Mr. Hamling, President of Student Government to present.

Mr. Hamling stated that this Amendment was merely to correct an omission in the last Constitution. The Vice President had been left out.

Chairman Kendall called for a motion to approve the Amendment.

BM-607 It was moved and supported that the Board of Control approve the Student Senate Amendment to Supercede Article V, Section 2 (see Attachment).

Mr. Kendall asked if there were any discussion. Hearing none, he called for a vote.

Motion unanimously carried to approve the Student Senate Amendment.

18C. SVSC 1980-81 Student Senate Amendment to Supercede Article II, Section 2, Part 8, and Student Senate Amendment to Supercede Article III, Section 6, Part 5.

Copies of these Amendments were distributed and once again Dr. Ryder called upon Mr. Hamling to present.

Mr. Hamling described the first Amendment as being merely a clarification of Article II, Section 2, Part 8.

The latter Amendment, Mr. Hamling noted, was a major one which he reviewed in detail.

Chairman Kendall called for a motion to approve the two Student Senate Amendments.

BM-608 It was moved and supported that the Board of Control approve the Student Senate Amendment to Supercede Article II, Section 2, Part 8, and Student Senate Amendment to Supercede Article III, Section 6, Part 5, (see Attachment).

SAGINAW VALLEY STATE COLLEGE

1980-1981 Student Senate

Amendment

Introduced by Paul Ankney,  
John H. Katt

This Amendment shall supercede Article V, Section 2.

If the Vice-President or the Treasurer of Student Government is unable to fulfill his duties as prescribed in the Constitution, during Spring and/or Summer semester (s), then he/she must make that fact known to the Student Government Senate within ten (10) days from the start of the respective semester (s). From the day the Senate is notified, the Vice-President or Treasurer shall have seven (7) days to appoint a replacement which must be approved by a majority of Student Government Senate. If after seven (7) days after notification of inability to serve, or if after fourteen (14) days into the semester, the officer has not attempted to fulfill the duties of the office as stated in the Constitution, the Senate shall submit candidates, for majority approval of the Senate, to act as temporary replacement, until the return of the officer to active duty.

- a. In the event an appointment is made and not approved by the Senate, the officer shall have seven (7) days in which to submit another appointment for Senate approval, commencing from the day the first appointment was rejected.
- b. This process as stated in (a.) above, may be repeated indefinitely, with the Senator Pro-Tem acting as Vice-President and the chairman of the Budget Committee acting as Treasurer, in all capacities, until Senate approval of an appointee is complete, or the officer returns to active duty.

These Amendments were passed by the Student Senate on: August, 12, 1981

Signature of: Jerry R. Hamling, Jr.  
Jerry R. Hamling, Jr.  
Saginaw Valley State College Student Government

Date of above signature: August 19, 1981

Date passed by the students of Saginaw Valley State College:  
October 8, 1981

Date submitted to the Saginaw Valley State College Board of Control:  
\_\_\_\_\_

Date passed by the Saginaw Valley State College Board of Control:  
\_\_\_\_\_

SAGINAW VALLEY STATE COLLEGE

1980-1981 Student Senate

Amendments

Introduced by Vice-President  
Paul Ankney, Dr. Phil Beal,  
President Jerry Hamling,  
and Senator John Katt

*This Amendment shall supercede Article II, Section 2, Part 8.*

*8. He/she shall manage the assets of Student Government as follows:*

- a. President shall set executive salaries and secretarial wages with majority approval of the Senate.*
- b. He/she shall make allocations of Program Board budget items, as well as other allocations deemed desirable, subject to review by the Budget Committee (see Article III, Section 6, Part 6b) and approved by a majority vote of the Senate.*
- c. He/she shall have the authority to pay all office expenses.*
- d. He/she shall have veto power over Senate allocations.*

*This Amendment shall supercede Article III, Section 6, Part 5.*

Article III, Section 6, Part 5

- 6. The Senate has the power to allocate Student Government funds.*
  - a. A motion to approve an allocation of funds may be submitted by any Senator and is in order at any meeting of the Senate. Such a motion requires a minimum of one week before it may be voted upon, during which it shall be forwarded to the Budget Committee for review. In the event that the Budget Committee has already reviewed the request, the waiting period of one week may be waived by a two-thirds vote of the Senate. A majority vote of the Senate is required to pass a motion to allocate funds.*
  - b. The Budget Committee shall consist of the Treasurer, Vice-President and two Senators appointed by the Pro-Tem. They shall review and investigate any allocation requested by a Senator or the President and present the Senate with their recommendation (within ten days of request).*
  - c. The Senate may override a President's veto by a 2/3 majority.*

*These Amendments were passed by the Student Senate on August 12, 1981.*

*Date submitted to the President of Student Government: August 19, 1981.*

Signature of: Jerry R. Hamling, Jr.  
Jerry R. Hamling, Jr.  
Saginaw Valley State College Student Government

Date of above signature: August 19, 1981

October 8, 1981

Date passed by the Saginaw Valley State College Board of Control:



Mr. Kendall asked if there were any discussion. There being none he called for a vote.

Motion unanimously carried to approve the two Student Senate Amendments.

#### IV. INFORMATION AND DISCUSSION ITEMS

##### 19. Report and Analysis of Fall 1981 Registration

Registrar Paul Saft distributed copies of his two-page report (see Attachment) which he reviewed briefly, after which he indicated he would answer questions if there were any.

Mr. Curtiss observed that SVSC had a decline in FTIC students of 4.4% and asked what SVSC's undergraduate tuition per credit hour was now as well as Delta's.

Dr. Ryder responded that SVSC's was \$41 per credit hour plus a \$3 fee, so it really amounted to \$44 per credit hour...he thought Delta had raised their's to either \$25 or \$26 per credit hour.

Mr. Curtiss advised that he was distinctly hearing more and more now about why local kids should go to Delta for the first two years because it was half the cost of Saginaw Valley. He cautioned that SVSC had better watch its price mechanism.

Also, Mr. Curtiss indicated that he would like to know how SVSC could get a "handle" on how many guest students SVSC was sending over to Delta, because he suspected that the number was significant.

Mr. Saft observed that he had the same feeling, and perhaps it was something he could prepare for the next Board meeting.

Mr. Curtiss suggested that they keep an eye on it because he thought it was going to be where the impact of SVSC's tuition increase was going to show up... where there was an equivalent course that people could get at roughly half the

ATTACHMENT IV. 19. Report and Analysis of Fall 1981 Registration

SAGINAW VALLEY STATE COLLEGE  
Office of the Registrar

October 12, 1981  
Fall 1981 OFFICIAL

ENROLLMENT SUMMARY

Enrollments for Fall 1981 remain stable with slight increases in the number of students and credit hours. Our official counts show 4355 students enrolled in 40,942 credit hours.

For the first time the number of students taking classes on the University Center campus passed the 4000 mark as it reached 4053.

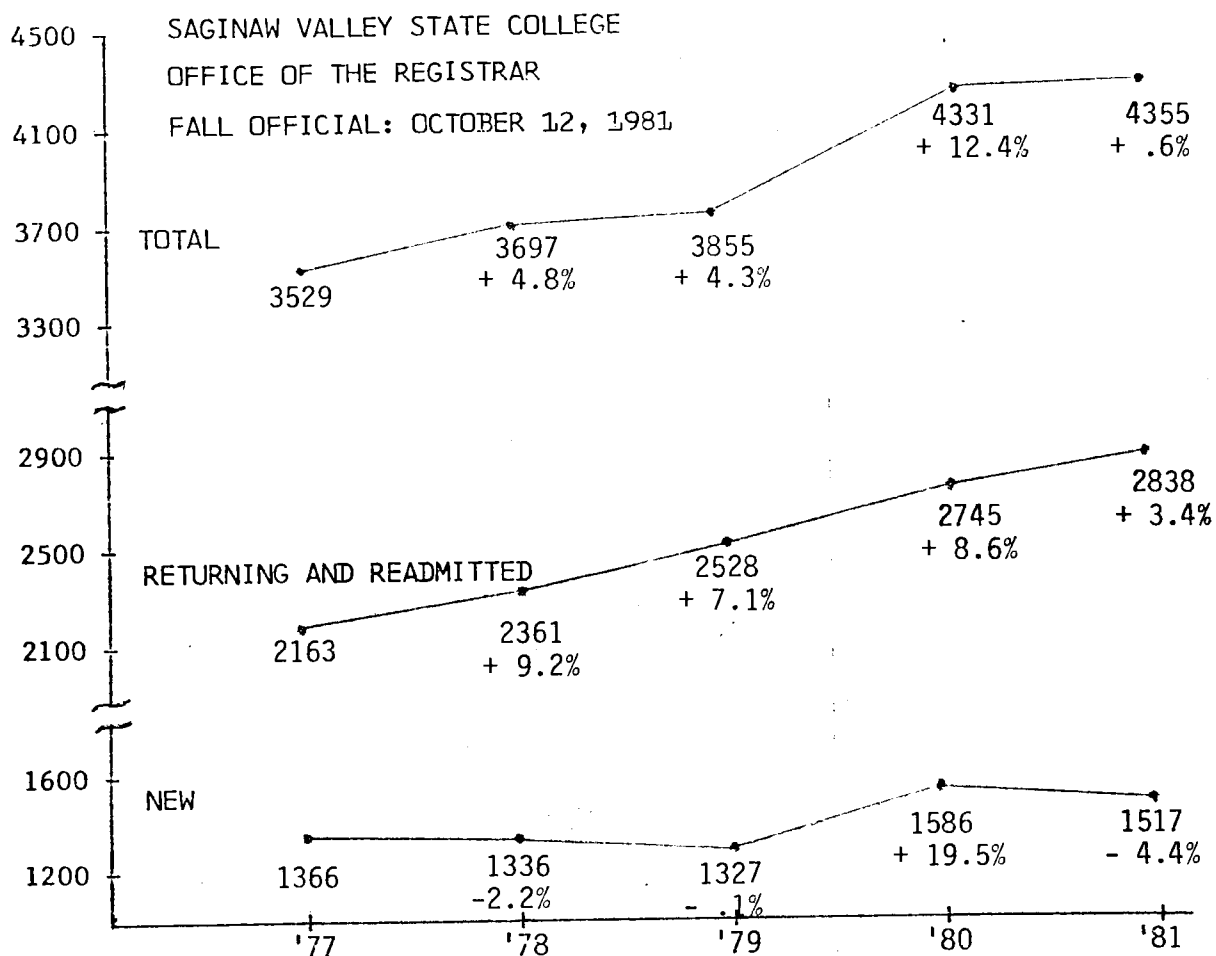
The only significant shift in the student population is the increasing number of women students. They moved from a 53% share of the population in Fall 1980 to a 56% share in Fall 1981.

ENROLLMENT DETAILS

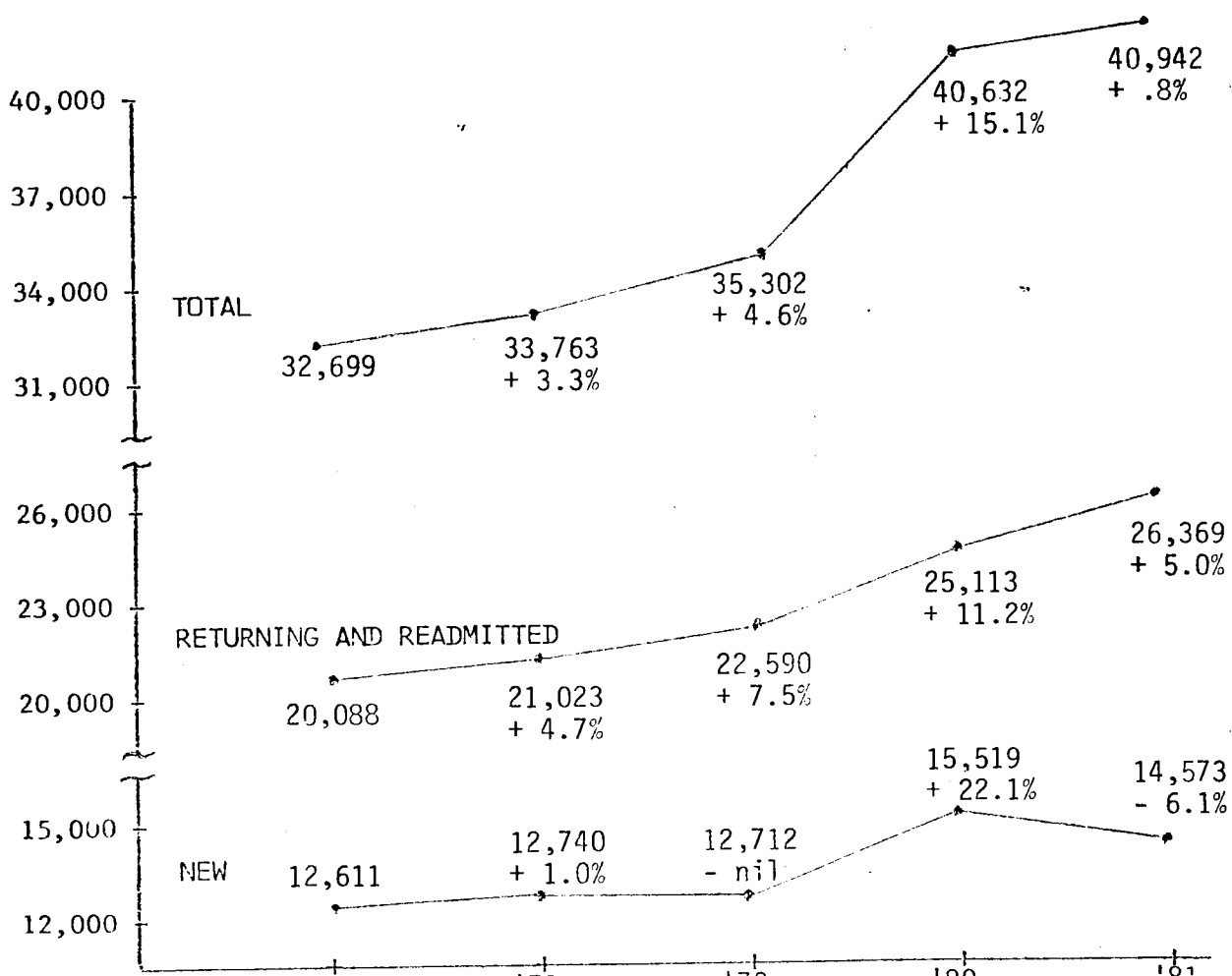
	Fall 1980		Fall 1981		TOTAL CHANGE	
	Number	(% of total)	Number	(% of total)	Number	%
Students	4,331	(100%)	4,355	(100%)	+ 24	+ .6%
Credit Hours	40,632	(100%)	40,942	(100%)	+ 310	+ .8%
Average Load	9.38 credits		9.40 credits		+ .02	+ .2%
Men	2,048	(47%)	1,934	(44%)	- 114	- 5.6%
Women	2,283	(53%)	2,421	(56%)	+ 138	+ 6.0%
Full-time Equivalent	2,688		2,709		+ 21	+ .8%
On-Campus	3,986	(92%)	4,053	(93%)	+ 67	+ 1.7%
Off-Campus	345	(8%)	302	(7%)	- 43	- 12.5%
Dorm Students	481	(11%)	481 *	(11%)	- -	- -
Commuters	3,850	(89%)	3,874	(89%)	+ 24	+ .6%
25 (age) - over	1,953	(45%)	1,965	(45%)	+ 12	+ .6%
Under 25	2,378	(55%)	2,390	(55%)	+ 12	+ .5%
Saginaw	1,878	(43%)	1,813	(42%)	- 65	- 3.5%
Bay	850	(20%)	833	(19%)	- 17	- 2.0%
Midland	306	(7%)	324	(7%)	+ 18	+ 5.9%
Macomb	174	(4%)	172	(4%)	- 2	- 1.1%
Oakland	83	(2%)	102	(2%)	+ 19	+ 22.9%
Tuscola	207	(5%)	239	(6%)	+ 32	+ 15.5%
Wayne	100	(2%)	100	(2%)	- -	- -
Other Michigan	653	(15%)	715	(16%)	+ 62	+ 9.5%
Other U.S.	29	(1%)	22	(1%)	- 7	- 24.1%
Foreign	51	(1%)	35	(1%)	- 16	- 31.4%

Sources: AP 245, AP 250, RP 596, and (\*) Dean Beal

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price over at Delta, they were going to do it...he thought they would see it reflected in the figures. It would be very difficult, he said to try to trace the facts if those things were available...it would be very difficult to tell what was happening to the FTIC student who decided he wanted to go to Delta for the first two years for half the price. He noted that it had been half the price and 70% and so on for quite a while, but the dollars they were talking about now were becoming significant...not just the proportion...\$20 a credit hour cheaper at Delta was quite a bit of money.

Mr. Curtiss asked Mr. Hamling if he had heard anything about SVSC encouraging its students to consider guest courses at Delta because they were cheaper. Mr. Hamling responded that he had not.

Mr. Saft observed that there was one factor that made it difficult to track students going to Delta and that was that if they were at Delta originally, they were able to go back to Delta and take courses without formally registering with his office...they could get away with it because Delta readily accepted them back once they had been admitted there originally. Because of this, he said, he could not get a true picture of those coming back...he could get a look at those who came through the correct procedures in registering with SVSC, thereby transferring their courses back to SVSC.

Noting that Saginaw and Bay Counties were down in comparison with last fall, Mr. Curtiss indicated he was wondering if the tuition differential might not be part of the reason for the decline in enrollments in Saginaw and Bay Counties. He observed it would be interesting to see those figures for FTIC students from those counties...he didn't know whether that was available or not.

Mr. Saft advised those figures would come from the Admissions Office... if Mr. Curtiss would like to have them, he was sure they could be provided. Mr. Curtiss responded that he suspected they would be provided in a normal report from that office.

Completing his report, Mr. Saft referred to his second page graph and reviewed briefly.

20. Report on Status of Proposed Residential Housing Projects

Dr. Ryder advised this Agenda item would be discussed in committee meetings this afternoon.

21. Sponsored Programs Report

Dr. Ryder called upon Cy Smith to review.

Mr. Smith observed that there was nothing unusual about this month's report. SVSC did have two grants in the area of Nursing denied...one of which would be resubmitted by November 1 because of the basis on which the grant was not funded... it was felt that SVSC had a good chance of picking up very quickly, making amendments in the grant proposal and resubmitting by November 1. This, he concluded, would be the BSN Rural Outreach Program proposal.

22. Personnel Report

Dr. Ryder requested that Board members review at their leisure.

V. OTHER ITEMS FOR CONSIDERATION

23. Board Committee Appointments

Chairman Kendall distributed copies of his appointment list to Board members (see Attachment) and read the appointments. He stressed that Board members should keep in mind that this should be a rotational function for their own benefit.

ATTACHMENT  
V. 23. Board Committee Appointments

BOARD OF CONTROL COMMITTEE MEMBERSHIP

CURRENT

PROPOSED

ACADEMIC, PERSONNEL AND FACILITIES PLANNING

\*ARBURY  
GILMORE  
\*CURTISS  
SALTZMAN

BRAUN  
GILMORE  
KENDALL  
SALTZMAN

BUSINESS, FINANCE AND INVESTMENTS

DARIN  
\*KENDALL  
WILLIAMS  
ZAHNOW

ARBURY  
CURTISS  
DARIN  
WILLIAMS

INVESTMENT SUBCOMMITTEE

GILMORE  
WOODCOCK  
ZAHNOW

GILMORE  
\*\*RYDER  
WOODCOCK  
\*\*WILLIAMS  
ZAHNOW

\*CHANGING COMMITTEES

\*\*ADDED TO COMMITTEE

JMR:omc  
10/12 '81

24. Communication from Dr. David Rayfield

Chairman Kendall advised the Board members that he had received a letter from Dr. David Rayfield, who was present today. He informed Dr. Rayfield that he had not had a chance to read the document in its entirety, but he would share it with the other Board members and get back to him as promptly as possible. Dr. Rayfield thanked Mr. Kendall for his consideration.

Chairman Kendall then asked if there were any other items for consideration.

President Ryder indicated he would like to recommend that the Board go into Executive Session once it came back from lunch for the sole purpose of discussing clerical negotiations...he wanted the press and anyone else present to know that that would be the only purpose of the Executive Session, after which there would be adjournment.

Chairman Kendall indicated Dr. Ryder's recommendation called for a motion.

BM-609     It was moved and supported that the Board recess for lunch and reconvene in Executive Session thereafter for the sole purpose of discussing clerical negotiations.

Mr. Kendall called for a vote.

Motion unanimously carried to recess for lunch and reconvene in Executive Session thereafter for the sole purpose of discussing clerical negotiations.

The meeting recessed at 12:14 p.m.

The Board reconvened in Executive Session at 1:45 p.m.

The Executive Session adjourned at 2:15 p.m.

The Regular Meeting reconvened at 2:15 p.m.

VI. ADJOURNMENT

There being no further business to transact, Chairman Kendall adjourned the meeting at 2:15 p.m.

Respectfully submitted,

\_\_\_\_\_  
John W. Kendall--Chairman

\_\_\_\_\_  
G. James Williams--Treasurer  
(In absence of Secretary)

JMR  
omc

  
\_\_\_\_\_  
Opal M. Colvin--Recording Secretary



ATTACHMENT  
BM-600

3.0-31

## NEPOTISM

Adopted 2/1/80 BC

GML

Page 1 of 1

POLICY

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.

REGULATIONS

1. In the event of marriage between College appointees creating a relationship not in accord with the general provisions of this policy, 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. If the individuals do not make a decision, the Board of Control retains the right to make this decision.
2. Scholarships, grants and awards to students shall not constitute employment within the provisions of this policy.
3. 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.

DEFINITION

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. |

Reference: SVSC Affirmative Action Plan

## SAGINAW VALLEY STATE COLLEGE

## Transmittal Sheet for Sponsored Research Proposals

TO: OFFICE OF SPONSORED PROGRAMS  
 Future inquiries should refer to File # \_\_\_\_\_ (number will be assigned by the Office of Sponsored Programs.)

FROM: \_\_\_\_\_  
           Project Leader                      Department                      School

Name of potential grantor: \_\_\_\_\_

Potential grantor's deadline date for receipt of proposal (if known and applicable) \_\_\_\_\_

Title of Project: \_\_\_\_\_

Amount requested from grantor: \$ \_\_\_\_\_

## CHECK ONE:

New Project \_\_\_\_\_ Renewal \_\_\_\_\_

Supplement \_\_\_\_\_

Previous File # or Grant # \_\_\_\_\_

Dates of  
 Project  
 Period: From \_\_\_\_\_ To \_\_\_\_\_

PROJECT LEADER'S SIGNATURE      Date

\* \* \* \* \*

APPROVALS

Approval of project and confirmation that appropriate space and facilities are or will be available if the proposal is funded:

\_\_\_\_\_  
 Department Chairman                      Date

Concurrence of other department chairmen (if interdisciplinary project.)

\_\_\_\_\_  
 Department Chairman                      Date

\_\_\_\_\_  
 Dean(s)/Director(s)                      Date

\_\_\_\_\_  
 Vice President                      Date

Approval of Budget for conformity with SVSC policy:

\_\_\_\_\_  
 Budget Director                      Date

College Approval for transmission to above named grantor:

\_\_\_\_\_  
 Office of Sponsored Programs                      Date

*Appendix*ON PREVENTING CONFLICTS OF INTEREST  
IN GOVERNMENT-SPONSORED RESEARCH AT UNIVERSITIES

December 1964

## A. CONFLICT SITUATIONS

1. *Favoring of outside interests.* When a university staff member (administrator, faculty member, professional staff member, or employee) undertaking or engaging in Government-sponsored work has a significant financial interest in, or a consulting arrangement with, a private business concern, it is important to avoid actual or apparent conflicts of interest between his Government-sponsored university research obligations and his outside interests and other obligations. Situations in or from which conflicts of interest may arise are the:

(a). Undertaking or orientation of the staff member's university research to serve the research or other needs of the private firm without disclosure of such undertaking or orientation to the university and to the sponsoring agency;

(b) Purchase of major equipment, instruments, materials, or other items for university research from the private firm in which the staff member has the interest without disclosure of such interest;

(c) Transmission to the private firm or other use for personal gain of Government-sponsored work products, results, materials, records, or information that are not made generally available. (This would not necessarily preclude appropriate licensing arrangements for inventions, or consulting on the basis of Government-sponsored research results where there is significant additional work by the staff member independent of his Government-sponsored research);

(d) Use for personal gain or other unauthorized use of privileged information acquired in connection with the staff member's Government-sponsored activities. (The term "privileged information" includes, but is not limited to, medical, personnel, or security records of individuals; anticipated material requirements or price actions; possible new sites for Government operations; and knowledge of forthcoming programs or of selection of contractors or subcontractors in advance of official announcements);

(e) Negotiation or influence upon the negotiation of contracts relating to the staff member's Government-sponsored research between the university and private organizations with which he has consulting or other significant relationships;

(f) Acceptance of gratuities or special favors from private organizations with which the university does or may conduct business in connection with a Government-sponsored research project, or extension of gratuities or special favors to employees of the sponsoring Government agency, under circumstances which might reasonably be interpreted as an attempt to influence the recipients in the conduct of their duties.

2. *Distribution of effort.* There are competing demands on the energies of a faculty member (for example, research, teaching, committee work, outside consulting). The way in which he divides his effort among these various functions does not raise ethical questions unless the Government agency supporting his research is misled in its understanding of the amount of intellectual effort he is actually devoting to the research in question. A system of precise time accounting is incompatible with the inherent character of the work of a faculty member, since the various functions he performs are closely interrelated and do not conform to any meaningful division of a standard work week. On the other hand, if the research agreement contemplates that a staff member will devote a certain fraction of his effort to the Government-sponsored research, or he agrees to assume responsibility in relation to such a research, a demonstrable relationship between the indicated effort or responsibility and the actual extent of his involvement is to be expected. Each university, therefore, should—through joint consultation of administration and faculty—develop procedures to assure that proposals are responsibly made and complied with.

3. *Consulting for Government agencies or their contractors.* When the staff member engaged in Government-sponsored research also serves as a consultant to a Federal agency, his conduct is subject to the provisions of the Conflict of Interest Statutes (18 U.S.C. 202-209 as amended) and the President's memorandum of May 2, 1963, *Preventing Conflicts of Interest on the Part of Special Government Employees*. When he consults for one or more Government contractors, or prospective contractors, in the same technical field as his research project, care must be taken to avoid giving advice that may be of questionable objectivity because of its possible bearing on his other interests. In undertaking and performing consulting services, he should make full disclosure of such interests to the university and to the contractor insofar as they may appear to relate to the work at the university or for the contractor. Conflict of interest problems could arise, for example, in the participation of a staff member of the university in an evaluation for the Government agency or its contractor of some technical aspect of the work of another organization with which he has a consulting or employment relationship or a significant financial interest, or in an evaluation of a competitor to such other organization.

#### B. UNIVERSITY RESPONSIBILITY

Each university participating in Government-sponsored research should make known to the sponsoring Government agencies:

1. The steps it is taking to assure an understanding on the part of the university administration and staff members of the possible conflicts of interest or other problems that may develop in the foregoing types of situations, and

*Appendix*

2. The organizational and administrative actions it has taken or is taking to avoid such problems, including:

(a) Accounting procedures to be used to assure that Government funds are expended for the purposes for which they have been provided, and that all services which are required in return for these funds are supplied:

(b) Procedures that enable it to be aware of the outside professional work of staff members participating in Government-sponsored research, if such outside work relates in any way to the Government-sponsored research;

(c) The formulation of standards to guide the individual university staff members in governing their conduct in relation to outside interests that might raise questions of conflicts of interest; and

(d) The provision within the university of an informed source of advice and guidance to its staff members for advance consultation on questions they wish to raise concerning the problems that may or do develop as a result of their outside financial or consulting interests, as they relate to their participation in Government-sponsored university research. The university may wish to discuss such problems with the contracting officer or other appropriate Government official in those cases that appear to raise questions regarding conflicts of interest.

The above process of disclosure and consultation is the obligation assumed by the university when it accepts Government funds for research. The process must, of course, be carried out in a manner that does not infringe on the legitimate freedoms and flexibility of action of the university and its staff members that have traditionally characterized a university. It is desirable that standards and procedures of the kind discussed be formulated and administered by members of the university community themselves, through their joint initiative and responsibility, for it is they who are the best judges of the conditions which can most effectively stimulate the search for knowledge and preserve the requirements of academic freedom. Experience indicates that such standards and procedures should be developed and specified by joint administrative-faculty action.

APPENDIX C

Sponsored Programs Grant Budget Forms

Date: \_\_\_\_\_  
 Grant Period: From \_\_\_\_\_ To \_\_\_\_\_  
☐ Grant Application No. \_\_\_\_\_  
☐ Grant Awarded \_\_\_\_\_  
☐ Grant Revised \_\_\_\_\_  
☐ Grant Expenditure Report: From \_\_\_\_\_ To \_\_\_\_\_  
 Grant Title: \_\_\_\_\_  
 Granting Agency: \_\_\_\_\_  
 Grant Number: \_\_\_\_\_

SAGINAW VALLEY STATE COLLEGE  
 PROJECT FUNDING PLAN

Director of Sponsored Programs \_\_\_\_\_  
 Controller \_\_\_\_\_  
 Vice Pres. for Bus. Affairs \_\_\_\_\_  
 Project Director \_\_\_\_\_  
 Department Chairman \_\_\_\_\_  
 Dean/Director \_\_\_\_\_

SVSC Account Number: \_\_\_\_\_ Source \_\_\_\_\_  
 (Upon grant award)

	1977-78			1978-79			1979-80		
	Grant	Existing Gen. Fund	SVSC MATCH Additional Gen. Fund	*Other Funds	Total	Grant	Existing Gen. Fund	SVSC MATCH Additional Gen. Fund	*Other Funds
Salaries									
Fringe Benefits									
Equipment									
S & E									
Travel									
Distributed Expenses									
Other									
TOTAL DIRECT COSTS									
INDIRECT COSTS, %									
TOTAL PROJECT COST									

\* Source \_\_\_\_\_

Date: \_\_\_\_\_  
Grant Period: From \_\_\_\_\_ To \_\_\_\_\_  
Grant Application No. \_\_\_\_\_  
☐ Grant Awarded  
☐ Grant Revised  
☐ Grant Expenditure Report: From \_\_\_\_\_ To \_\_\_\_\_  
Grant Title: \_\_\_\_\_  
Granting Agency: \_\_\_\_\_  
Grant Number: \_\_\_\_\_

SAGINAW VALLEY STATE COLLEGE  
OFFICE OF SPONSORED PROGRAMS  
SPONSORED GRANT BUDGET

Director of Sponsored Programs \_\_\_\_\_  
Controller \_\_\_\_\_  
Vice Pres. for Bus. Affairs \_\_\_\_\_  
Project Director \_\_\_\_\_  
Department Chairman \_\_\_\_\_  
Dean/Director \_\_\_\_\_

SVSC Account Number: \_\_\_\_\_  
(Upon grant award)

	Grant Funds		General Fund Match		Other Match		Total Funds	
	Budget	Expenditures	Budget	Expenditures	Budget	Expenditures	Budget	Expenditures
Salaries:								
Professional (1-01)								
Clerical (1-03)								
Faculty (1-21)								
Other ( )								
Other ( )								
Sub Total Salaries								
Fringe Benefits @ ____% of S&W								
Equipment								
Supplies and Expenses:								
Travel (4-01)								
Recruitment (4-02)								
Contracted Services (4-03)								
Rentals (4-04)								
Memberships (4-05)								
Catalogs, Pamphlets (4-06)								
Parking (4-07)								
Advertising (4-09)								
Internal Services (4-10)								
Travel, State Cars (4-15)								
Miscellaneous (4-99)								
Sub Total S & E								
Distributed Expenses:								
Telephone Inst. (5-01)								
Telephone Long Dist. (5-02)								
Postage (5-03)								
Copy Center (5-05)								
Central Stores (5-06)								
Sub Total DE								
Other								
TOTAL DIRECT COSTS								
INDIRECT COSTS, ____% of _____								
TOTAL PROJECT COST								



