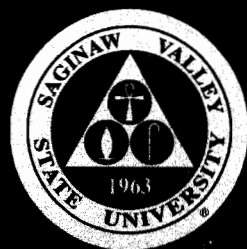


SVSU®

BOARD OF CONTROL
MINUTES

JULY 2, 2009



SAGINAW VALLEY STATE UNIVERSITY
BOARD OF CONTROL
JULY 2, 2009
SPECIAL FORMAL SESSION
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MINUTES
BOARD OF CONTROL
Special Formal Session
July 2, 2009
10:30 a.m.

Board of Control Room, Third Floor Wickes Hall

Present: Abbs (via teleconference)
Gamez
Gilbertson
Karu
Law
Martin
Sedrowski
Yantz

Absent: Wilson

Others

Present: D. Bachand
A. Bethune
C. Dorne
B. Foster
G. Hamilton
J. Muladore
M. Peretz
C. Ramet
J. Stanley
G. Thompson
Press (1)

I. CALL TO ORDER

Chairman Karu called the meeting to order at 10:40 a.m. with Trustees Abbs (via teleconference), Gamez, Martin, Sedrowski and Yantz in attendance. He noted that a quorum was present.

II. ACTION ITEMS

1. Resolution to Adopt General Fund Operating Budget for FY2010

RES-1834 **It was moved and supported that the following resolution be adopted:**

WHEREAS, The Administration and Board of Control of the University have determined the level of General Fund expenditure allocations required for personnel, services, supplies and equipment to maintain the quality of instructional and support services provided to students;

NOW, THEREFORE, BE IT RESOLVED, That the attached General Fund Budget Summary which establishes the FY2010 operating budget be adopted; and

BE IT FURTHER RESOLVED, That the attached tuition and fee schedule of rates effective beginning with fiscal year 2010 fall semester be adopted. (See Appendix One: Summary and Appendix Two: Rates.)

(Trustee Law joined the meeting at 10:43 a.m.)

President Gilbertson told the Board that the University's fiscal year began on July 1st and there is still no final resolution on what the State appropriation will be. The Legislature is in recess until the end of July. The House and Senate have adopted very similar budgets relative to the base appropriation – approximately a 3.2% cut from the previous year. There may also, however, be some federal stimulus money added to that, which he urged the Board to treat as one-time money.

President Gilbertson noted that since 2001, tuition has been the University's biggest source of revenue: it is anticipated that in this fiscal year's budget the State appropriation will have shrunk

to less than 29% of General Fund revenues.

He reviewed the attached General Fund Budget Summary and the Tuition and Fee Schedule of Rates, which include a tuition increase of approximately 6.3% for undergraduate courses for Michigan residents. The increase is slightly more for graduate and professional programs. The budget is based on the projection of an approximate 1.25% increase in credit hours and is quite conservative. He observed that SVSU has maintained a leanness in its schedule and has aggressively contained its costs. Even if the other public universities in Michigan were to have no increase, which is not the case, SVSU would still charge the lowest tuition and would be the only university with a base tuition below \$7,000. He added: "We are recommending this budget for 2009-2010 with an eye to how this decision will affect the next two or three years in this very uncertain time."

James Muladore, Vice President for Administration and Business Affairs, reviewed several of the budget's major expenditure lines. He noted that the budget included a contingency of approximately \$3 million and \$1 million for deferred maintenance.

Trustee Gamez stated: "If we stay steady where we are and other universities are increasing (their tuition) we are going to be the college of choice as far as what it costs to come to a university. We have exceeded all our expectations when it comes to enrollment, we have been conservative, but we have always exceeded our goal. . . . Our economy is in a crisis time right now, and our students and parents don't know what they are going to do because it is so expensive to go to college. . . . Can we project . . . the income from the students that we are going to get plus the stimulus money, rather than saying we are going to get it then give it back to them? It takes time and dollars to do all of that.

Can we go out on a limb and keep things the way they are?”

President Gilbertson responded: “That is a policy decision. We took it from our discussions with you that you thought it was appropriate to be conservative. As we look out at the years ahead, we project that the State economy is not going to turn around. . . for the next year or so. . . . I think it is important that we view this conservatively Rather than digging ourselves into a hole – there would be quite a huge tuition increase that would have dramatic effects a year or two out. I think that it is important to build that contingency and to be this conservative. . . . If the federal stimulus money comes to the University in the form we hope it will, it would be our recommendation to you that it immediately be applied to a tuition rebate. One of the purposes under the federal stimulus act was to mitigate the tuition burden among students and their families, and we would urge that all of it would be allocated back to them.”

Trustee Yantz stated: “I want to make sure what David is saying. If you’re saying that we need to get more aggressive in our budgeting, I’m particularly opposed to that because we’ve got such a great track record of foreseeing the kinds of things that could occur . . . and we’ve done a great job. This Board, and most certainly the President’s staff, have been most helpful and have done an outstanding job predicting the kinds of things that have happened.”

Trustee Gamez replied: “I just want the public to know that we have done all that we can to maintain steady, and that we have looked at all our departments for any excess anywhere.”

President Gilbertson responded: “We compete for students for quality, not so much for price. The difference between us and others is the quality that we can provide. . . . We have tried . . . to look

at this budget not as a one-year exercise . . . but we have tried to be steady. We didn't get to be the lowest (tuition) by one year's up and downs, but by having a steady program of cost containment and containment of our tuition bill. I would urge you again to not just look at this year and the one year's circumstance, but to maintain the steady course that we have, which I think will serve the institution well."

Trustee Yantz added that he felt that the administration had done an outstanding job of containing costs.

The motion was APPROVED unanimously.

III. INFORMATION AND DISCUSSION ITEMS

President Gilbertson told the Board that he was pleased with the major bid packages for the Health and Human Sciences facility and that the new University Health Center had opened on June 29th.

2. Motion to Move to Informal Session to Discuss Legal Issue

BM-1092 **It was moved and supported that the Board move to Informal Session to discuss a legal issue.**

The motion was APPROVED unanimously.

The Board moved to Informal Session at 11:01 a.m. and reconvened in Regular Formal Session at 11:20 a.m.

IV. ADJOURNMENT

3. Motion to Adjourn

BM-1093 **It was moved and supported that the meeting be adjourned.**

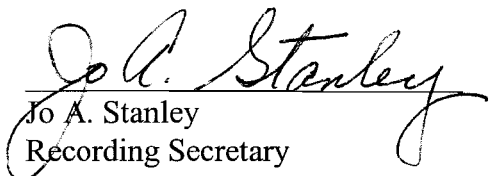
The motion was APPROVED unanimously.

The meeting was adjourned at 11:21 a.m.

Respectfully submitted:

K.P. Karunakaran, M.D.
Chairman

Lawrence E. Sedrowski
Secretary



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

**SAGINAW VALLEY STATE UNIVERSITY
GENERAL FUND BUDGET SUMMARY
FY2009-2010**

	FY2009 Budget	FY2010 Budget	Net Change	
			\$	%
REVENUES				
State Appropriation	\$28,640,000	\$27,710,000	(\$930,000)	-3.2%
Tuition and Fees	62,200,000	67,075,000	4,875,000	7.8%
Miscellaneous	2,420,000	2,310,000	(110,000)	-4.5%
Total Revenues	93,260,000	97,095,000	3,835,000	4.1%
EXPENDITURE ALLOCATIONS				
Compensation	59,654,000	62,102,000	2,448,000	4.1%
Supplies, Materials & Services	27,942,000	29,444,000	1,502,000	5.4%
Capital Expenditures	5,664,000	5,549,000	(115,000)	-2.0%
Total Expenditures	93,260,000	97,095,000	3,835,000	4.1%
Revenue Over/(Under) Expenditures	\$0	\$0	\$0	

**SAGINAW VALLEY STATE UNIVERSITY
TUITION AND FEES
FY2009-2010**

<u>TUITION</u>	<u>FY2009-2010</u>
MICHIGAN RESIDENTS:	
Undergraduate Courses	\$215.40/cr.hr.
Undergraduate - Professional Program Courses (a)	301.40/cr.hr.
Graduate Courses	391.90/cr.hr.
NON-RESIDENTS:	
Undergraduate Courses	525.40/cr.hr.
Undergraduate - Professional Program Courses (a)	579.90/cr.hr.
Graduate Courses	750.15/cr.hr.
<hr/> (a) Upper division level courses in Business and Management, Computer Information Systems, Computer Science, Education, Engineering, Nursing and Occupational Therapy. <hr/>	
Auditor	Tuition Rate
Credit by Examination	Tuition Rate
<u>MANDATORY FEES</u>	
General Service Fee (b)	10.75/cr.hr.
<hr/> (b) Parking Facility Fee \$1.70/cr.hr. Student Association Fee .60/cr.hr. Program Board Fee .25/cr.hr. Publication Fee .17/cr.hr. Facility Debt Service Fee 7.70/cr.hr. First Aid Facility Fee .33/cr.hr. <hr/>	
Technology Fee	3.85/cr.hr.
<u>OTHER FEES</u>	
Academic Computing	50.00/course
Application	25.00
Application - International	75.00
Applied Music (plus tuition)	125.00
Athletic Season Pass (annual fee)	25.00
Credit Card Service Charge	As negotiated with third party provider.
Diploma Cover Replacement	6.00
Diploma Replacement	5.00
Graduation	50.00
Hand Registration	30.00 transaction
Identification/Transaction Card Replacement	11.00
Late Payment Fee (c)	1.5% service charge
<hr/> (c) Late payment charges will be assessed a fee of 1.5% per month on past due amounts. <hr/>	
Late Registration (first time registration during add/drop period)	150.00
Listener's Permit	85.00/course

OTHER FEES (continued)**FY2009-2010**

Non-Sufficient Funds Fee (d)

\$30.00/transaction

(d) If charges involve course registration & campus housing, late payment fees may also apply.

Nursing Fee - Baccalaureate	11.00/course
Nurse Practitioner - Practicum	50.00/cr.hr.
Occupational Therapy Program Fee	22.00/course
Off-Campus Course Fees:	
30 miles	17.30/cr.hr.
31-45 miles	28.35/cr.hr.
46-60 miles	43.60/cr.hr.
61 and over miles	53.50/cr.hr.
Macomb Program	70.35/cr.hr.
Distance Learning Courses	26.50/cr.hr.
Off-Campus Dual Enrollment Fee	10.50/cr.hr.
On-Line Course Fee	35.00/cr.hr.
Orientation - FTIC	55.00
Orientation - Transfer	20.00
Orientation - International	75.00
Student Teaching Fee	100.00
Study Abroad Fee	45.00
SVSU Cardinal & Graduate Payment Plans Enrollment Fee	70.00/semester
SVSU Cardinal & Graduate Payment Plans Late Payment Fee	50.00
Red Cross Provider Fee	provider rate
Transcript	5.00/official copy 1.00/student copy

OTHER TUITION AND/OR FEE RATES

Employee dependents and dependents of deceased employees (e)

1/2 tuition &
mandatory fees

(e) Employees who were qualified for fringe benefits at the time of employment.

English as a Second Language Program - Resident (plus mandatory fees)	216.30/cr.hr.
English as a Second Language Program - Non-Resident (plus mandatory fees)	400.30/cr.hr.