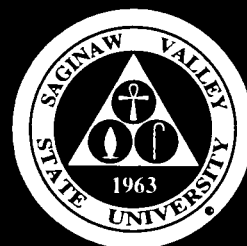


SVSU®

**BOARD OF CONTROL
MINUTES**

FEBRUARY 9, 2004



SAGINAW VALLEY STATE UNIVERSITY
BOARD OF CONTROL
FEBRUARY 9, 2004
REGULAR FORMAL SESSION
INDEX OF ACTIONS

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MINUTES
BOARD OF CONTROL
Regular Formal Session
February 9, 2004

Board of Control Room, Third Floor, Wickes Hall

Present: Cotter
Gamez
Gilbertson
Karu
Law
Sedrowski
Sims
Yantz

Absent: Braun

Others

Present:	C. Aryana	R. Maurovich
	P. Ballard	J. Muladore
	S. Bangert	V. Muller
	J. Berglund	G. Musial
	L. Beuthin	S. Nagel
	J. Boehm	C. Ramet
	J. Boye-Beaman	E. Rich
	R. Clark	P. Ross McClain
	C. Dotterer	W. Schaiberger
	A. Downs	M. Shannon
	D. Early	J. Stanley
	F. Hallouche	C. Stokes
	B. Hart	R. Thompson
	M. Hedberg	M. Thorns
	S. Hillman	A. Todd
	A. Hratchian	R. Trepkowski
	W. Kitter	R. Williams
	D. Martin	Press

I. CALL TO ORDER

Chairperson Sims called the meeting to order at 1:34 p.m., with Board members Gamez, Law, Karu, Sedrowski, and Yantz present.

II. PROCEDURAL ITEMS

A. Approval of Agenda and Additions to and Deletions from Agenda

Chairperson Sims asked for additions to or deletions from the agenda. Hearing none, she declared the agenda approved as distributed.

B. Approval of Minutes of December 12, 2003 Regular Formal Session of the Board of Control

It was moved and supported that the minutes of the December 12, 2003 Regular Formal Session of the Board of Control be approved.

The minutes were unanimously APPROVED as written.

C. Recognition of the Official Representative of the Faculty Association

Professor Marcia Shannon, President of the Faculty Association, told the Board that two weeks ago the Faculty Association held elections for members of its standing committees: the Professional Practices Committee (PPC); the Curriculum and Academic Policy Committee (CAPC); the General Education Committee (GEC); and the Graduate Committee.

Faculty members have also put a great deal of energy into the North Central Association Self-Study, and were represented in every subgroup working on that project. They are being encouraged to attend the upcoming series of meetings in preparation for the accreditation visit, to enable them to be an integral part of the whole process. The visit by a team of academics and administrators from

peer institutions will take place on March 8 - 10, 2004.

(Trustee Cotter joined the meeting at 1:38 p.m.)

D. Communications and Requests to Appear Before the Board

- Jill Gushow, SVSU's new Director of Staff Relations, was introduced to the Board.
- Dr. Mary A. Hedberg, Assistant Vice President for Academic Affairs, introduced the following faculty members who had been granted tenure at the December 12, 2003 meeting of the Board: Dr. Cyrus Aryana (formerly Reza Akbari), Dr. Paul Ballard, Ms. Shaun Bangert, Ms. Judy Berglund, Dr. Joni Boye-Beaman, Dr. Russell Clark, Mr. Donald Earley, Dr. Farid Hallouche, Dr. Susan Hillman, Dr. Virginia Muller, Dr. Gloria Musial, Dr. Sandra Nagel, Dr. Elizabeth Rich, and Dr. Pamela Ross McClain. She noted that the rest of the faculty who had been granted tenure were in class.
- Cheri Stokes, Staff Member of the Month for December; and Bruce Hart, Staff Member of the Month for January, were presented to the Board. (See Appendix One: Stokes, and Appendix Two: Hart)
- Mr. William E. Schaiberger, an SVSU student, stated that he had asked to address the Board regarding opening procedures of the Board of Control meetings. He asked that the Pledge of Allegiance be recited at the beginning of meetings; that an invocation be given by a Board member, a member of the University community, and/or a member of the clergy; that everyone present at the Board meeting be welcomed by the Chair; and that future meetings of the Board be held in the Alumni Lounge in Doan Center. Chairperson Sims thanked Mr. Schaiberger and told him his suggestions would be taken under advisement.

III. ACTION ITEMS

1. Resolution to Authorize the Borrowing of Funds to Meet Temporary Cash Flow Deficits

RES-1589 **It was moved and supported that the following resolution be adopted:**

WHEREAS, The Board of Control of Saginaw Valley State University (the "Board"), in the exercise of its constitutional duties has determined that it is necessary and expedient to provide for the borrowing of monies in amounts not to exceed \$3,500,000.00 at any time

outstanding on terms set forth herein and in the Agreement (hereinafter defined) for the purpose of providing necessary funds to meet temporary cash flow deficits; and,

WHEREAS, It will be necessary for the Board to enter into a Loan Agreement (the "Agreement") whereby the sum of up to \$3,500,000.00 may be borrowed from Standard Federal Bank N.A., a national banking association (the "Bank") on a "line-of-credit" basis, which Loan Agreement shall be substantially in the form of previous Loan Agreements executed for similar purposes, including provisions for interest on drawings to be established on either a tax-exempt or taxable basis, and if tax-exempt, on either a "qualified tax-exempt obligation" basis or on a non-qualified basis;

NOW, THEREFORE, BE IT RESOLVED, That the Board may borrow for such purposes the sum of not to exceed \$3,500,000.00 from the Bank upon the terms and conditions to be more fully set forth in the Agreement, and in evidence thereof issue and deliver its note therefore as described in the Agreement (the "Note"). Advances under the Agreement shall be made at the request of the Board's authorized agents, and shall be repayable at any time by the Board, but not later than December 31, 2005. Interest, if fully tax-exempt, shall accrue on the sums outstanding, at the interest rate equal to not more than 80% of the Prime Rate, as shall be defined in the Agreement (subject to increase in case of adverse federal tax treatment of the interest on the Note, or, if the Agreement so provides, in the event the Note cannot be designated as a "qualified tax-exempt obligation") and, if fully taxable, at the rate to be established in the Agreement, but not in excess of the Prime Rate plus one-half percent per annum, and shall be payable monthly, all as shall be provided in the Agreement. Principal and interest due under the Agreement and Note are payable from and secured by a first lien on the General Revenues of the Board (as shall be defined in the Agreement in a manner generally consistent with the definition contained in a certain Trust Agreement dated January 1, 2001 between the Board and Michigan National Bank, as trustee). The first lien on the General Revenues established by this Resolution and the Agreement shall be on a parity basis with the first lien thereon established as security for certain outstanding debt of the Board.

BE IT FURTHER RESOLVED, That the President of Saginaw Valley State University or the Vice President for Administration and Business Affairs of Saginaw Valley State University be and each of them are hereby authorized, empowered and directed in the name of the Board and as its corporate act and deed to execute and enter into the Agreement and a Note in the amount of \$3,500,000.00 to the Bank and to request the Bank to make advances under the Agreement and Note in amounts not to exceed at any time outstanding \$3,500,000.00, and to execute and deliver any documents or certificates in connection therewith; and,

BE IT FURTHER RESOLVED, That the said officers be and each of them are hereby authorized, empowered and directed for and in the name of the Board and as its corporate act and deed to make, consent to and agree to any changes in the terms and conditions of said Agreement from prior similar agreements and said Note which they deem necessary, expedient

and proper prior to or at the time of execution of the said Agreement and Note, but no such change shall increase the maximum amount to be borrowed, the interest rate to be paid thereon, the payments required to be made, or the security pledged from the terms of this Resolution; provided, however, nothing herein contained shall be construed as limiting the right of said officers to alter or change the date of issue of said Note, or the date of payment of interest; and,

BE IT FURTHER RESOLVED, That the said officers, in the execution of said Agreement and Note, shall not pledge the credit of or create any liability on the part of the State of Michigan, the Board or any member or officer of the Board, or any of their successors, other than to pledge the General Revenues as herein provided; and said Agreement and Note are not intended and shall not create any indebtedness of the State of Michigan or the Board within the meaning of any State constitutional debt limitation or restriction; and,

BE IT FURTHER RESOLVED, That all resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded.

Mr. James G. Muladore, Vice President for Administration and Business Affairs, told the Board that Resolution 1589 would allow the University to borrow up to \$3.5 million, should a temporary cash flow deficit develop. The monies would not be used to fund capital projects or to balance the budget. The line of credit comes without a fee, and the interest charged would be at 80% of the prime rate. This line of credit was put in place in the early 1980's when the State was experiencing difficulties similar to those being experienced today. It has been used only once, and there are currently no loans outstanding against it.

The motion was APPROVED unanimously.

IV. INFORMATION AND DISCUSSION ITEMS

2. Winter Semester 2004 Enrollment Report

Dr. Robert L. Maurovich, Vice President for Student Services & Enrollment Management, reviewed the attached Winter Semester 2004 Enrollment Report. (See Appendix Three:

Enrollments)

Trustee Gamez asked whether the Board could be given more information on enrollments in the Nursing program. Dr. Maurovich replied that data highlighting key professional programs and enrollment trends would be prepared for the Board.

3. Briefing Session on North Central Association Self-Study

President Gilbertson noted that a luncheon/meeting including Board of Control members and the evaluation team from the North Central Association/Higher Learning Commission would be held at noon on March 8th, prior to the Regular Formal Session of the Board.

President Gilbertson and Dr. Mary A. Hedberg, Assistant Vice President for Academic Affairs, reviewed the areas the NCA/HLC visitors would probably be most interested in discussing at that meeting. (See Appendix Four: NCA) Dr. Hedberg noted that the Self-Study Report is available on electronic portfolio as well as on the University Website.

V. REMARKS BY THE PRESIDENT

President Gilbertson told the Board that the exit interview with the Council of Social Work Education accreditation visiting team earlier this month had been extremely positive.

He also reported that there was some good news regarding the State budget, and stated: "The Governor and Legislative leadership have expressed some very strong support for education and have indicated that they are willing to do all they can to restore part of the cut from this current year, and to see if they can hold higher education harmless from further cuts in the coming year. That will be a very difficult thing to do, given the State's budget problems, but I think that their commitment

to doing that, and to making every effort to do it, is a very good sign of the support of our political leaders for public higher education. They have asked in return . . . that we limit our tuition increase. Without committing the Board, I did commit myself to making a recommendation to that effect, if those preconditions are met. . . . The Governor’s budget is to be delivered to the Legislature on Thursday of this week . . . which begins the process which we expect will end sometime in June.”

VI. OTHER ITEMS FOR CONSIDERATION OR ACTION

4. Motion to Move to Informal Session to Discuss Personnel Evaluations

BM-1001 **It was moved and supported that the Board move to Informal Session to discuss personnel evaluations.**

The Board moved to Informal Session at 2:37 p.m., and reconvened in Formal Session at 4:00 p.m.

5. Resolution to Approve Administrative Staff Compensation

RES-1590 **It was moved and supported that the following resolution be adopted:**

WHEREAS, The Board of Control retains unto itself the authority to establish compensation levels for the University’s President and Vice Presidents; and

WHEREAS, The Board of Control has received and accepted favorable performance evaluations from the President for Lucille M. Beuthin, Vice President for Public Affairs/Executive Director, Development and SVSU Foundation; Robert Maurovich, Vice President for Student Services and Enrollment Management; James G. Muladore, Vice President for Administration and Business Affairs; and Robert S.P. Yien, Vice President for Academic Affairs;

NOW, THEREFORE, BE IT RESOLVED, That the President’s and Vice Presidents’ base salaries for the 2004 calendar year be set as follows:

Eric R. Gilbertson	\$172,700
Lucille M. Beuthin	\$114,330
Robert L. Maurovich	\$126,860

February 9, 2004

James G. Muladore	\$125,790
Robert S.P. Yien	\$148,950

The motion was APPROVED unanimously.

VII. ADJOURNMENT

6. Motion to Adjourn

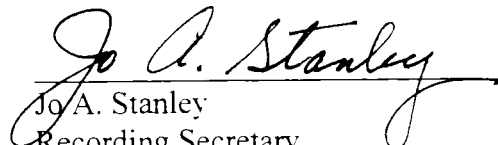
BM-1002 **It was moved and supported that the meeting be adjourned.**

The meeting was adjourned at 4:05 p.m.

Respectfully submitted:

Linda L. Sims
Chair

D. Brian Law
Secretary


Jo A. Stanley
Recording Secretary
Secretary to the Board of Control

Staff Member

OF THE MONTH

Cheri Stokes

Assistant to the Vice President for Academic Affairs • December 2003

Cheri Stokes is usually on the move. On the job, she lets her fingers do the walking. Outside the office, the avid runner puts one foot in front of the other.

Sometimes, the activities mirror one another. Stokes has begun training to run in a half-marathon next year. As the person responsible for entering all of the data for upcoming course schedules, she says that process can sometimes make it seem as though the finish line is out of sight.

"It's six to seven months of running a race to enter all that data, which is very time consuming. There are about 1,300 sections that I enter myself for a typical semester."

Before Stokes can type in the appropriate information, she has to decipher worksheets returned from faculty that often have scribbled notations on them.

"I have to read between the lines, literally," she said.

Working ahead can cause Stokes to feel lost from time to time.

"I'm always working with next year. Sometimes, I forget where I am," she said, chuckling.

While she admits that her eyes occasionally go blurry from staring at the computer screen, Stokes says she enjoys typing away day after day.

"That's something that I have always enjoyed is data entry—as tedious as it is."

Prior to joining the academic affairs staff three years ago, Stokes spent 12 years working in financial aid.

"There's a big difference," she said. "It was a great experience and it was with a bit of reluctance that I left the financial aid office and student services."

Stokes says she sometimes misses the direct contact with students, but she is not completely removed, as she monitors the scholastic progress of students on academic scholarships.

"It's equally challenging, but now I work more with faculty," she said.

Away from work, Stokes enjoys the company of her family. She and her husband, Rod, recently moved to a new house in Saginaw Township with their sons Ryan, 20, and Kyle, 16.

Stokes says it was bittersweet to leave their previous home in Saginaw, because it was built by her great grandfather in 1912.

"It had a lot of happy memories," she said.

Stokes need not go far to find family. Her sister, Vicki Hayes, works in Admissions, and her son, Ryan, is taking classes at SVSU. He is studying abroad in Spain this semester.

After work, Stokes can often be seen using the new Fitness Center or running the track at the Ryder Center. She says she has been a runner for 25 years.

Stokes has a picture to the left of her computer, but it's not the typical pin-up photograph. The subject is an 81-year-old woman who still runs competitively.

"It's a photo of inspiration," Stokes said.

Stokes says her time at SVSU has flown by faster than someone running a four-minute mile.

"It's hard to imagine that I've been here 15 years. Time goes by before you know it."



Staff Member

OF THE MONTH

Bruce Hart

Manager, Independent Testing Laboratory • January 2004

Bruce Hart is employed by SVSU, but on any given day, he may be working for several different companies, as manager of the Independent Testing Laboratory.

"The testing lab provides analytical services and technical support to companies in our area, primarily," he said, though clients have come from as far away as Taiwan.

Since its founding in 1982 and during his decade of leadership, Hart says the lab has played a vital role in improving the local economy.

"It's great for local industry because they get access to world class instrumentation out of the laboratory, as well as to faculty students without having to keep them on their payroll," he said.

Companies also produce a potential benefit for themselves by training the future workforce.

"I think it's great for our students," Hart said. "It offers real world experience, a chance to earn some money, and a network of contacts with clients when they graduate."

Three or four students from a variety of majors will be hired to work in the lab during a typical semester. Around 20 clients contract to use the lab in an average year. They range from major corporations like Delphi and the Dow Chemical

Company to small start-up operations. Most of the business comes from referrals.

Creative thinking and adaptability are what set the testing lab apart, according to Hart.

"There are lots of labs that have standard methods; we have to develop our own tests," he said. "We try to simulate how a product will be used in the field. A lot of what we're doing is unique."

Outside the lab, Hart is developing "a family of Cardinals."

His wife, Hollee, is pursuing her master's degree in education. Their oldest son, Allen, is a senior mechanical engineering major, and their daughter, Ashley, is a freshman and the photographer for *The Valley Vanguard*. Michael, 16, attends Midland High School.

Hart used to be a serious soccer player before a major knee injury curtailed his career. Now, he runs around after his kids.

"Their activities dictate my activities," he said.

One activity the Hart family shares is mountain biking. In the summer, they are often found together on trails near Sanford.

"My garage looks like a small bike shop," Hart said.

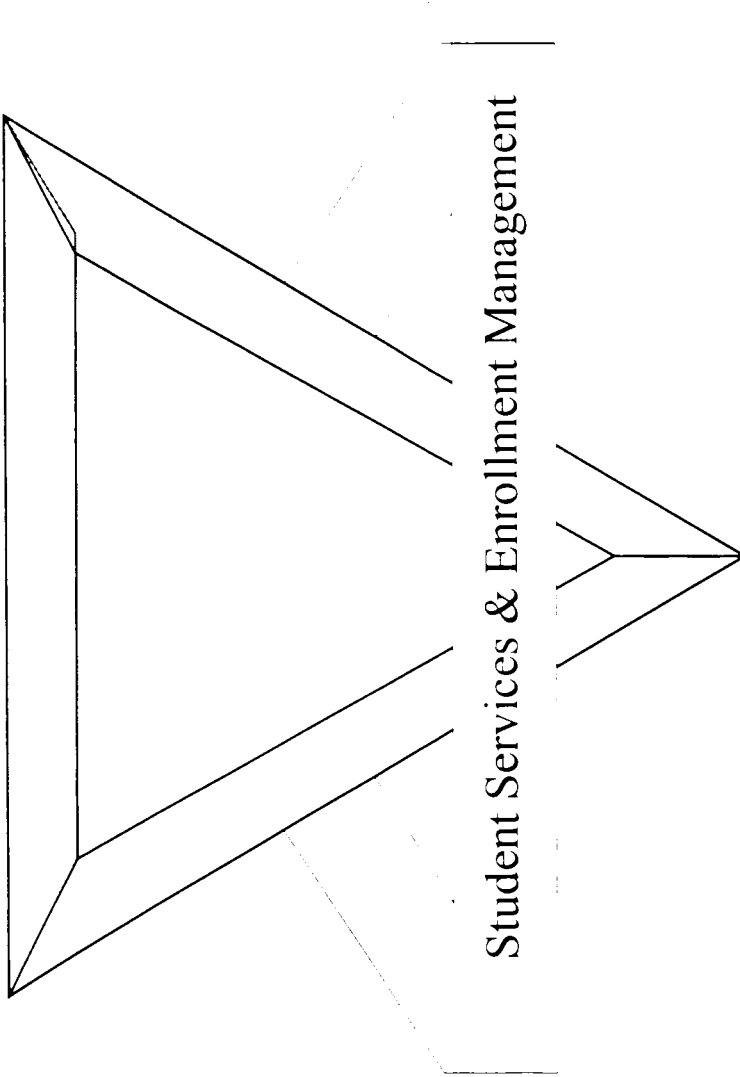
The shared experience has led them to accumulate more than their share of bumps and bruises, but nothing more serious, thankfully.

"For a while, we were on a first-name basis with the emergency room," he said.

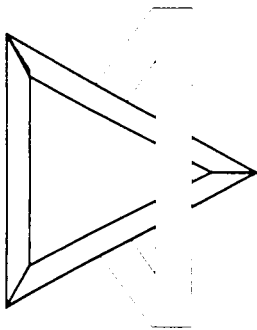
Given his occasionally rough-and-tumble life, Hart says he is well-suited for his job.

"Where else could I get paid to break things?"





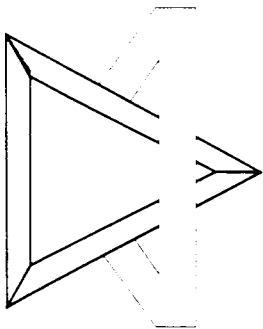
Enrollment Report Winter Semester 2004



Total Headcount & Credit Hours Enrollment

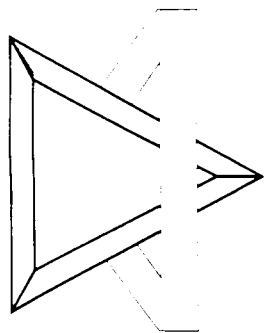
Winter Semester 2004

Category	Winter Semester 2003	Winter Semester 2004	Number Change	Percentage Change
Headcount	8,876	8,997	121+	1.36%+
Credit Hours	88,265	92,209	3,944+	4.47%+



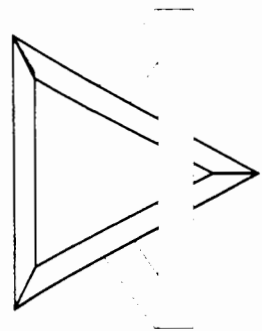
Student Level Headcount Enrollment
Winter Semester 2004

Student Category	Winter Semester 2003	Winter Semester 2004	Number Change	Percentage Change
Under graduate	6,273	6,498	225+	3.59%+
Graduate	1,639	1,658	19+	1.16%+
Teacher Certification	773	676	97-	12.55%-
Non-degree	191	165	26-	13.61%-
Total	8,876	8,997	121+	1.36%+



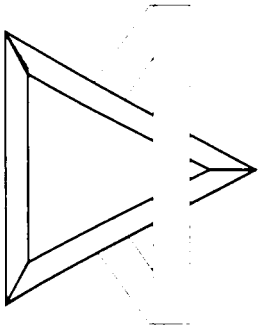
Undergraduate Headcount Enrollment
Winter Semester 2004

Student Category	Winter Semester 2003	Winter Semester 2004	Number Change	Percentage Change
FTIC	65	55	10-	15.38%-
Transfer	333	333	0+	0.00%+
Returning	5,790	6,044	254+	4.39+
Readmits	85	66	19-	22.35%-



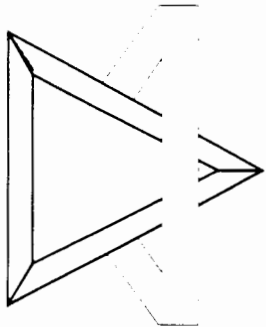
Graduate Headcount Enrollment
Winter Semester 2004

Student Category	Winter Semester 2003	Winter Semester 2004	Number Change	Percentage Change
New	200	233	33+	16.50%+
Returning	1,421	1,404	17-	1.20%-
Readmits	18	21	3+	16.67%+



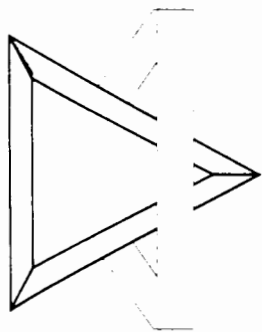
Macomb Graduate Education
Winter Semester 2004

Student Category	Winter Semester 2003	Winter Semester 2004	Number Change	Percentage Change
Macomb Grad Edu	657	666	9+	1.37%+



Teacher Certification Headcount Enrollment
Winter Semester 2004

Student Category	Winter Semester 2003	Winter Semester 2004	Number Change	Percentage Change
New	225	147	78-	34.67%-
Returning	516	504	12-	2.33%-
Readmits	32	25	7-	21.88%-



Non-Degree Headcount Enrollment Winter Semester 2004

Student Category	Winter Semester 2003	Winter Semester 2004	Number Change	Percentage Change
New	90	76	14-	15.56%-
Returning	73	64	9-	12.33%-
Readmits	28	25	3-	10.71%-

Issues for Board of Control Consideration and Discussion
Higher Learning Commission Accreditation Visit

- 1) Responses to 1994 NCA Report on Issues of Concern
Assessment (Executive Summary, p 10)
 - Assessment is an important component of all professionally accredited programs and all have met approval of accreditors for these programs
 - General Education program includes assessment of all courses and outcomes
 - Student/alumni Satisfaction surveys reflect favorably on administrative/service and academic units of institution
General Education
 - New General Education program adopted with clearly defined goals and objectives for each category
 - Course offerings reduced with process in place for regular review
 - Assessment processes established and under review
Diversity
 - New Special Assistant to the President for Diversity Program hired
 - Affirmative Action data updated and plan developed
 - Multiple initiatives and activities taking place
- 2) Uniqueness of governance system
 - Michigan provides for special constitutional autonomy of public universities – Board of Control empowered to govern
 - SVSU policy 101 – delegates full managerial authority to President with specifically defined reserved powers to Board
 - Auditors report directly to Board
- 3) Planning Issues (Executive Summary, pp. 11-12, 13-14, 16-17)
 - Next Steps 2000-2005 set plans and budget allocations related to these
 - President accountable to Board of Control for implementation of plan and tying financial allocations to goals
- 4) Financial Issues (Executive Summary, p. 16-17)
 - Current State budget reductions require austerity
 - Board of Control approves budget, tuition and fees, receives regular updates
 - SVSU's tuition is lowest among Michigan public universities
- 5) Enrollment Management (Executive Summary, p. 6, 30)
 - Board regularly monitors enrollment projections and data
 - "Right Sizing" report sets new long-range enrollment projection
 - Future of graduate programs clearly under review

SVSU Accreditation History

■ North Central Association (NCA)	1970 (undergraduate) 1974 (graduate)
■ National Council for Accreditation of Teachers (NCATE)	1970 (undergraduate) 1973 (graduate)
■ American Chemical Society	1973
■ National League for Nursing (NLN)	1982 (undergraduate) 1991 (graduate)
■ Council of Social Work Education	1983
■ North Central Association (NCA)	1986
■ Accreditation Board for Engineering and Technology (ABET)	1990 (undergraduate)
■ North Central Association (NCA)	1994
■ Accreditation Council for Occupational Therapy Education	1995
■ Association to Advance Collegiate Schools of Business (AACSB)	2003
■ Commission on Accreditation for Allied Health Education Programs	2003

A Decade of Changes: 1993-2003

	<u>1993</u>	<u>2003</u>
• Total Enrollment Growth:	6,975	9,168 [+31.4%]
• Full Time Faculty & Staff:	445	650 [+46.0%]
• Presidential Scholars:	19	102
• Mean Class Size:	24	24.8
• Total Value of Endowment:	\$5,316,009	\$24,177,199 [+354.7%]
• Total Grants Amount:	\$5,020,122	\$8,705,187 [+73.4%]
• Total Square Footage:	940,068	1,879,525 [+99.9%]