

## **AGENDA**

### **SAGINAW VALLEY STATE UNIVERSITY BOARD OF CONTROL REGULAR MONTHLY MEETING**

**MARCH 13, 1989**

**9:30 A.M.**

**WICKES HALL - BOARD OF CONTROL ROOM**

#### **I. CALL TO ORDER**

#### **II. PROCEDURAL ITEMS**

- 1) Approval of February 13, 1989 Minutes
- 2) Recognition of Official Representative of Faculty Association
- 3) Communications and requests to appear before the Board
- 4) Additions and deletions to the agenda

#### **III. REMARKS BY THE PRESIDENT**

#### **IV. ACTION ITEMS**

- 5) Room and Board Rates
- 6) Calendar of Board of Control Meeting for 1989-90
- 7) Appoint Nominating Committee for May Board Election
- 8) Application for Special Liquor License
- 9) Application for Permanent Liquor License
- 10) Admissions Procedures
- 11) Appointment of Architect for Business Innovation and Professional Development Center
- 12) Reconciliation of the 1987-88 General Fund Budget and Actual Revenue and Expenditures Patterns

#### **V. INFORMATION AND DISCUSSION ITEMS**

- 13) Sponsored Programs Report
- 14) Report on the College of Nursing and Allied Health

#### **VI. OTHER ITEMS FOR CONSIDERATION**

#### **VII. ADJOURNMENT**

# Saginaw Valley State University

(517) 790-4000 • From Midland: (517) 695-5325

2250 Pierce Road • University Center, MI 48710

## MEMORANDUM

TO: Members of the Board of Control  
Saginaw Valley State University

FROM: John A. Fallon, Assistant to the President  
Secretary to the Board of Control

DATE: March 3, 1989

RE: ITINERARY FOR BOARD OF CONTROL: MARCH 13, 1989

I am writing regarding the schedule of activity for the Board of Control meeting on March 13, 1989.

First, the itinerary for our work together includes the following:

<u>Activity</u>	<u>Time</u>	<u>Location</u>
Regular Meeting of the Board of Control	9:30-12:00 noon	Wickes Hall Board Room
Board of Control Member Photographs	12:00 noon-12:30 p.m.	Office of Information Services
Personnel Committee Meeting	12:30-1:30 p.m.	Academic Affairs Conference Room
Finance & Audit Committee Meeting	12:30-3:00 p.m.	Large Private Dining Room

Please note that the meeting will be held in the new Wickes Hall Board of Control Meeting Room.

Second, materials related to these meetings are enclosed. As in the past, pink materials relate to the private meetings of the Finance and Audit and Personnel Committees.

Third, items 8 & 9 on the agenda require additional explanation. As you will recall, the Board of Control passed a resolution authorizing application for a special temporary liquor permit for a March 16, 1989 event. This permit has been secured. At the upcoming meeting, it will be recommended that the Board of Control pass two additional resolutions authorizing license applications which can be differentiated as follows:

1. Permanent License: PA 207 of 1988 provides authorization for selected universities, including Saginaw Valley State University, to secure a permanent liquor licenses for use exclusively in conjunction with campus conferencing activity. This license will enhance our overall conferencing efforts and it is our hope that we can proceed with dispatch.
2. Temporary License: In order to accommodate an event scheduled for mid-June, 1989, a point at which our permanent license may not be finalized, a second temporary license is required. By securing this temporary license, the University can unequivocally guarantee the requesting group that selected beverages will be permitted and available.

Fourth, agenda 10 item will deal with admissions procedures. In the days ahead, prior to the meeting, you will receiving additional detailed information on this subject.

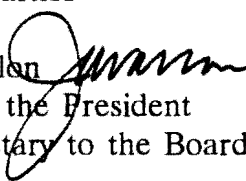
Finally, during the period from 12:00 noon to 12:30 p.m., the Board of Control members will be requested to sit briefly for individual photographs. Ultimately, these photos will constitute the basis for a display in the reception area of the President's Office.

We look forward to seeing and working with you on March 13, 1989 and toward the prospect of a most productive day.

JMR:jlh

**M E M O R A N D U M**

**TO:** Members of the Press  
Interested Parties

**FROM:** John A. Fallon   
Assistant to the President  
Secretary to the Board of Control

**DATE:** March 3, 1989

**RE:** ITINERARY FOR MARCH 13, 1989  
REGULAR BOARD OF CONTROL MEETING

I am writing to inform you that the SVSU Board of Control Meeting of March 13, 1989 will be held as follows:

Regular Board of Control Meeting	9:30 a.m. - 12:00 noon	Wickes Hall Board Room
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Please note the new meeting location. The Board of Control Meeting Room is located on the Third Floor of Wickes Hall, in the northwest corner of the building.

If you should have questions regarding this information, please do not hesitate to call.

JAF:jlh

SAGINAW VALLEY STATE UNIVERSITY

BOARD OF CONTROL

MARCH 13, 1989  
REGULAR MONTHLY MEETING

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MINUTES

BOARD OF CONTROL

SAGINAW VALLEY STATE UNIVERSITY

Regular Meeting

9:30 a.m.

Board of Control Room - Wickes Hall

March 13, 1989

Present: Curtiss  
Klykylo  
Ryder  
Saltzman  
Ward  
Woods

Absent: Braun  
Munoz

Others

Present: W. Barnett  
A. Beutler  
R. Coppola  
A. Dickey  
J. Dwyer  
J. Fallon  
M. Frahm  
C. Lange  
J. Muladore  
W. Rathkamp  
J. Stanley  
R. Thompson  
J. Woodcock  
R. Yien  
Press (3)

I. CALL TO ORDER

Chairperson Saltzman called the meeting to order at 9:34 a.m. She noted that a quorum was present.

II. PROCEDURAL ITEMS

A) Approval of minutes of February 13, 1989 Regular Meeting

It was moved and supported that the minutes of the February 13, 1989 regular meeting be approved.

The minutes were unanimously approved as written and were ordered filed in the President's Office and in Zahnow Library.

B) Recognition of the official representative of the Faculty Association

Chairperson Saltzman recognized Dr. Walter Rathkamp, President of the SVSU Faculty Association, and asked whether he had any comments. He did not.

C) Communications and requests to appear before the Board

Chairperson Saltzman asked whether there had been any communications or requests to appear before the Board. Dr. John Fallon, Assistant to the President and Secretary to the Board of Control, reported that the President's Office had received notification of the April 18, 1989 Michigan Association of Governing Boards' Faculty and Student Awards Convocation, to which Board of Control members were invited. Chairperson Saltzman noted that a seminar on collective bargaining was also being held that afternoon.

D) Additions and deletions to the agenda

President Ryder asked that a resolution pertaining to the

application for a permanent liquor license be added as action item 9a.

III. REMARKS BY THE PRESIDENT

President Ryder updated the Board on Governor Blanchard's recommendation for 1989-90 appropriations to SVSU. He stated that SVSU had requested a 7.9 percent increase to the current base, plus Program Revision Requests for hiring additional faculty, building openings and computing. A six percent increase in student tuition and fees was included in the proposed budget. The Governor's recommendation was three percent for general operations and a 4.5 percent increase for building openings. No funding was recommended for the other Program Revision Requests.

With respect to the Health and Physical Education Complex, the \$609,000 recommended by the Governor for building openings is approximately \$466,000 short for just logistical services and physical plant operations. If the state approves the supplemental appropriations request, which has been made on behalf of ten state universities, SVSU would still be \$166,000 short. The Health and Physical Education Complex would be operated, but not at full capacity. President Ryder described the various levels of operation of the facility which would be possible, based upon the amount of funding received. If the Governor's recommendation becomes final, the pool would not be opened; there would be daytime-only operation of the building other than periodic activities, such as basketball games or track meets; and labs and

classrooms could not be used at night, which could necessitate the cancellation or moving of some classes. The supplemental appropriation would alleviate the problem, but would not provide sufficient revenue for full staffing and operation.

President Ryder stated that on March 14, he and other SVSU representatives will testify at a House Higher Education Appropriations Subcommittee hearing to outline budget needs for the upcoming year. On April 28 they will present similar testimony to the Senate Higher Education Appropriations Subcommittee. Dr. Ryder discussed an incremental analysis of what it would cost SVSU to enroll one hundred additional students. This information has been included in the material prepared for the Legislature.

Dr. Ann K. Dickey, Director, Institutional Research and Planning, noted that the Governor's three percent recommendation is on a reduced base, from which he has removed Research Excellence funds, which he has assigned to the Department of Management and Budget rather than to the individual institutions of higher education. This would mean that, if the Research Excellence funds do not come back to SVSU, the Governor's recommendation would be only 1.4 percent over the current year. Dr. Ryder replied that he had been making the assumption that the Governor's recommendation on this matter would not be supported; if it is, our increase would be only 1.4 percent. He explained the manner in which these funds are allocated and noted that we have never had a problem in receiving our allocation.



Dr. Ryder concluded, "I wanted you to be up-to-date on where we stand regarding appropriations and the upcoming hearings. It is our hope that some re-evaluation or reconsideration will be made by the Legislature."

#### IV. ACTION ITEMS

1) Resolution Approving Room and Board Rates, Apartment Rates and Miscellaneous Room and Board Rates

RES-826 It was moved and supported that the attached resolution be adopted. (See Appendix One: Rates)

Mr. Jerry A. Woodcock, Vice President for Administration and Business Affairs, stated that the resolution reflected a 6.3 percent increase in room and board rates for 1989. Under the new rate schedule, students will pay \$3,036 per year for a full, 21-meals-per-week plan. The \$181 raise includes an increase in Residence Hall Association fees. Family rates for apartment rental will go from \$385 per month to \$395, a 2.6 percent increase. No increase in the individual student rate is recommended when four students are put in an apartment. The rate is currently \$160 per month per student. Rates also were established for guests, short term summer residents and conference participants.

The motion was APPROVED unanimously.

2) Motion Establishing the Calendar of Board of Control Meetings for 1989-90

BM-760 It was moved and supported that the Calendar of Board of Control Meetings be adopted. (See Appendix Two: Calendar)

The motion was APPROVED unanimously.

3) Appointment of Nominating Committee for May Board Election

Chairperson Saltzman stated that she had asked Ted Braun and George Ward to serve on the Nominating Committee: both have accepted.

4) Resolution Approving Application for Special Liquor License

RES-827 It was moved and supported that the attached resolution be adopted. (See Appendix Three: Special License)

Chairperson Saltzman asked for questions or comments. There were none.

The motion was APPROVED unanimously.

5) Resolution Approving Application for Permanent Liquor License (for use in Doan Center)

RES-828 It was moved and supported that the attached resolution be approved. (See Appendix Four: Permanent License, I)

President Ryder stated that most of the other state universities have permanent liquor licenses for certain types of facilities. SVSU does not yet have a permanent license. Dr. Fallon explained that Public Act Number 207, which was passed last year, granted the opportunity for the four remaining institutions that did not have a permanent liquor license to procure one. That particular public act specified Doan Center as the facility on this campus in which alcoholic beverages could be sold and consumed by the public in conjunction with conferencing activities. Resolution 828 is in accord with that public act. It is required as part of the Liquor Control Commission application process.

Dr. Fallon noted that informal inquiries are being made to the Liquor Control Commission to consider SVSU unusual in that it does not have a conventional conference center. In fact, we use several different facilities for conferencing activities on this campus. Specific examples that are mentioned in agenda item 9a include two different areas in the Fine Arts Center and a room within the new Health and Physical Education Center. Our informal inquiry to the Liquor Control Commission states that since we don't have a complete and comprehensive conference center and different parts of our campus constitute the conferencing spaces, we request that we be allowed, under the provisions in Public Act 207, to have those considered as part of our "conference center" for purposes of the sale of alcoholic beverages.

Dr. Fallon concluded that our intent would be to use either Resolution 828 or 829, depending upon which proposal receives the approval of the Liquor Control Commission.

Mr. Curtiss asked whether he was correct in assuming that alcoholic beverages could be sold only in conjunction with official college functions or conferences, and would not be generally available on campus. Dr. Fallon replied to the affirmative.

Mr. Ward asked that the limitations on the use of alcohol on campus be reflected in the minutes, as he felt that the resolution was rather broadly drawn. There was general consensus from the Board on the matter.

The following is an excerpt from Public Act 207 of 1988 (Senate Bill 821), which makes a liquor license available to Doan Center.

Sec. 17h.(1) The commission may issue to the governing board of a college or university, without regard to the quota provisions of section 19c, a license to sell alcoholic liquor for consumption on the premises of a conference center operated by the governing board. Licenses granted under this section may be used only for the sale of beverages at regularly scheduled conference center activities.

(2) Licenses issued pursuant to this section shall be nontransferable, and the licensee shall pay the fee required under section 19.

(3) For purposes of this section:

(a) "College" or "University" means a 2-year or 4-year state supported institution of higher education.

(b) "Conference center" means a building or portion of a building, other than a student residence hall or student center, which has meeting rooms, banquet areas, social halls, overnight accommodations, and related facilities for special activities scheduled by the college or university, which in the judgement of the Liquor Control Commission, has been regularly used for conferences and lodging of guests. The Hoyt Conference Center at Eastern Michigan University, the Kirkhof and Eberhard Centers at Grand Valley State University, the Bernhard Center at Western Michigan University, the Wadsworth Center at Michigan Technological University, the Doan Center at Saginaw Valley State University, the conference center at Big Rapids and the Applied Technology Center at Grand Rapids of Ferris State University, Grand Rapids Junior College, the McGregor Memorial Conference Center at Wayne State University, and the Michigan State University Management Educational Center shall be considered conference centers for purposes of this act. The license issued for the Michigan State University Management Education Center is not subject to the limitation and quota provisions of section 19c. The sale of alcoholic beverages to unscheduled patrons or at unscheduled events is prohibited under the provisions of this section.

Resolution 828 was APPROVED unanimously.

6) Resolution Approving Application for Permanent Liquor License (for use in Doan Center, The Arbury Fine Arts Center, and the Health and Physical Education Center)

RES-829 It was moved and supported that the attached resolution be adopted. (See Appendix Five: Permanent License, II)

Mr. Ward stated that the adoption of Resolution 829 should also be subject to the same limitations as those placed on Resolution 828. There was general consensus from the Board.

Resolution 829 was APPROVED unanimously.

7) Resolution Approving the Modification of Admission Procedures

RES-830 It was moved and supported that the following resolution be adopted.

WHEREAS, limited financial resources will not permit us to continue to provide, to an increasing number of students attending SVSU, the full-time faculty, support staff, supplies, and services and equipment for a high quality educational environment, and

WHEREAS, the University community is committed to attracting a well-rounded, academically prepared student, and

WHEREAS, the University Curriculum and Academic Policy Review Committee unanimously voted to revise current admission standards and procedures, and

WHEREAS, the Faculty Association on Thursday, March 2, 1989 unanimously ratified the proposed revisions:

NOW, THEREFORE, BE IT RESOLVED, that the following admission revisions be implemented:

1. the required grade point average for normal F.T.I.C. admission will be 2.5 in college preparatory subjects, and
2. acceptable A.C.T. or S.A.T. test scores will be required of applicants age 22 and under, and
3. admission may be granted to students who have a minimum seven-semester grade point average of 2.0 in college preparatory subjects and an acceptable A.C.T./S.A.T. test score, and

4. applicants who have not attended any college/university, and are age 22 or older with lower high school G.P.A.s and/or A.C.T./S.A.T. test scores, will be required to obtain satisfactory scores on the SVSU Basic Skills Test.

President Ryder stated that the process of considering modifications in the admissions procedures had been going on for several years. The recommended procedures had been adopted by the Faculty Association. He asked Dr. William K. Barnett, Dean of the College of Arts and Behavioral Sciences, to comment.

Dr. Barnett stated that the proposal being presented to the Board had been considered by the faculty last year. This year the Curriculum and Academic Policy Committee, which includes six faculty members, a student, and two administrators, wrote a draft of the proposal. An open forum was held on campus, in which faculty and administrators were invited to provide input. The proposal was unanimously adopted by the committee, and was then taken before the Faculty Association and was unanimously adopted by the faculty as a whole. He noted that it was enthusiastically supported by the administration.

Mr. Ward suggested that the first "Whereas" of the resolution, dealing with financial resources, be deleted as it seemed inconsistent with the rest of the resolution, which deals with the quality of education offered. Mrs Woods commented, "I would not support this resolution, were it not necessary for our financial well-being, because I believe we should, as a regional institution,

be more open to students. I would like to have students be able to enter and prove their ability when they arrive, regardless of these other measures. My experience in teaching at a lower level tells me that students who do not succeed at one level may succeed at another level and another time. I would not approve capping our enrollment on this basis, if it were not financially essential that we somehow resolve our economic problems."

President Ryder noted that, given the resources we have available, students who fall below the criteria being established are unsuccessful at a far higher rate than other students. He added, "If we were the only institution in this area, I would be far more concerned today than I am. However, Delta Community College, which has open admissions, can help those students get to the point where they can come to this University or any other in the state."

Dr. Barnett added that the resolution would not have gotten the support of the faculty and the administration had it not been for the lack of financial resources.

The motion was APPROVED unanimously.

8) Resolution Approving the Appointment of Architect for Business Innovation and Professional Development Center

RES-831 It was moved and supported that the following resolution be adopted.

WHEREAS, the concept and planning of a Business Innovation and Professional Developmental Center has been under consideration and development for several years; and

WHEREAS, a program statement for this facility has been submitted to and approved by the Michigan Department of Management and Budget; and

WHEREAS, a systematic process toward the selection of an architect, including proposals, presentations and interviews, has been completed; and

WHEREAS, the next step in the process toward construction of the facility is the selection of an architect;

NOW, THEREFORE BE IT RESOLVED, that the Board of Control hereby recommends to the State of Michigan, Bureau of Facilities, the appointment of Harley Ellington Pierce & Yee, of Southfield, Michigan, to serve as the architect for the Business Innovation and Professional Development Center at Saginaw Valley State University.

Chairperson Saltzman asked President Ryder to comment.

President Ryder stated that the Department of Budget and Management had approved the Program Statement for the facility, although there is still a question about the actual authorization of a commitment to the dollars for this building. The process of appointing an architect can be done in two ways: it can be done by the State of Michigan exclusively, or the local institutional Board of Control can make a recommendation to the state and go through the process of indentifying the architectural firm. SVSU chose the later process in order to be heavily involved in the process of identifying the people working on the development of the facility, and to speed up the process. A committee, chaired by Dr. Crystal Lange, Dean of the College of Nursing and Allied Health Services, was established. A recommendation of two firms was made to Dr. Ryder by the committee. After discussion with Dr. Lange, Dr. Ryder decided upon recommending Harley Ellington Pierce Yee Associates, of Southfield, Michigan to the Board, and asking the Board to adopt a resolution which would recommend this to the



state. President Ryder asked Dr. Lange to review the process.

Dr. Lange stated that the committee consisted of Dr. James Mitchell, Dean of the College of Business and Management; Mr. Richard P. Thompson, Dean of Student Affairs; Dr. Douglas Hansen, Professor, Education and Physical Education; Mrs. Lila Ryder; and Robert Hanes, Director of Engineering Services. Firms were asked to respond in an anonymous fashion to a questionnaire. Twenty-nine initial responses to the questionnaire were received, from which six firms were selected. At this time, the names of the firms were identified. Those six firms then submitted additional information and were interviewed by the committee. In the interviewing process, an additional advisory committee consisting of Dr. Ralph Coppola, Director of Sponsored Programs; Terry Neiderstadt of the SVSU Board of Fellows; John Fallon; Jerry Woodcock, Vice President for Administration and Business Affairs; and Joe Vogl, Director of Continuing Education and International Programs, was utilized. The process was extremely informative and all firms had the opportunity to present their strengths and their vision of the facility. The Program Statement addresses some rather unique features. One of the major items is the cutting edge technology which involves the use of telecommunications in a very visionary kind of way. The other dimension is the multiple use by multiple populations within this facility, appealing to both the business and professional community in the large sense of the word, not just in this area, but in the total region.

Dr. Lange added that in the process of selecting the finalists, the committee struggled because two firms were miles ahead of all the others on the described dimensions. Consequently, the opportunity to select the architect from these two was left to President Ryder. The committee perceived both firms to be very close and equal. She noted that the committee felt the selected firm would be able to do a superb job.

President Ryder expressed appreciation to Dr. Lange and her committee for doing a marvelous job.

The motion was APPROVED unanimously.

9) Resolution Approving the Reconciliation of the 1987-88 General Fund Budget and Actual Revenue and Expenditure Patterns

RES-832 It was moved and supported that the following resolution be adopted.

WHEREAS, the audited financial statements for the 1987-88 fiscal year are completed, and

WHEREAS, the variances in actual revenue and spending patterns have been reviewed with the Business and Facilities Committee in accordance with Resolution 535 approved March 8, 1982;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Control receive this report and approve variances in revenue and spending patterns from the fiscal year 1987-88 General Fund Operating Budget. (See Appendix Six: Budget)

President Ryder asked Mr. Woodcock to comment. Mr. Woodcock reviewed the auditing process and explained the differences between the nature of the budgets of institutions of higher education and K-12 schools. He noted that it had been recommended that the Board of Control be made aware of any variances from the budget as approved, and what the actual spending patterns were. The attached

General Fund Budget Summary has been reviewed by the Business and Facilities Committee of the Board, in accordance with Resolution 535, which was approved by the Board on March 8, 1982.

Chairperson Saltzman asked for questions or comments. There were none.

The motion was APPROVED unanimously.

V. INFORMATION AND DISCUSSION ITEMS

10) Sponsored Programs Report

Dr. Ralph Coppola, Director of Sponsored Programs, presented a report which summarized information about grant applications and approvals. From May 1, 1987 through March 13, 1989, 128 proposals were submitted: 55 awards were received, totaling \$3,145,334. Some of the proposals are still outstanding and have not received action from the funding sources. Between July 1, 1987 and June 30, 1988, 34 grant awards, totaling \$2,442,648, were received. This compares with 25 grants, \$1,545,144 awarded, in the previous fiscal year, and 19 grants, totaling \$1,299,198, in 1985-86. During the fiscal year 1984-85, 17 awards were received, totaling approximately \$674,000.

Dr. Coppola attributed the progressive increase to a "team effort" by various faculty and administrators. He pointed out several unique and highly competitive grants, including the SafeHaven project, funded by the Fund for the Improvement of Postsecondary Education; a grant for the continuing education of registered nurses; Project SOLVE, designed to give teams of K-12

teachers the skills and expertise to teach gifted and talented students an enriched science curriculum; the Black River Intercounty Drain Project, used to relocate the endangered riffleshell clam; and the Michigan College/University Partnership Program, which supports minority students at Delta College, and then through a transition program at SVSU.

Dr. Coppola concluded by stating that Sponsored Programs had received a great deal of support from both the administration and members of the faculty. Many of the projects which were awarded would not had been successful without their assistance. Mrs. Woods congratulated Dr. Coppola for doing a fine job.

11) Report on the College of Nursing and Allied Health Services

Dr. Lange noted that because of the increased demand for nurses and nursing care, there is a national shortage of nurses. At the same time, there is a 33 percent decline in enrollment in nursing programs across the nation. Nursing students from SVSU have at least three position offers each upon graduation. Seventy percent of our graduates remain in the immediate area. This year's graduating class represents ten years of graduates from our program. There are now well over 400 graduates working in the area.

Because of the shortage and increased demand for nurses, and the need to entice people to enter the nursing field, many employers are investing in scholarship arrangements: they award scholarship funds on the condition that the nurse works for them

upon graduation. Almost fifty percent of the graduates from the Nursing Program this year have this type of scholarship assistance. A \$1,000 award for scholarships has been received from the Saginaw County Medical Society, and there are a number of federal developments now in process that will facilitate loans and scholarship assistance to students choosing the health professions.

There has also been a decline in enrollment in SVSU's Nursing Program. For the past three classes, there have been 16 students admitted to the program, while there are spaces for 24. An increase in the number of pre-nursing students is now being seen. Currently there are approximately 87 full-time students in the basic program, with an additional 18.25 full-time equivalent students. More than 75 R.N.s are taking at least one course while they are working full-time, and 16 students were admitted to the M.S.N. program fall semester, with 13 continuing this winter.

Dr. Lange noted that the Nursing faculty members have earned their degrees from 23 different institutions. One faculty member has completed her Doctoral degree, three are at dissertation level and should receive their doctorates by the end of the academic year. We are currently recruiting for one position.

Future plans include increased student recruitment efforts, new course development, potential work-study programs for nursing students, and traineeships for Master's Degree students.

#### VI. OTHER ITEMS FOR CONSIDERATION

President Ryder reminded the Board members that they were to have their photographs taken after the meeting.

VII. ADJOURNMENT

Chairperson Saltzman adjourned the meeting at 11:38 a.m.

Respectully Submitted:

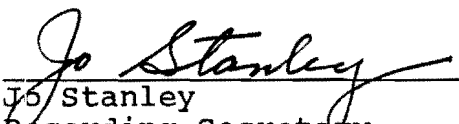
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Florence F. Saltzman  
Chairperson

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Hugo E. Braun  
Secretary

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Jo Stanley  
Recording Secretary

SAGINAW VALLEY STATE UNIVERSITY  
BOARD AND ROOM RATES, APARTMENT RENTAL RATES  
AND MISCELLANEOUS ROOM AND BOARD RATES  
1989-90

WHEREAS, Sufficient information regarding projected operating expenses of the housing and food service operations can be ascertained,

NOW, THEREFORE, BE IT RESOLVED, That effective for the Fall Semester of 1989-90, the academic year board and room charges will be as follows:

	<u>21</u>	<u>Meals per Week</u> <u>15*</u>	<u>14**</u>
Room and Board	\$3026	\$2930	\$2978
Resident Hall Association	<u>10</u>	<u>10</u>	<u>10</u>
Total	<u>\$3036</u>	<u>\$2940</u>	<u>\$2988</u>
Extra charge for single room	<u>\$ 330</u>	<u>\$ 330</u>	<u>\$ 330</u>

BE IT FURTHER RESOLVED, That Apartment Rental Rates and Miscellaneous Room and Board Rates per the attached documents be approved effective August 14, 1989 unless otherwise indicated.

- \* Three meals per day, Monday through Friday.
- \*\* Lunch and Dinner only, Seven days per week.

SAGINAW VALLEY STATE UNIVERSITY  
APARTMENT RENTAL RATES

## ACADEMIC YEAR RATES (Effective August 14, 1989)

<u>Classification</u>	<u>Monthly Rate*</u>	
	<u>1988-89</u>	<u>1989-90</u>
Family	\$385	\$395
Individual (SVSU retains the right to rent to four individuals per apartment)	\$160/person	\$160/person

The following arrangements may be offered at the option of  
Saginaw Valley State University:

One (1) individual per bedroom	\$270	\$270
One (1) individual per apartment	\$485	\$485
Faculty/Staff	\$385	\$395

SUMMER/GUEST RATES (effective August 28, 1989)

<u>Classification</u>	<u>Weekly Rate**</u>
SVSU Student - Contract	\$53.00/person, 2 persons/bedroom \$80.00/person, 1 person /bedroom
SVSU Student - Family Contract	\$115.00
<u>Guest</u>	
Individual	\$ 65.00/person, 2 persons/bedroom \$100.00/person, 1 person /bedroom
Family	\$125.00

Special group rates may be negotiated with the approval of the  
Director of Business and Auxiliary Services.

\* Includes water and sewer. Heat, lights and telephone to be  
paid by occupants.

\*\* Includes utilities, except telephone.

DTI/cc  
2/28/89



SAGINAW VALLEY STATE UNIVERSITY  
MISCELLANEOUS ROOM AND BOARD RATES  
Effective August, 1989  
(Unless otherwise indicated)

	<u>1988-89</u>	<u>1989-90</u>
<u>Academic Sessions (Housing Only)</u>		
Spring and Summer Sessions		
Double bedroom occupancy (2 per bedroom)	\$38.00/week	\$40.00/week
Single bedroom occupancy (1 per bedroom)	\$52.00/week	\$55.00/week
Guest Rooms (Housing Only, except freshman orientation)		
Double bedroom occupancy (2 per bedroom)	\$ 6.25/night	\$ 6.50/night
Single bedroom occupancy (1 per bedroom)	\$10.00/night	\$10.25/night
American Youth Hostels	\$ 5.00/night	\$ 5.00/night
Freshman Orientation Room (one night only)	\$ 5.50/night	\$ 5.75/night
Board (two partial days, refreshments, snacks)	\$22.00	\$23.25
Internal Sponsored Activities (Paid from University Funds)		
Minimum of two nights		
Room	\$ 4.00/night	\$4.25/night
Board	negotiable	negotiable

Conferences

	<u>1988-89</u>			<u>1989-90</u>		
Conference Count	Room Rates <sup>b</sup>	Board Rates <sup>b</sup>	Total	Room Rates <sup>b</sup>	Board Rates <sup>b</sup>	Total
1-50	6.25	not avail.	\$ 6.25	6.50	not avail.	\$ 6.50
51-100	5.75	11.75	\$17.50	6.00	12.50	\$18.50
Over 100	5.50	11.60	\$17.10	5.75	12.25	\$18.00

Single Rooms (space permitting)	\$10.00	\$10.50
------------------------------------	---------	---------

Board Only Contracts

<u>Meal Plan</u>	<u>Cost Per Semester</u>	
	<u>1988-89</u>	<u>1989-90</u>
21	\$40.00	\$90.00
15	\$30.00	\$25.00

<sup>a</sup> If the orientation format changes, the administration is authorized to adjust the charges accordingly.

<sup>b</sup> Rate may vary according to services and selections desired, number of persons involved, and the length of the activity.

1989-90

**REGULAR AND COMMITTEE MEETING SCHEDULE****SAGINAW VALLEY STATE UNIVERSITY - BOARD OF CONTROL**

University Center, Michigan 48710

Phone: (517) 790-4000 or from Midland (517) 695-5325

-----  
 Place of meeting unless otherwise noted: Board of Control Room, Wickes Hall  
 Committee meeting locations will be announced.

DAY	DATE	TYPE OF MEETING	TIME
Monday	August 14, 1989	Regular	9:30 a.m.
Monday	September 11, 1989	Committees	9:30 a.m.
Monday	*October 9, 1989	Regular	9:30 a.m.
Monday	November 13, 1989	Joint Meeting with Delta Trustees (at Delta)	12:00 noon
Monday	December 11, 1989	Regular	9:30 a.m.
Monday	February 12, 1990	Regular	9:30 a.m.
Monday	March 12, 1990	Regular	9:30 a.m.
Monday	April 9, 1990	Committees	9:30 a.m.
Friday	May 4, 1990	Regular	9:30 a.m.
Saturday	May 5, 1990	COMMENCEMENT	1:30 p.m.
Monday	June 11, 1990	Regular	9:30 a.m.

\* Note: The Regular Board Meeting will be at an off-campus location on Monday at 9:30 a.m., with  
 Committee meetings at 1:30 p.m.

**CERTIFIED RESOLUTION  
OF THE  
BOARD OF CONTROL  
OF  
SAGINAW VALLEY STATE UNIVERSITY**

Appendix Three:  
Special License

The undersigned, Secretary to the Board of Control of Saginaw Valley State University, hereby certifies that the following is a true and accurate copy of a resolution adopted by the Board of Control at Saginaw Valley State University at a meeting duly called and held at University Center, Michigan, on the thirteenth day of February, 1989, at which meeting a quorum was continually present and acting:

Whereas, Saginaw Valley State University operates the Arbury Fine Arts Center, a fine arts center which is utilized for many purposes in connection with the activities of the University; and

Whereas, Act No. 8 of the Public Acts of the Extra session of 1933, as amended, being 436.1 et seq. of the Michigan Compiled Laws, provides for special licenses where beer and wine or beer, wine, and spirits may be sold for consumption on the premises only; and

Whereas, such ACT provides that a non-profit organization may make application for such a license;

Whereas, it is deemed desirable for Saginaw Valley State University, a non-profit organization, to obtain a special license from the Michigan Liquor Control Commission, so that the sale of alcoholic beverages for consumption on the premises may take place in connection with a social gathering scheduled for April 21, 1989, from 5:00 p.m. until 12:00 midnight in the Arbury Fine Arts Center Commons.

Now therefore, it is resolved that Saginaw Valley State University shall proceed to obtain such special liquor license from the Michigan Liquor Control Commission to accommodate the sale of alcoholic beverages at the aforementioned event;

Resolved further, that the President, and any Vice President of the University, are hereby authorized and directed to take such action and execute such documents on behalf of the University as they deem to be necessary or desirable to obtain any such licenses and permits.

The undersigned further certifies that the foregoing resolution has not been modified or rescinded, and remains in full force and effect.

\_\_\_\_\_  
Secretary to the Board of Control  
of Saginaw Valley State University

Date: \_\_\_\_\_, 1989

**CERTIFIED RESOLUTION  
OF THE  
BOARD OF CONTROL  
OF  
SAGINAW VALLEY STATE UNIVERSITY**

The undersigned, Secretary to the Board of Control of Saginaw Valley State University, hereby certifies that the following is a true and accurate copy of a resolution adopted by the Board of Control at Saginaw Valley State University at a meeting duly called and held at University Center, Michigan, on the thirteenth day of March, 1989, at which meeting a quorum was continually present and acting:

WHEREAS, Saginaw Valley State University operates The Doan Center, a conference center which is utilized for many purposes in connection with the activities of the University; and

WHEREAS, Act 207 of the Public Acts of 1988, amending the Michigan Liquor Control Act, provides that The Doan Center constitutes a conference center as defined in the Act, and as such is eligible for a license to sell alcoholic beverages; and

WHEREAS, it is deemed desirable for the University to obtain a license from the Michigan Liquor Control Commission so that the sale of alcoholic beverages for consumption on the premises may take place in connection with the activities of The Doan Center:

NOW THEREFORE, IT IS RESOLVED that Saginaw Valley State University shall proceed to obtain such licenses from the Michigan Liquor Control Commission as may be necessary or desirable to accommodate the sale of alcoholic beverages at The Doan Center;

RESOLVED FURTHER, that the President, the Vice President for Administration and Business Affairs, and any other Vice President of the University are hereby authorized and directed to take such action and execute such documents on behalf of the University as they deem to be necessary or desirable to obtain any such licenses and permits.

The undersigned further certifies that the foregoing resolution has not been modified or rescinded, and remains in full force and effect.

Secretary to the Board of Control  
of Saginaw Valley State University

Date: \_\_\_\_\_, 1989

**CERTIFIED RESOLUTION  
OF THE  
BOARD OF CONTROL  
OF  
SAGINAW VALLEY STATE UNIVERSITY**

Appendix Five  
Permanent License II

The undersigned, Secretary to the Board of Control of Saginaw Valley State University, hereby certifies that the following is a true and accurate copy of a resolution adopted by the Board of Control at Saginaw Valley State University at a meeting duly called and held at University Center, Michigan, on the thirteenth day of March, 1989, at which meeting a quorum was continually present and acting:

WHEREAS, Saginaw Valley State University operates The Doan Center, and selected parts of the Arbury Fine Arts Center and the Health and Physical Education Center, as conference spaces which are utilized for many purposes in connection with the activities of the University; and

WHEREAS, Act 207 of the Public Acts of 1988, amending the Michigan Liquor Control Act, provides that The Doan Center constitutes a conference center as defined in the Act, and as such is eligible for a license to sell alcoholic beverages; and

WHEREAS, it is deemed desirable for the University to obtain a license from the Michigan Liquor Control Commission so that the sale of alcoholic beverages for consumption on the premises may take place in connection with the activities of the aforementioned conference spaces:

NOW THEREFORE, IT IS RESOLVED that Saginaw Valley State University shall proceed to obtain such licenses from the Michigan Liquor Control Commission as may be necessary or desirable to accommodate the sale of alcoholic beverages at The Doan Center, and selected parts of the Arbury Fine Arts Center and Health and Physical Education Center;

RESOLVED FURTHER, that the President, the Vice President for Administration and Business Affairs, and any other Vice President of the University are hereby authorized and directed to take such action and execute such documents on behalf of the University as they deem to be necessary or desirable to obtain any such licenses and permits.

The undersigned further certifies that the foregoing resolution has not been modified or rescinded, and remains in full force and effect.

\_\_\_\_\_  
Secretary to the Board of Control  
of Saginaw Valley State University

Date: \_\_\_\_\_, 1989

GENERAL FUND BUDGET SUMMARY  
SAGINAW VALLEY STATE UNIVERSITY  
FISCAL YEAR 1987-88

	BOARD APPROVED		ACTUAL REVENUES AND EXPENDITURES JUNE 30, 1988		NET INCREASE (DECREASE) ACTUAL TO BUDGET
REVENUES					
-----					
State Appropriation		\$13,794,055		\$13,801,958	\$7,903
Tuition & Fees					
Tuition	\$6,659,305		\$6,594,374		
Fees	267,000	6,926,305	281,851	6,876,225	(50,080)
	-----		-----		
Other Revenues					
Indirect Cost Recoveries	80,000		82,466		
Investment Income	60,000		60,605		
Departmental/Other	90,000		231,013		
Non-Recurring	25,000	255,000	0	374,084	119,084
	-----		-----		
Total Revenues		20,975,360		21,052,267	76,907
EXPENDITURES ALLOCATIONS					
-----					
Compensation	15,552,646				
Less: Unfilled Position Savings	(400,000)	15,152,646		15,031,268	(121,378)
	-----				
Supplies, Materials & Services		5,477,249		5,689,559	212,310
Capital Expenditures		435,300		273,748	(161,552)
	-----		-----		
Total Expenditure Allocations		21,065,195		20,994,575	(70,620)
	-----		-----		
Revenue Over (Under) Expenditure Allocations		(\$89,835)		\$57,692	\$147,527
	-----		-----		

Office of the Controller  
2/1/89 JGM:BAF

**RESOLUTION: MODIFICATION OF ADMISSION PROCEDURES**

**WHEREAS,** limited financial resources will not permit us to continue to provide, to an increasing number of students attending SVSU, the full-time faculty, support staff, supplies, services and equipment for a high quality educational environment, and

**WHEREAS,** the University community is committed to attracting a well-rounded, academically prepared student, and

**WHEREAS,** the University Curriculum and Academic Policy Review Committee unanimously voted to revise current admission standards and procedures, and

**WHEREAS,** the Faculty Association on Thursday, March 2, 1989 unanimously ratified the proposed revisions;

**NOW, THEREFORE, BE IT RESOLVED,** that the following admission revisions be implemented:

1. the required grade point average for normal F.T.I.C. admission will be 2.5 in college preparatory subjects, and
2. acceptable A.C.T. or S.A.T. test scores will be required of applicants age 22 and under, and
3. admission may be granted to students who have a minimum seven-semester grade point average of 2.0 in college preparatory subjects and an acceptable A.C.T./S.A.T. test score, and
4. applicants who have not attended any college/university, and are age 22 or older with lower high school G.P.A.s and/or A.C.T./S.A.T. test scores, will be required to obtain satisfactory scores on the SVSU Basic Skills Test.

March 13, 1989

**RECEIVED**

**MAR 14 1989**

Dr. Jack M. Ryder  
President  
Saginaw Valley State University  
University Center, Michigan 48710

**OFFICE OF PRESIDENT**

Dear Dr. Ryder:

The Architect Selection Committee has spent several hours evaluating credentials and interviewing applicants for professional services on the Business Innovation and Professional Development Center.

Initially twenty-nine firms submitted credentials which were examined by the Committee. This field of twenty-nine was reduced to what the Committee considered to be the six most qualified firms. Additional information was submitted by these six and the information was reviewed by the Committee and interviews were conducted.

The Committee then became deadlocked with two firms which were considered equally qualified for this project. These firms are:

Giffels Hoyem Basso, Inc.  
3150 Livernois, Suite 300  
Troy, Michigan 48083

Harley Ellington Pierce Yee Associates, Inc.  
P.O. Box 5030  
Southfield, Michigan 48086-5030

The Committee, therefore, submits these two applicants to you as the best qualified to serve as the professional service contractor on the Business Innovation and Professional Development Center.

Respectfully yours,

*Crystal M. Lange*

Dr. Crystal M. Lange, Committee Chairman  
Mr. Robert D. Hanes  
Dr. Douglas E. Hansen  
Dr. James L. Mitchell  
Mrs. Lila J. Ryder  
Mr. Richard P. Thompson

CML:skc



**CERTIFIED RESOLUTION  
FOR THE  
APPOINTMENT OF THE ARCHITECT FOR  
BUSINESS INNOVATION & PROFESSIONAL DEVELOPMENT CENTER**


**WHEREAS**, the concept and planning of a Business Innovation and Professional Developmental Center has been under consideration and development for several years; and

**WHEREAS**, a program statement for this facility has been submitted to and approved by the Michigan Department of Management and Budget; and

**WHEREAS**, a systematic process toward the selection of an architect, including proposals, presentations and interviews, has been completed; and

**WHEREAS**, the next step in the process toward construction of the facility is the selection of an architect;

**NOW, THEREFORE BE IT RESOLVED**, that the Board of Control hereby recommends to the State of Michigan, Bureau of Facilities, the appointment of Harley Ellington Pierce & Yee, of Southfield, Michigan, to serve as the architect for the Business Innovation and Professional Development Center at Saginaw Valley State University.

  
\_\_\_\_\_  
Dr. John A. Fallon  
Secretary to the Board of Control  
of Saginaw Valley State University

Date: 3/13, 1989

COLLEGE OF NURSING AND ALLIED HEALTH SCIENCES

DEPARTMENT OF NURSING

MARCH 13, 1989

Shortage of Nurses

Increased demand for nurses and nursing care  
Declining enrollment in nursing 33% at regional level  
Commission on Nursing; 16 recommendations

Graduates position offers

Every S.V.S.U. Nursing graduate; minimum of 3 offers

Scholarship opportunities

Employer scholarships  
Saginaw Medical Society  
Federal developments

Students:

Pre-Nursing Students: curenly increasing  
Basic Students: 87 full time  
18.25 F.T.E.  
R.N. Students: 75 taking one or more courses  
Graduate Students: 16 admitted Fall '88; 13 W '89  
China Experience: 1 faculty (Krawczyk) 3 students  
Visiting Chinese Scholar: ZhenHua Zhang

Faculty

Represent graduate degrees from multiple institutions  
Doctoral degree progress  
At dissertation level: Apgar, Blecke, Decker  
Recruitment: Seeking to fill at least one position

Current Projects

Continuing education for R.N.'s: Total funds: \$402,515  
Ends 6-3-'89  
Development of the M.S.N. program: Total funds: \$374,497  
Ends 9-30-'90  
Gerontology Project Completed; Special project application  
Designed to increase faculty expertise in gerontologic  
nursing and strengthen gerontologic preparation of BSN and  
graduate nursing students, and to enhance preparation of  
nurses in geriatric practice in the University service area.  
Total funds requested \$465,334

Future plans

Student recruitment  
Community task force  
National recruitment  
New course development; Introduction to Nursing  
Projected facilitation of part time students in basic  
program  
Potential work-study programs  
Traineeships for M.S.N. students

SAGINAW VALLEY STATE UNIVERSITY  
COLLEGE OF NURSING  
ACHIEVEMENT ON STATE BOARD LICENSURE EXAMINATION

<u>CLASS</u>	<u>DATE</u>	<u>NUMBER</u>	<u># APPS</u>	<u>PASSED</u>	<u>MEAN</u> <u>(PASS = 350)</u>
1	July '79	21		96%	530
2	July '80	18		84%	530
3	July '81	32	48	100%	588
				(NCLEX pass = 1600)	
4	July '82	28	46	100%	2180
5	Feb. '83	24	40	96%	2147
6	July '83	16	32	100%	2167
7	Feb. '84	20	36	95%	2056
8	July '84	16	34	100%	2078
9	Feb. '85	22	38	95%	1970
10	July '85	16	34	94%	2117
11	Feb. '86	22	36	100%	2164
12	July '86	19	38	100%	2172
13	Feb. '87	19	34	95%	2044
14	July '87	22	38	100%	2054
15	Feb. '88	22	36	82%	1913
16	July '88	22	34	86%	1977
17	Feb. '89				
18	July '89				

TABLE 15.1 (continued)

## FACULTY ACADEMIC DEGREES

<u>Name of Institution</u>	<u>Number of Faculty</u>	
	<u>Undergraduate Degree</u>	<u>Graduate Degree</u>
Albion College	1	
Capital University	1	
Case Western Reserve	1	1
Catholic University of America		1
Cedar Crest College	1	
Marquette University	1	
Mercy College of Detroit	1	
Michigan State University	2	4
Northern Michigan University	1	
Oakland University	2	
Russell Sage College	1	
Saginaw Valley State University	5	
St. Francis College	1	
St. John College of Cleveland	1	
University of Iowa		1
University of Maryland	1	
University of Michigan - Ann Arbor	2	8
University of Michigan - Flint	2	
University of North Carolina		1
University of Washington - Seattle		1
University of Wisconsin		1
Valparaiso University	1	
Wayne State University	2	4

# Report Includes 16 Recommendations

The final report of the Commission on Nursing of the U.S. Department of Health and Human Services contains 16 recommendations for resolving the nurse shortage and assuring a healthy labor market for nurses in the future.

The report concludes, "It is the sincere belief of the commission that the health of this nation will be at risk if the changes suggested in these recommendations do not occur."

The recommendations are presented in the report in clusters, as they address the issues of utilization of nursing resources, nurse compensation, health care financing, nurse decision making, development of nursing resources and maintenance of nursing resources.

## Utilization of Nursing Resources

- Health care delivery organizations should preserve the time of the nurse for the direct care of patients and families by providing adequate staffing levels for clinical and non-clinical support services

- Health care delivery organizations should adopt innovative nurse staffing patterns that recognize and appropriately utilize the different levels of education, competence and experience among registered nurses, as well as between registered nurses and other nursing personnel responsible to registered nurses, such as licensed practical nurses and ancillary nursing personnel.

- The federal government should sponsor conferences to develop a national agenda for research, demonstrations and evaluations of patient care information systems for clinical practice, with particular attention to the management of nursing care and nursing resources and the development of nursing data bases.

- Health care delivery organizations, nursing associations and government and private health insurers should collaborate to develop and implement methods for costing, budgeting, reporting and tracking nursing resource utilization, both to enhance the management of nursing services and to assess their economic contribution to their employing organization.

## Nurse Compensation

- Health care delivery organizations should increase RN compensation and improve RN long-term career orientation by providing a onetime adjustment to increase RN relative wages targeted to geographic, institutional and career differences. Additionally, they should pursue the development and implementation of innovative compensation based on experience, performance, education and demonstrated leadership.

## Health Care Financing

- Government should reimburse at levels that are sufficient to allow efficiently organized health care delivery organizations to recruit and retain the number and mix of nurses necessary to provide adequate patient care.

## Nurse Decision Making

- Policy-making, regulatory and accreditation bodies that have an impact on health care at the national, state and local levels should foster greater representation and active participation of the nursing profession in their decision-making activities.

- Employers of nurses should ensure active nurse participation in the governance, administration and management of their organizations

- Employers of nurses, as well as the medical

profession, should recognize the appropriate clinical decision-making authority of nurses in relationship to other health care professionals, foster communication and collaboration among the health care team, and ensure that the appropriate provider delivers the necessary care. Close cooperation and mutual respect between nursing and medicine is essential.

## Development of Nursing Resources

- Financial assistance to undergraduate and graduate nursing students must be increased. The burden of providing this assistance should be equitably shared among the federal and state governments, employers of nurses, philanthropic and voluntary organizations. The preferred method of providing this support is the use of service-

*Report > Continued on page 20*

# ANA Attack Against Shortage Will Intensify During 1989

In response to the final report of Health and Human Services Secretary Otis Bowen's Commission on Nursing, ANA has announced that it will fight the nursing shortage more aggressively than ever.

Many of the commission's suggested strategies are already part of ANA's ongoing projects and the association plans to act on all recommendations suggested to nursing organizations.

Along with its constituent state associations, ANA will focus on the following in 1989:

- Urge hospitals to relieve nurses of non-nursing duties.

- Examine the utilization and regulation of nursing assistants.

- Urge hospitals and the federal government to invest in computer technology that allows nurses to spend more time with patients.

- Continue activities aimed at achieving

higher salaries for nurses.

- Lobby for increased state and federal funding for nursing education.

- Urge active nurse participation in governance, administration and management of their employing institutions.

- Continue to work for implementation of two categories (professional and technical) of nursing practice.

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**BOSTON 1990  
ANA Biennial  
Convention  
June 15-21, 1990**

---

# IT'S TIME WE START CARING FOR OURSELVES AS MUCH AS WE CARE FOR OUR PATIENTS.

We're probably the hardest working group of professionals in the world. And probably the most caring.

Our job is one that takes total commitment of mind and body. It's also one that takes more and more of our time, especially now with the nursing shortage. Frankly, the only people who are going to solve this shortage problem are nurses themselves. You.

Today, new categories of caregivers are being proposed as a solution to the nursing shortage. The American Medical Association and its new Registered Care Technologist isn't going to solve the shortage. Neither are other new workers. To get the job done, nurses have to care as much about the problem as we do about our patients.

So, we need you to really start caring about nursing. With your moral support. And with your checkbook. Don't let the RCT come between you and your patient. Between you and our rich history. Join the fight. Show the world just how much a nurse can really care.

**To help solve the nursing shortage and fight the RCT proposal, make your check payable to:**

**"Nurses Caring for Nursing"**  
c/o American Nurses' Association  
P.O. Box 38, Department 123A  
Kansas City, Missouri 64183-0123

**For any donation of \$20 or more, you'll receive a beautiful 22-carat gold-plated pin to wear as a symbol of your support.**

## NURSES CARING FOR NURSING

Nursing's National and State Professional Organizations

- |   |  |
|---|--|
| <input type="checkbox"/> Yes, count me in!<br>Here's my check.<br>Please send the gold-plated pin right away. | <input type="checkbox"/> Please send more<br>information on the RCT<br>proposal. |
|---|--|

Name \_\_\_\_\_

Title \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Phone (     ) \_\_\_\_\_

Donations are not deductible as charitable contributions for federal income tax purposes.

A

# \* People Ad Elicits Public Support for Nursing

Opposition to the American Medical Association's RCT proposal is not coming only from nursing.

A recent advertisement in *People* magazine (ad appears at right) has resulted in more than 600 responses supporting nursing. Persons responding expressed opposition to the RCT proposal and requested that any care they receive come from qualified nurses.

"We consider public education to be a very important part of our efforts to oppose the RCT and promote nursing's solutions to the nursing shortage," said Judith Ryan, PhD, RN, ANA Executive Director. "We are beginning to see evidence that the American public supports nursing in its opposition to the RCT. And we will do everything we can to see that nurses continue to provide the high quality health care that patients deserve."

The *People* advertisement was developed by the American Nurses' Association and Muller & Company, an advertising agency in Kansas City, Mo. The ad was sponsored by ANA and organized nursing's national and state associations.

Following are some excerpts from letters ANA has received as a result of the ad:

*Good luck with your battles with the American Medical Association. Because of their stand, I'm seriously considering dropping my membership. Our entire staff of 49 practicing gynecologists feel the same.*

Don Woodard, MD  
Englewood, Colo.

*It is with shock and horror that I write to you today to say that yes, I most certainly insist that any nursing care that I or any member of my family receives must*

*come from a registered nurse.*  
Rhonda Clark, Laporte, Texas

*Good luck on your promotion to improve the nursing profession's standards and our health welfare in the future. We are members of a family with many in the medical profession so we are truly concerned.*

Mr. and Mrs. Henry Kennan  
Kansas City, Mo.

*Until the hospitals recognize me and the other LPNs in this country, I believe the shortage will continue. I would just like to have the opportunity to do what I love the most . . . be a nurse.*

Melody Koch, LPN  
Colorado Springs, Colo.

*People have to be made aware of this insane proposal of the American Medical Association. I am appalled. I will pass the news on to everyone I know, and I'll give them this address and ask them to send in a signed request that our nursing care come from qualified nurses. Thanks for keeping the public informed.*

Dorothy Quinn  
Noble, Ore.

*To put it bluntly, if our hospital hired RCTs instead of nurses there is no way I'd go into the hospital! If you want to solve the nursing shortage, start paying the nurses what they're worth.*

*Please try everything to stop this stupid idea of the RCT program. We need our nurses.*

Paula Myers  
Gillette, Wyo.

## WHAT THEY'RE DOING TO NURSING IS ENOUGH TO MAKE YOU SICK.

In response to a nationwide shortage of nurses, the American Medical Association has proposed substituting "Registered Care Technologists" for registered nurses and licensed practical nurses. These "RCTs" could be providing your nursing care after only 8 weeks of training.

Why should you have to sacrifice the quality of your health care?

### Dear Nursing Organizations:

I request that any nursing care I receive come from a qualified nurse. I believe the "Registered Care Technologist" program is unnecessary, and potentially dangerous to my health.

(Your signature here.)



Especially when the nursing profession has already developed successful solutions to the problem.

Show your support for nursing by completing the coupon below. Then tell your doctor that you're against this band-aid response to a problem that demands a real cure.

Sponsored by the American Nurses' Association, in cooperation with organized nursing's national and state associations.

☐ Please send me more information about solutions to the nursing shortage and how they affect me. (I've enclosed my address.)

Mail this coupon to:  
American Nurses' Association, Dept. K  
2420 Pershing Road  
Kansas City, MO 64108  
(816) 474-5720

# RN Uses Newsletter to Tell Children About Nursing

An Alabama nurse has a dream—the publication of an annual newsletter for children to stimulate their interest in a nursing career.

Becky Edwards, RN, has designed and printed a six-page newsletter that includes photos, drawings, and short articles about nursing and nursing education. It also carries puzzles and riddles.

Edwards published the first issue of *Nursing in the News for Today's Youth* last spring with a front page article on National Nurses' Day, May 6. Alabama nurses supported a printing of 2,000 copies.

For the second issue, Edwards revised the front page to focus on a career in nursing rather than the national day. The Capstone College of Nursing at the University of Alabama, where Edwards is an assistant professor, underwrote the costs. A mailing to major nursing organizations and state nurses associations produced sales of more than 4,000 copies, Edwards reports.

Edwards is seeking support for continued development and national distribution

of the newsletter.

"I see a need to expand beyond state level distribution," Edwards says. "The response has been gratifying. Many people perceive the need to provide young people with information about a career in nursing."

For children, who aren't sure what a career is, the newsletter offers this definition: a career is a person's permanent line of work where progress and continued learning take place.

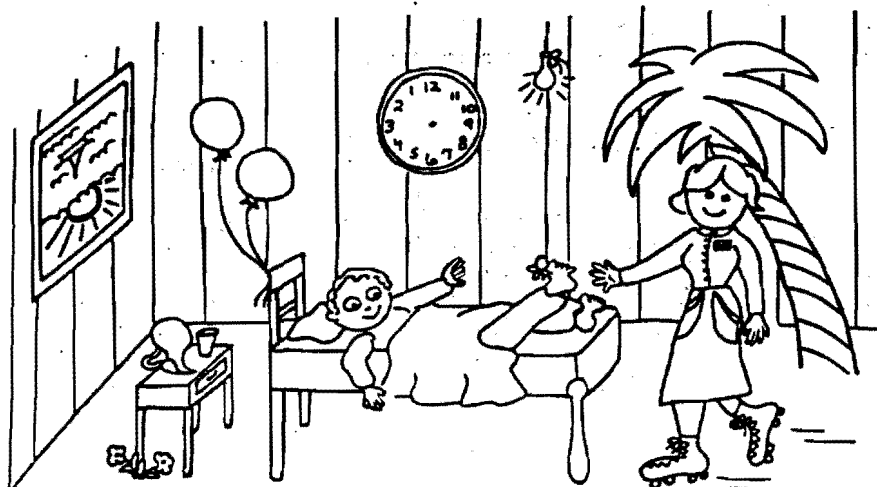
Edwards says she would like to see the newsletter distributed in hospital pediatric units and available in pediatrician's waiting rooms, where parents and children could share the information.

In creating the newsletter, Edwards had consultation from Margaret Searcy, an expert in creative writing for children, and Philip Kalisch, PhD, co-author of *The Changing Image of the Nurse*.

For more information about *Nursing in the News for Today's Youth*, contact Nursing Careers, Box 870358, Tuscaloosa, Ala. 35487-0358.

## MYSTERY PICTURE

The nurse is caring for a boy in the hospital with a broken leg. See if you can find 11 things that are wrong with this picture.





RESOLUTION

RECONCILIATION OF THE 1987-88 GENERAL FUND  
BUDGET AND ACTUAL REVENUE AND EXPENDITURE PATTERNS

WHEREAS, the audited financial statements for the 1987-88 fiscal year are completed, and

WHEREAS, the variances in actual revenue and spending patterns have been reviewed with the Business and Facilities Committee in accordance with Resolution 535 approved March 8, 1982;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Control receive this report and approve variances in revenue and spending patterns from the fiscal year 1987-88 General Fund Operating Budget.

JGM/jg  
2/01/89

GENERAL FUND BUDGET SUMMARY  
SAGINAW VALLEY STATE UNIVERSITY  
FISCAL YEAR 1987-88

	BOARD APPROVED		ACTUAL REVENUES AND EXPENDITURES JUNE 30, 1988		NET INCREASE (DECREASE) ACTUAL TO BUDGET
REVENUES					
State Appropriation	\$13,794,055		\$13,801,958		\$7,903
Tuition & Fees					
Tuition	\$6,659,305		\$6,594,374		
Fees	267,000		281,851		(14,851)
Other Revenues					
Indirect Cost Recoveries	80,000		82,466		
Investment Income	60,000		60,605		
Departmental/Other	90,000		231,013		
Non-Recurring	25,000		0		25,000
Total Revenues	20,975,360		21,052,267		76,907
EXPENDITURES ALLOCATIONS					
Compensation	15,552,646				
Less: Unfilled Position Savings	(400,000)		15,031,268		(121,378)
Supplies, Materials & Services	5,477,249		5,689,559		212,310
Capital Expenditures	435,300		273,748		(161,552)
Total Expenditure Allocations	21,065,195		20,994,575		(70,620)
Revenue Over (Under) Expenditure Allocations	(\$89,835)		\$57,692		\$147,527

Office of the Controller  
2/1/89 JGM:BAF

COPY

**SAGINAW VALLEY STATE UNIVERSITY**

**BOARD OF CONTROL  
FINANCE & AUDIT COMMITTEE**

Monday, March 13, 1989

12:30 - 3:00 p.m.

Large Private Dining Room, Doan Center

DISCUSSION ITEMS:

1. Meeting with Internal Auditor, John Krawczyk
2. Review Various Auditor Comments
3. Status of General Fund Budget for 1989-90
4. Capital Items Financing Program

JAW/mjc

fa3-31389

CONFIDENTIAL

Vice President for Administration  
& Business Affairs  
(517) 790-4045

# MEMORANDUM

TO: SVSU Board of Control Finance and Audit Committee  
Members

FROM: Mr. Jerry A. Woodcock *Jerry A. Woodcock/jaw*

DATE: March 3, 1989

RE: Audit Recommendations and Responses

For student financial aid programs funded by Federal monies, a separate audit is prepared for the Department of Education. The terminology and requirements are unique to that program. The process to be followed and the requirements made of auditors are quite different than those involving other audits.

As part of the audit, there is a section which consists of their comments and recommendations. Also included are the institution's responses. Additionally, they include the prior year's recommendations and the actions taken by the institution which they have verified.

Ernst and Whinney is in the process of finalizing the audit for the year ending June 30, 1988. For your review pages 9-11 are attached. On SVSU stationery are our responses to the recommendations. We will review these with you at our committee meeting on March 13, 1988.

JAW/mjc

Enclosure

fa-31389

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Item No. 1

Page no. 277

SAGINAW VALLEY STATE UNIVERSITY

June 30, 1988

Finding No. 1

Title IV Program Cash Reconciliation

On a quarterly basis, the University is required to submit Federal Cash Transactions Report, CD Form 272, which performs a rollforward of cash for the period. During our review of this report for the period 1/1/88 to 3/31/88, we noted an unexplained difference between reported ending cash in CD Form 272 and the general ledger of \$198,568.79.

We noted that the University has properly reconciled cash balances and federal program activity to amounts recorded on the general ledger. Accordingly, the discrepancy appears to arise from the information provided on the Federal Cash Transaction Report. The University has made several attempts to contact the appropriate Federal agency and identify the difference. To date, these attempts have been unsuccessful. We recommend that the University continue its attempts to contact the appropriate Federal agency, isolate these differences and properly reconcile Title IV Program cash to the Federal Transactions Report.

Finding No. 2

Timing of Requests for Cash

During the year, average monthly cash balances for Student Financial Aid programs was a deficit of approximately \$250,000. The University made requests for cash when the balance was in a substantial deficit position. The requests were for an amount sufficient to cover the current deficit and to reimburse expenses expected for its upcoming ten-day period. We recommend that the University increase the number of cash requests to a monthly or bi-monthly basis. Based upon the deficit balances at month end, the University could bring the balance closer to zero and also benefit from improved cash flow and the reduction in the cost of funds used by the Student Financial Aid programs of up to \$15,000 (\$250,000 average deficit X 6% cost of funds = \$15,000 potential savings).

## SAGINAW VALLEY STATE UNIVERSITY

Finding No. 3Statement of Educational Purpose

Department of Education guidelines require that, in order for a student to be eligible for financial aid, they must register for selective service or be of a population not required to register. The Statement of Educational Purpose requires the student to indicate registration for selective service, or the category of exception applicable to the student. We tested 50 students for eligibility requirements, and noted four had not provided the selective service information. Because financial aid eligibility is dependent upon this requirement, we recommend that the University review the Statement of Educational Purpose submitted by the student to determine actual eligibility and ensure that the required information is completed before granting financial aid.

Finding No. 4Employee Time Card Approval

Students working under the College Work Study (CWS) program are required to submit bi-weekly time cards, indicating hours worked during the period. The cards are to be signed by the student and approved by the supervisor. During the CWS testwork we noted three of the total of 25 time cards examined were processed without student signatures. We recommend that all time cards be properly signed and authorized prior to payroll processing. This will aid in verifying actual hours worked during the period and improve control over CWS program funds.

Finding No. 5Award Disbursements within Department of Education Limits

The Financial Aid office currently uses a manual system to ensure that Perkins and SEOG awards are within their respective limits. We understand that the Financial Aid office will compare the current academic year's disbursement with the prior year to ensure that the maximum is not surpassed. The procedure compares the amount awarded to that shown on the "Student Award and Disbursement Information Sheet." One current control relied upon for SEOG awards is that, to date, awards have never approached the established limits. The SEOG listing is also scanned to make sure that the limits are not exceeded.

We noted no discrepancies during our testing, however, we recommend that University personnel investigate the potential for a control/review system to integrate with the financial aid computer system and detect any disbursements which are outside the approved limits.

PART IV -- PRIOR AUDIT REPORTS

PRIOR AUDIT REPORTS  
STUDENT FINANCIAL ASSISTANCE PROGRAMS

SAGINAW VALLEY STATE UNIVERSITY

June 30, 1988

The University has taken the following corrective action on findings and recommendations included in the SFA programs audit report for the year ended June 30, 1987.

Finding No. 1

Financial Aid - EDP Program

The Financial Aid office enters student award information into its computer system by CSS, ACT, and SAR tapes. Individuals using the computer are able to alter and delete information. The system does not identify changes or reasons for changes. Therefore, it is possible for erroneous information to be entered without being detected and student awards to be determined incorrectly.

Action Taken

The University developed and implemented the required programming to identify and explain changes to financial aid information. Testing of the new programming occurred during the fall semester of 1988 and is fully operational as of the winter semester, 1989.

Finding No. 2

Financial Need

An instance was noted where the University awarded financial aid in excess of a student's need.

Action Taken

As stated in last year's University response, specific action was taken to correct the overaward to one student. Additionally, a program has been developed which is used to monitor calculated need and resulting award levels for individual students.

Other Matters

No comments were received from the Department of Education during the year on the 1987 report of the Perkins Loan, Pell Grant, College Work-Study, Supplemental Educational Opportunity Grants, and Guaranteed Student Loan Programs of Saginaw Valley State University. Any such comments will be reviewed in the future.





SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
1987-88

Finding 1 - Title IV Program Cash Reconciliation

E&W: We recommend that the University continue its attempts to contact the appropriate Federal agency, isolate these differences and properly reconcile Title IV Program cash to the Federal Transactions report.

SVSU: We concur. The University is continuing its efforts to communicate with the federal agency involved to correct information as has been provided by the Federal government on the federal cash transaction report.

Finding 2 - Timing of Requests for Cash

E&W: We recommend that the University increase the number of cash requests to a monthly or bimonthly basis.

SVSU: We concur. Subsequent to completion of the audit the University implemented a grant and contract reconciliation process which will provide information for more timely cash request submissions.

Finding 3 - Statement of Educational Purpose

E&W: We recommend the University review the Statement of Educational Purpose submitted by the student to determine actual eligibility and ensure the required information is completed before granting financial aid.

SVSU: We concur. Departmental procedures were not being followed consistently. Additional training of staff has occurred.

Finding 4 - Employee Time Card Approval

E&W: We recommend that all time cards be properly signed and authorized prior to payroll processing. This will aid in verifying actual hours worked during the period and improve control over CWS program funds.

SVSU: We concur. Departmental procedures were not being followed consistently. Additional training of staff has occurred.

Finding 5 - Award Disbursements within Dept. of Education Limits

E&W: We recommend that a control/review system be integrated with the financial aid computer system to detect any disbursements which are outside the approved limits.

SVSU: We agree with the intent of your recommendation which considers that your test work found no discrepancies. However, we have concluded that it would not be cost effective to develop the computer programming required to accomplish this objective. As acknowledged, we are able to maintain disbursements within various programs limits with our existing manual procedures.

Vice President for Administration  
& Business Affairs  
(517) 790-4045

**M E M O R A N D U M**

TO: SVSU Board of Control Finance and Audit Committee  
Members

FROM: Mr. Jerry A. Woodcock *Jerry A. Woodcock/kan*

DATE: March 3, 1989

RE: Ernst & Whinney Management Letter and Responses

Attached to this memorandum is another copy of the Ernst & Whinney management letter for fiscal year 1987-88 which you have received previously. Additionally, we are including our intended responses for discussion with you.

JAW/mjc

Enclosures

fa2-21389



Suite 1100  
101 N. Washington Avenue  
Saginaw, Michigan 48607

517/754-8471

October 25, 1988

Board of Control  
Saginaw Valley State University  
University Center, Michigan

We have examined the financial statements of Saginaw Valley State University and have issued our report thereon dated September 6, 1988. As part of our examination, we made a study and evaluation of the University's system of internal accounting control to establish a basis for reliance thereon in determining the nature, timing, and extent of the auditing procedures necessary for expressing an opinion on the financial statements and to assist in planning and performing our examination of the financial statements. Our study and evaluation was more limited than would be necessary to express an opinion on the system of internal accounting control taken as a whole.

The administration of Saginaw Valley State University is responsible for establishing and maintaining a system of internal accounting control. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of control procedures. The objectives of a system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization. Because of inherent limitations in any system of internal accounting control, errors or irregularities may nevertheless occur and not be detected.

Although the study and evaluation described above did not disclose conditions which we consider to be material weaknesses as that term is defined in Statement on Auditing Standards No. 20, we believe the suggestions for improvements in procedures and controls warrant your attention.

This letter is intended solely for the use of the Board and administration of the University and should not be used for any other purpose. We appreciate the opportunity to present these comments for your consideration and would be pleased to discuss any of them further with you at your convenience.

Very truly yours,

A handwritten signature in cursive script that reads "Ernst &amp; Whinney".

### Establishment of Internal Audit Function

In recent years, the University has grown substantially, both in size and in complexity. In conjunction with this growth, all phases of the University's operation have become more complex and more difficult to manage and control. Recently, the University has discussed the formation of an internal audit function to help improve the overall system of internal control within the University. We support the establishment of this function and are willing to be of assistance in the implementation the internal audit group to whatever extent possible.

### Accounting for Bookstore Inventory

During our audit procedures, we noted that the University only adjusts the accounting records for bookstore inventory purchases and sales at year end. Accordingly, accounting control over bookstore inventory and information essential to successful management of the bookstore operations may not be available on a timely basis. Effective controls continue to grow in importance as the bookstore evolves into an essential operation of the University.

We recommend that the University investigate alternative methods of accounting for and controlling inventory for the bookstore. Controlling inventory may involve the implementation of the retail method of accounting for inventory, or possibly, a microcomputer based perpetual inventory system. We believe that implementation of an effective inventory accounting system will improve control over the University's bookstore assets and provide the bookstore manager with timely information.

### Control Over Cash Reconciliations

The University uses a pooled cash system for purposes of maximizing investment income and improving control over cash accounts used by the University. However, we noted that University personnel had expended considerable time and effort to properly reconcile the cash account. We also noted that during the year there was a fluctuation in the amount of the unreconciled difference between the adjusted bank balance and the general ledger balance. The differences appear to result from several sources, however, significant items include the posting of investment interest or accounts receivable transactions. In addition, a large number of interfund transactions make the reconciliation more difficult and time consuming.

We recommend that the University investigate alternatives to make the monthly cash reconciliation procedure more timely and reduce the amount of unreconciled differences. This may best be accomplished by isolating interfund journal entries thus reducing the number and amount of transactions currently flowing through the cash accounts. This should improve the cash reconciliation process and reduce the amount of time currently spent reconciling the University's cash accounts.

### Control Over Grant and Contract Accounting

During our audit procedures, University personnel noted that a Continuing Education and Masters of Nursing grant had not been recorded when originally received. The failure to record cash receipts and accounts receivable transactions on a timely basis reduces the control over cash transactions.

This coupled with an already complex cash reconciliation process could result in unreconciled differences remaining for extended periods of time.

In addition to enhancing the cash reconciliation process as noted above, we recommend that the University consider the monthly reconciliation of grant and contract accounting to the related supporting documentation (federal grant reports) to aid in the proper management and control of grant program funds.

#### Manual Adjustments to Summer Registration

Our testing procedures for tuition and fee revenue indicated a significant number of manual registrations and adjustments for the late summer classes (session #4 and #5). These adjustments appeared to result from students dropping and adding classes as they begin, which is normally well after the "final" cut-off for registration on the computerized system. Hand registration adjustments require significant amounts of additional time by both accounting and registrar's department personnel. In addition, as these manual adjustments are outside of the normal registration system, control over these transactions may be more difficult and complicated than for normal student registration.

Accordingly, we recommend that the University investigate alternatives to help reduce the number of manual registrations. These may include the addition of a fourth registration report (instead of the three currently used) to allow for separate reporting of late summer classes. This should allow the University to increase the time for which late registration

adjustments may be made before finalization of the computerized registration and reducing the number of manual adjustments. Allowing these students to be recorded as regular registration (vs. manual adjustments) should provide additional control over such registrations and reduce the amount of administrative time spent on these transactions.

#### Faculty Requests for Early Salary Payments

Faculty personnel normally are paid salary in even biweekly amounts over the year, however, they may request lump-sum distributions of their remaining contract balance. During our audit procedures, we noted that one request for a faculty's early lump-sum payment could not be located. In addition, several other such requests noted appeared to be rather informal documents.

We recommend that a formal system of requesting and approving lump-sum salary distributions be implemented to properly control payment of such requests. This system should include a standardized formal request form which should be approved by the faculty member and the appropriate University personnel and retained in the employees personnel file. This system should improve the University's control over such disbursements and provide for more efficient operation of the payroll system.

#### Verification of Pay Rate and Hours Worked

During our audit procedures, we noted that the payroll clerk currently verifies several key amounts from the employees time card to the payroll computer report on an individual employee by employee basis. Such manual comparisons include verification that the pay rate per week one agrees with



the pay rate for week two of the same two week payroll period and that hours worked per the employee's time card agrees with the number normally worked on the computer report. Verification on an individual item by item basis provides some assurance that the information is accurate, however, we believe the controls should be strengthened.

We recommend that in addition to the current procedures, summary totals (or "hash totals") for employee rates and hours worked for each time period be reconciled from the time cards (as computed manually) to the totals per the computer reports. This overall reconciliation should provide a substantial improvement to the existing controls over pay rates and hours worked while improving control over University funds.

#### FINANCIAL AIDS

##### Fire-resistant Storage of Critical Records

In 1985, a major fire destroyed a significant number of financial aid files and records. The loss of these records caused significant hardship to both administration and students. During our audit procedures, we noted key financial aid records are currently stored in non-fire resistant storage units. We recommend the University consider acquiring fire resistant storage units for critical financial aid records to prevent a similar disaster from occurring in the future.

## COMPUTER CONTROLS EVALUATION

### Control Over User Passwords

Password control is critical to maintaining an effective computer security environment. An effective environment should ensure that programs will not be modified without the proper management authorization, programs will not be executed without authorization and data files will not be improperly modified or changed. User passwords are currently changed approximately every semester. However, password change request forms which include the user name, department and new password are sent through the inter-campus mail, often in an unsealed envelope and then maintained in hard copy available to many persons within the Computer Services department for a short time before being destroyed. We recommend the method of changing user passwords be modified to eliminate the potential for unauthorized access to user passwords. We also recommend the access to hard copy reports be restricted to authorized University personnel.

In addition, we noted that the Master Menu system developed by the Computer Services department uses a program password to allow access to programs and files within a particular functional area of the University. Passwords for menu options give individuals the authority to execute programs and add/delete information. We noted that passwords for this menu system have not been changed for over a year. This may allow individuals who have transferred within the University, left the University, or learned of a menu option password indirectly, the ability to execute the program without management authorization.

Accordingly, we recommend that Master Menu passwords be changed on a regular basis (e.g. every semester). In addition, each department should be encouraged to request additional changes as employees leave or are transferred to other departments. We believe this will substantially improve the effectiveness of the Master Menu system and the controls over programs and data files.

#### Formalized Security Policy

During our examination, we noted that the University does not maintain a formalized security policy. A security policy should establish primary responsibility for computer programs and data files and should identify individuals responsible for ensuring compliance with that policy. To be effective, a security policy should clearly establish that each user is responsible for their computer terminal and computerized information in the same manner they are responsible for other information within the department.

We recommend that the University adopt a formal security policy for computerized information. An effective policy would set the proper "tone at the top" and allow for proper implementation by University personnel.

#### Standard Programming Policy Manual

Currently, the University does not maintain a complete set of programming and documentation standards for use by its programming and maintenance personnel. Programming standards are important to improving consistency in

programming and documentation practices and may improve the efficiency of programs as they are better planned, reduce logic errors made during the programming process and substantially reduce the time requirements for program maintenance. The standards become increasingly important as the University hires student programmers or turnover within the department increases.

Accordingly, we recommend that formal programming standards be implemented by the University. These policies should be monitored for all new programs and for all changes to existing programs before they are placed into the production libraries.

#### Improved Documentation and Control Over Program Changes

Recently, the programming utilized a "Program Authorization Sheet" to document program modifications, the reason for the modification, the programmer assigned, program test procedures and the department managers sign-off after the program or modification was completed. However, use of this form was somewhat inconsistent and has diminished in recent times.

We believe that documentation of program changes is an important step to an effective control environment especially when coupled with a formal user request for the modification. Accordingly, we recommend that a form like the "Program Authorization Sheet" be reimplemented by the programming department. The Computer Services department should consider expanding the form to include user information for the request, user and Computer Services department personnel sign-off at "key-development points" especially after

program testing and prior to program implementation. This procedure should improve the organization of projects and control over program changes without a significant change from existing documentation. In addition, the additional user information provided should enable programming personnel to better identify the users needs, as the user has better identified them in writing, and documents that the users needs have been met at the time of implementation.

#### Access to Program and Data Files

Currently, programmers, programmer analysts, operators and certain other individuals have access to and therefore the ability to modify production programs and data files. This practice gives these individuals substantial authority to modify programs and data without management knowledge or authorization. In addition, the University often hires students on a part-time basis to perform Computer Services department activities. This practice is beneficial for the students and the University, however, as it dramatically increases the number of personnel with direct access to programs and data files, it substantially increases the potential for unauthorized modifications.

To reduce the potential for unauthorized program or data file modification, we recommend that the University restrict the access to the production Master File Directories (MFD's). For example, programmers should be allowed "Read-Only" access to production programs and data files. This would allow programmers to move copies of programs into the programmers test library where it can be properly modified. After the modification is complete and

approved by Computer Services and user personnel on the "Program Authorization Sheet", the program should be placed into production by the University's operation personnel.

#### Use of the POWER Utility

The POWER Utility is a program that allows the user to write various reports and perform maintenance procedures on certain computerized files and programs. Use of this utility is restricted, however, this program may currently be used by people outside of computer services on "live" production files. This allows those individuals to make modifications to data files directly, bypassing controls put into the related computer programs. Furthermore, live files may be destroyed accidentally if the utility is used improperly.

Accordingly, we recommend that the use of the POWER utility be severely restricted and used only with copies of data files instead of "live" production files. This will allow POWER users to continue to generate reports necessary to fulfilling their responsibilities. As users find errors in the copies of data files, we recommend that they be corrected using the conventional programs and not through the use of the utility. This should ensure that all modifications are made through the appropriate methods and reduce the potential for loss of data and data files.

#### Controls Over the Micro to Main-frame Link

The University has recently acquired software that will enable them to "upload" and "down-load" information between the microcomputer and the main-

frame computer system. This enables the users to send large quantities of data between the two systems all at one time. We agree with Computer Services department management that additional controls should be established before information is "up-loaded" into the computer system. These controls should ensure that all information is properly authorized by the department responsible for the information. In theory, "up-loaded" information should follow the same system of internal controls as are in place for the conventional system. Controls over "down-loaded" information should resemble those over printed reports.

The ability to send information between the microcomputer and the main-frame is a valuable tool. We recommend that user departments work together to establish a system for authorizing information to be "uploaded". This system should include user department manager approval of the original information, subsequent review of information obtained from the main-frame computer system and a comparison with the original request. This process should ensure that the user department is satisfied that the "up-loaded" information is accurate and complete. We also recommend that the physical process of "up-loading" or "down-loading" information initially be controlled through a centralized point (e.g. Director of Computer Services). This will allow for gradual development of this process until the University is fully aware of the potential of this new tool.

#### Formalized Disaster Recover Plan

The University currently maintains a verbal disaster recovery plan with Delta College in which each institution would be able to use the others

computer system. In addition, with the addition of two new computer systems early in the 1988-1989 fiscal year, Computer Services personnel are investigating the potential for utilizing one of these systems as a backup in case of emergency. Both of these alternatives have potential for providing cost effective disaster recovery systems. However, no formal Disaster recovery plan has been prepared as of this time.

We understand the Computer Services personnel are currently in process of formalizing a disaster recovery plan and expect to complete the plan by approximately January 1, 1989. We recommend that this disaster recovery plan receive a high priority by Computer Services personnel and by the Administration to ensure that a workable plan is completed and accepted by the Administration in the near future. We will be available to answer any questions the University may have in preparing a disaster recovery plan.



## SAGINAW VALLEY STATE UNIVERSITY

RESPONSE TO AUDITORS' COMMENTS AND RECOMMENDATIONS  
FISCAL YEAR 1987-88**Establishment of Internal Audit Function**

E&W: We support the establishment of this function and are willing to be of assistance in the implementation of the internal audit group to whatever extent possible.

SVSU: The University established and staffed the Internal Audit function effective January 2, 1989.

**Accounting for Bookstore Inventory**

E&W: We recommend that the University investigate alternative methods of accounting for and controlling inventory for the bookstore.

SVSU: We concur. We have indicated as a response to a similar comment and recommendation from the 1986-87 audit, which was provided by other auditors, that with time permitting, the University would review alternative methods to address this concern. Due to constraints upon staff resources, the University will consider options such as the engaging of a consultant to assist in investigating various inventory methodologies along with the cost of implementing and maintaining same relative to the benefits to be realized.

**Control Over Cash Reconciliations**

E&W: We recommend that the University investigate alternatives to make the monthly cash reconciliation procedure more timely and reduce the amount of unreconciled differences.

SVSU: We concur. We note that your comment and recommendation does not express concern about cash shortages. The intent of the recommendation as we understand it involves the need to improve procedural aspects of the cash reconciliation process. Subsequent to completion of the audit, University personnel have discussed various approaches to improve this process. We are attempting to improve the situation by changing one computerized accounting program and assigning reconciliation responsibilities to one staff member (this responsibility previously has been spread among more than one professional staff member). These modifications will be evaluated for effectiveness and impact on existing staff responsibilities prior to the completion of the current fiscal year.

### **Control Over Grant and Contract Accounting**

E&W: We recommend that the University consider the monthly reconciliation of grant and contract accounting to the related supporting documentation.

SVSU: We concur. Subsequent to the completion of the audit, the University implemented grant and contract reconciliation procedures. These procedures which address the concerns of the auditors also provide a broader base of information for management review of grant and contract accounting and reporting requirements.

### **Manual Adjustments to Summer Registration**

E&W: We recommend that the University investigate alternatives to help reduce the number of manual registrations.

SVSU: We concur. This is a complex issue which involves many University departments. Representatives from these departments are presently meeting to discuss and formulate recommendations which address this issue.

### **Faculty Requests for Early Salary Payments**

E&W: We recommend that a formal system of requesting and approving lump-sum salary distributions be implemented to properly control payment of such requests.

SVSU: We believe the University does have in place a system which incorporates adequate approvals for a lump-sum payoff of faculty contracts as addressed in Article D20.1 of the current faculty contract. In order for a faculty member to receive a lump-sum payment, authorization is required from both the Personnel Office and the respective faculty member's Dean. In our opinion these requests, although not submitted on a standardized form, provide all of the necessary information. Copies of these requests are retained in both the Payroll and Personnel Offices. The University does not feel that there is a problem in this area and that proper controls exist.

#### **Verification of Pay Rate and Hours Worked**

E&W: We recommend that in addition to the current procedures, summary totals (or "hash totals") for employee rates and hours worked for each time period be reconciled from the time cards (as computed manually) to the totals per the computer reports.

SVSU: We concur. The University agrees with the intent of the auditors' recommendations. However, the current payroll system limits our ability to implement the suggested level of control. We have been verifying the input of payroll data manually. This manual review is performed independently by several members of the Controller's Office staff. This procedure, although not a total control as noted by the auditors, has in our judgement prevented significant errors from occurring. We are, however, in the process of investigating alternative approaches which can be implemented within the constraints of our current payroll system. A modern payroll/personnel system is being planned which would incorporate the higher level controls being recommended.

#### **Financial Aid - Fire-resistant Storage of Critical Records**

E&W: We recommend the University consider acquiring fire resistant storage units for critical financial aid records to prevent a similar disaster from occurring in the future.

SVSU: Students' financial aid records are maintained on computer disks which are stored off campus. Student data sent to the institution by the College Scholarship Service, American College Testing Service, and the federal and state departments of education are also maintained on computer disks. All student loan documents including promissory notes are the responsibility of the Office of the Controller and are stored in fire-resistant storage units. Also, the Financial Aid Office and its storage area are equipped with a sprinkler system. While we concur with the intent of your recommendation, we believe our current system is adequate in that acquisition of fire-resistant storage units will require an initial outlay of \$5,000 with additional costs in later years.

## **Control Over User Passwords**

E&W: We recommend the method of changing user passwords be modified to eliminate the potential for unauthorized access to user passwords. We also recommend the access to hard copy reports be restricted to authorized University personnel.

SVSU: We concur. We will request users to deliver their passwords in a sealed envelope to the Manager of Computer Operations, who will maintain a secured file copy.

E&W: We recommend that Master Menu passwords be changed on a regular basis (e.g. every semester). In addition, each department should be encouraged to request additional changes as employees leave or are transferred to other departments.

SVSU: We concur. We will request that user departments instruct Computer Services to change second level passwords on a semester basis, particularly upon employee terminations. Again, first level passwords are changed each semester.

## **Formalized Security Policy**

E&W: We recommend that the University adopt a formal security policy for computerized information.

SVSU: We concur and have requested an example of such a policy from E&W as we are not sure what such a policy should contain.

## **Standard Programming Policy Manual**

E&W: We recommend that formal programming standards be implemented by the University. These policies should be monitored.

SVSU: We concur in principle. We hope to establish a programmer's guide when priorities permit. In the meantime we will continue our practice of providing new programmers with a standard skeleton program and coaching them in its use. And we will continue to spot check the work of the programming staff. We believe our documentation to be standard and complete.

## **Improved Documentation and Control Over Program Changes**

E&W: We recommend that a form like the "Program Authorization Sheet" be reimplemented by the programming department.

SYSU: A programming request form has been developed and is being implemented at this time.

## **Access to Program and Data Files**

E&W: To reduce the potential for unauthorized program or data file modification, we recommend that the University restrict the access to the production Master File Directories (MFD's).

SYSU: We concur. Subsequent to the audit's completion, programmers are normally authorized "read-only" rights to data files. Insofar as production programs are concerned, we will continue to authorize programmers access, but will use the Programmer's Request form before transferring updated programs into the source program library.

## **Use of the Power Utility**

E&W: We recommend that the use of the power utility be severely restricted and used only with copies of data files instead of "live" production files (and) we recommend that (errors) be corrected using the conventional programs and not through the use of the utility.

SYSU: We concur. Power use is restricted and will continue to be until its controls can be improved or another utility with better controls can be found. Where possible, conventional programs will be used for file correction.

## **Controls Over the Micro to Main-Frame Link**

E&W: We recommend that user departments work together to establish a system for authorizing information to be "uploaded". We also recommend that the physical process of "uploading" or "downloading" information initially be controlled through a centralized point.

SYSU: We concur that a system should be established before "uploading" is implemented. We also concur that "uploading" be controlled at a central point. In this regard the Director of Computer Services is required to approve individual cases of "uploading". "Downloading" will be authorized by the Manager of Computer Operations in conjunction with users (the same as printed reports).

## **Formalized Disaster Recovery Plan**

E&W: We recommend that a disaster recovery plan receive a high priority...and be completed and accepted by the Administration in the near future.

SVSU: We concur that having a disaster recovery plan is important. A draft plan has been developed and we will be meeting with Ernst & Whinney to determine what additional steps they recommend before finalizing it.

JGM/JNF/jg  
3/1/89

## EMERITUS STATUS FOR BOARD OF CONTROL MEMBERS

Emeritus status for Board of Control members may be conferred by an affirmative vote of a simple majority of the board upon the completion of board member service and will take effect immediately. Emeritus status entitles board members so designated to the following privileges:

1. receipt of various regular university publications such as Interior, Profile, catalog, athletic media guides, Alumni Announcer, and SVSU Activities Calendar;
2. invitation to various official university functions;
3. upon request, two complimentary tickets to public lectures, artistic and cultural activities, and athletic events held on campus;
4. complimentary access to the university library and athletic facilities; and
5. a university identification card and parking permit.

In addition to these privileges, emeritus status involves acceptance of selected responsibilities. These include the following:

1. Identify potential private and corporate contributors to the University and/or the Foundation.
2. Listen to the community and convey the concerns and needs of the community to the President and the Board.
3. Convey the concerns of the University to congressmen, legislators, the Governor and state agencies, provided that such action is coordinated by the President.
4. Support the critical importance of higher education as a major factor in the continuing development of a democratic society.