

SAGINAW VALLEY STATE UNIVERSITY

BOARD OF CONTROL

JULY 17, 1989
SPECIAL MEETING

INDEX OF ACTIONS

RES-858 RESOLUTION TO APPROVE TUITION AND FEE RATES FOR
1989-90
APPROVED

MINUTES

BOARD OF CONTROL

SAGINAW VALLEY STATE UNIVERSITY

Special Meeting

9:30 a.m.

Board of Control Room - Wickes Hall

July 17, 1989

Present: Braun
Clark
Curtiss
Klykylo
Saltzman
Yien

Absent: Munoz
Ward
Woods

Others

Present: J. Fallon
M. Frahm
C. Lange
J. Muladore
K. Nowaczyk
R. Powell
W. Rathkamp
J. Stanley
R. Thompson
J. Woodcock
Press (5)
Students (12)

I. CALL TO ORDER

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

II. ACTION ITEMS

1) Resolution Approving Tuition and Fee Rates for 1989-90

RES-858 It was moved and supported that the following resolution be adopted.

WHEREAS, It is extremely important to maintain the quality and extent of academic and support services and activities for the benefit of students, and

WHEREAS, The costs associated with supporting those services and activities are increasing beyond current resources from state appropriations and existing student tuition and fees;

NOW, THEREFORE, BE IT RESOLVED, That the attached schedule of charges for tuition and fees be approved effective beginning with the Fall term, 1989. (See Appendix One: Tuition and Fees)

Chairperson Saltzman asked Dr. Robert S.P. Yien, Vice President for Academic Affairs, who is in charge of the management of campus affairs during the period of June 30, 1989 through August 28, 1989 when Dr. Eric R. Gilbertson assumes his duties as President of Saginaw Valley State University, to comment. Dr. Yien stated that once a year the administration comes to the Board to make a presentation regarding tuition and fees. This year, for the fourth time in the last six years, the administration regrettably requested an increase in tuition and fees. He asked Mr. Jerry A. Woodcock, Vice President for Administration and Business Affairs, to comment.

Mr. Woodcock stated that there definitely is a relationship between the amount of appropriations we receive from the state and

the amount of tuition and fees it is necessary to charge. He then reviewed several charts pertaining to tuition and fee rates. (See Appendix Two: Rates) The first chart compared SVSU's 1988-89 state appropriations per full year equated student with other Michigan public universities. During the 1988-89 fiscal year, the system average was \$4,320 per student. Wayne State University received the highest appropriation per FYES (\$7,522), while Central Michigan was low with \$3,034. At \$3,365, SVSU ranked 7th from the bottom among the 15 public universities in 1988-89 appropriation per fiscal year equated student. Mr. Woodcock noted that there should be differences in appropriations because of the various requirements of programs offered at the institutions involved.

Mr. Woodcock reported that last fall SVSU submitted a budget request for FY 1989-90 which was based upon the fact that it was going to be a very tight year in Lansing. The appropriations request, which was as conservative as possible, had been discussed in considerable depth with the Board of Control. The portion of the budget dealing with the operation of the institution requested a 7.9 percent increase, which assumed a six percent increase in tuition and fees for this fall. An additional 16.6 percent increase was requested for program revision requests. He noted that monies utilized for the start-up of the new facilities will be received from the state; tuition and fee receipts will not be used for this purpose.

Roger Powell, Student Government President, asked whether the 7.9 percent increase request was realistic. Mr. Woodcock replied that the administration thought it was realistic at the time the appropriations request was presented. However, since then a 5.5 percent increase in State appropriations has been estimated, which is the reason why an 8.8 percent increase in tuition and fees is being requested instead of the original six percent increase. There is definitely no possibility of getting the 7.9 percent we originally requested. Dr. Yien noted that even the 5.5 percent increase would be on the high side, that most institutions are expecting a 4-4.5 percent increase. Mr. Woodcock replied that in August the administration will come to the Board with a budget for 1989-90 which will accordingly include pared down expected expenditure levels.

Mr. Woodcock noted that for several years previous to the 1974-75 academic year, SVSU received sufficient funding from the state that students were required to pay only 22-25 percent of the total operating cost of the general fund activities. However, since then the state has been through two recessions--one in the 70's and one in the 80's. Because of this, institutions of higher education in Michigan have not received sufficient funding from the state and have had to ask their students to pay a larger portion of the total operating costs of the institutions, ranging from 26-35 percent at SVSU. To allow the universities to reverse this trend, education must be given a higher priority by the

Legislature.

Mr. Woodcock reported that tuition and required fees for full-time undergraduate Michigan resident students attending Michigan's public universities during the current academic year (1988-89) ranged from \$1,729.45 at Northern Michigan University to \$3,170.26 at the University of Michigan-Ann Arbor. The system average was \$2,121 for a full year's attendance for this category of students. The cost for a full-time undergraduate Michigan student to attend SVSU in 1988-89 was \$1,959.20 (\$161.80 below the system average). SVSU ranked 8th among the 15 state universities. Current estimates are that SVSU will continue to be near or below the system average when all state universities have set 1989-90 tuition and fee rates.

Mr. Woodcock concluded that, based on a currently estimated 5.5 percent increase in state appropriations, the administration is requesting an 8.8 percent increase in tuition and fees. This would mean that SVSU would be going into the year with a budget imbalance of at least \$233,000. If SVSU's appropriation increase is below 5.5 percent, there is the possibility that a tuition increase will need to be requested for the Winter Semester. Before such an increase would be considered, however, further attempts would be made to pare back operations during the Fall Semester.

Dr. Yien told the Board that Wayne State University has already established a 9.67 percent increase, while Central Michigan University's tuition and fees will go up by 9.6 percent.

Mr. Woodcock reported that with the 8.8 percent increase, an undergraduate, Michigan resident who was taking 31 credit hours at SVSU would pay an additional \$172.05. A Michigan resident graduate student would pay an additional \$192.00--their increase is 8.6 percent. The General Service Fee, which is required of all students, will change from \$3.00 to \$4.00 per credit hour. This \$1.00 increase is included in the 8.8 percent increase, which is a combination of the tuition rate and the required General Service Fee. Of the \$1.00 increase, approximately \$.40 will go toward adding parking facilities on campus. A \$30.00 matriculation fee, paid upon students' first registration at SVSU, will be dropped after the 1989 fall semester. Instead, prospective students applying for admission will begin paying a \$20.00 application fee in Winter Semester 1990. SVSU has not previously charged for this service.

Chairperson Saltzman asked whether Board members had any questions. There were none. She then reviewed the Board policy relating to presentations given to the Board by non-Board participants at meetings and asked for questions or comments from the audience.

Dr. Walter Rathkamp, President of the SVSU Faculty Association, stated that he had a concern regarding laboratory fees, in that they were basically designed to recover the costs of running the labs being taken by students. He asked whether the additional funds being collected for laboratory fees would actually

go back to the departments that run the labs. Dr. Yien replied that they would.

Chairperson Saltzman asked for additional comments.

Roger Powell stated, "I have no charts or graphs today--I wish I did. What I do have is real people with real problems--those of my constituency, the students of Saginaw Valley State University. You are being asked to approve an 8.8 percent increase in tuition and fees and, in addition, we see the big \$1.00 jump in the General Service Fee. In all fairness, I would like to commend and thank Dr. Yien, Dr. Fallon, Mr. Woodcock and Mr. Thompson publically in front of the Board. They have made the utmost effort to keep Student Government involved. We have had numerous meetings and telephone calls, and they have done their job exceptionally well. I thank them all for that. I am very grateful for having been treated with such respect. I also know that the roots of our financial problems lay at the doorstep of the State of Michigan, and that the funding of higher education needs to be more of a priority. In addition, the students that you see gathered behind me need to remember that it is a privilege attending a university. They are not exempt from the responsibility of paying for their fair share. I don't want anyone here to believe that we want a free ride, that we just want to coast. We understand the cost of living and inflation."

Mr. Powell continued, "The fundamental reason for the existence of this university, at least according to the mission

statement, is for the students of this area, and I think the needs of these students need to be addressed. The students in this room each have their own story, and they cannot be overlooked. These are the people we were charged to represent. I would like to tell you briefly how I am spending my summer, because there have been a lot of myths about college students, and sometimes I like to show the other side of the coin. I am currently working three different jobs. I average 63 hours per week. I have pay stubs so you can verify that, if it doesn't sound real. In addition, I don't believe in all taking and no giving. I spend between seven and ten hours a week volunteering for an organization that happens to be in the field of my major, so I am volunteering and getting something in return. I go to bed at 2:00 a.m. and get up at 7:00 a.m. I'm not asking for your pity, but that's the reality. I don't drive a sports car, I drive a fuel efficient car, with an AM radio. I haven't gone on a spring break trip in my life. When I graduate, I think I will. I receive no student loans. My father is a General Motors Executive. His income makes me ineligible for student loans. But, as you parents know, working builds character. My father agrees with that. So I have built character for the past 22 years of my life. I share this with you to dispel rumors. I am not unique. I am typical of the students here--in fact, I'm almost atypical, because I do not have a spouse, I do not have a family, and I do attend full-time. Part-time is the reality. Married with children, that's the reality. Another job--laid off.

That's the reality. I go back again to the mission statement adopted by the Board of Control on October 14, 1984, which says that Saginaw Valley State University was founded in 1963 primarily to meet the higher education needs of East Central Michigan. That's us--that's you--that's all of us. It's not a "us against them" situation. We're in this together. I cannot support, in good conscience, an 8.8 percent increase. Dr. Yien and Dr. Fallon have done a good job in presenting it, but we have to differ on this situation."

Mr. Powell then distributed several of the approximately 700 cards which had been received in response to a student survey on tuition. He stated that most were against tuition increases and about half had added comments explaining why they believed tuition should be held in check.

Dr. Rathkamp read the following statement on behalf of the faculty of SVSU.

The Faculty Association is concerned about the ever increasing burden being placed on students to fund higher education. We need to work together to find ways to carry the message to the Federal and State government officials and to the general public. If the United States is to continue a leadership role in the world, we need to be investing more, not less, in our youth.

Dr. Rathkamp added that a pattern has developed in the State of Michigan. The priorities upon which our politicians are operating now, unfortunately, put education lower on the priority scale than it should be. The general public needs to be better educated as to the needs of our youth in education--K through

higher ed. There is too much apathy on the part of educators. Dr. Rathkamp proposed that the students, faculty, Board and administration of SVSU together take a leadership role to educate the public first, and then perhaps influence the politicians who are setting some of the priorities for the state.

Chairperson Saltzman stated that the Board regretted the need to raise tuition and fees, but that the Board had the responsibility to make sure that the institution remains viable and able to meet its obligations. She noted that many of the educational institutions in the state had already announced tuition and fee increases which were higher than the one proposed at SVSU, and that there was a possibility that an additional increase would be needed in January.

Chairperson Saltzman asked whether there were more comments.

John Richards, representing the Valley Vanguard, asked if other, more prestigious institutions in the state had increased their rates for fall. Dr. Yien replied that the University of Michigan was considering a 9.5-10 percent increase. Central Michigan University has announced a 9.67 percent increase. Indications are that other universities will approve increases ranging from 8.2 to 10 percent.

Mr. Braun stated, "Unfortunately, we are sitting here in this room struggling with a problem, the solution of which lies someplace else. I think that Professor Rathkamp has his finger right on it. If you multiply what he is talking about doing by 15

universities and then add all the K-12 systems, that's the only solution. It seems to me that we are looking again at a problem to which there is no right answer. The available alternative to this increase would mean cutbacks in programs and fewer sections offered, which would create a tremendous hardship on the students. The decision is much more wrenching, because of the very fine work that Roger and his crew have done. Personally, I don't see any alternative to the proposed increase, because the other options are even less attractive."

Chairperson Saltzman asked if there were additional questions or comments from the students. There were none.

The motion was APPROVED unanimously.

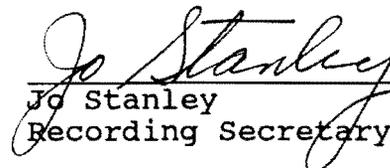
III. ADJOURNMENT

Chairperson Saltzman adjourned the meeting at 10:25 a.m.

Respectfully Submitted:

Florence F. Saltzman
Chairperson

George E. Ward
Secretary


Jo Stanley
Recording Secretary

SAGINAW VALLEY STATE UNIVERSITY
 TUITION AND FEES
 1989-90

Appendix One:
 Tuition & Fees

	<u>1988-89</u>	<u>1989-90</u>
<u>TUITION</u>		
Michigan Residents:		
Undergraduate Courses	\$60.20/cr. hr.	\$64.75/cr. hr.
Graduate Courses	90.50/cr. hr.	97.50/cr. hr.
Non-Residents:		
Undergraduate Courses	127.00/cr. hr.	136.75/cr. hr.
Graduate Courses	177.00/cr. hr.	190.50/cr. hr.
Auditor	Tuition Rate	Tuition Rate
Credit by Examination	Tuition Rate	Tuition Rate
<u>FEES</u>		
General Service [a]	3.00/cr. hr.	4.00/cr. hr.
Athletic Season Pass (annual fee)	25.00	25.00
Listener's Permit	15.00/course	15.00/course
Off-Campus Service Fee	See Footnote [b]	See Footnote [b]
Laboratory	18.00/course	20.00/course
Applied Music [c]	55.00/cr. hr.	55.00/cr. hr.
Equitation	35.00/cr. hr.	35.00/cr. hr.
Matriculation (On and Off Campus) [d]	30.00/first Registration at SVSU	(Terminates after Fall Semester 1989)
Application	--	20.00 (Effective for Winter Semester 1990 applications)
Orientation	30.00	30.00
Late Registration	15.00	50.00
Late Payment [e]	12.50	12.50
Hand Registration	25.00/transaction	25.00/transaction
I.D. Replacement	5.00	5.00
Graduation	20.00	20.00
Transcript	2.00/official copy 1.00/student copy	4.00/official copy 1.00/student copy
Diploma Replacement	5.00	5.00

	<u>1988-89</u>	<u>1989-90</u>
Diploma Cover Replacement	\$ 6.00	\$ 6.00
Return Check Service Charge [f]		
First Billing	10.00	10.00
Second Billing	15.00	15.00
Placement	--	3.00/Credentials File 10.00/Job Bulletin Subscription
<u>SPECIAL TUITION AND/OR FEE RATES</u>		
The Electronic Campus Program	--	270.00/cr. hr.
Senior Citizens (60 and Over) employees and employee dependents	1/2 tuition plus other fees	1/2 tuition plus other fees
Macomb Program -- Off-Campus Service Fee	24.00/cr. hr.	27.00/cr. hr.
Oscoda/Wurtsmith Center -- Undergraduate Tuition	82.40/cr. hr.	82.40/cr. hr.
Graduate Tuition	95.00/cr. hr.	95.00/cr. hr.

[a] General Service Fee includes (on-campus students only):

	<u>1988-89</u>	<u>1989-90</u>
Athletic Fee	\$.90/cr. hr.	\$.90/cr. hr.
Parking Facility Fee	.90/cr. hr.	1.30/cr. hr.
Student Government Fee	.63/cr. hr.	.63/cr. hr.
Publication Fee	.17/cr. hr.	.17/cr. hr.
First Aid Facility Fee	Up to \$1.00/cr. hr.	Up to \$1.00/cr. hr.
Registration Processing	--	Residual

[b] Off-Campus Service Fee calculation based upon distance from campus:

	<u>1988-89</u>	<u>1989-90</u>
30 miles - includes Bay City, Midland and Saginaw	\$ 7.00/cr. hr.	\$ 8.50/cr. hr.
31-45 miles - includes Caro	14.00/cr. hr.	16.00/cr. hr.
46-60 miles - includes West Branch	21.00/cr. hr.	23.50/cr. hr.
61 and over miles - includes Kirtland Community College	28.00/cr. hr.	31.00/cr. hr.
(Macomb and Oscoda/Wurtsmith Center have independent fee structures.)		

[c] Plus tuition, subject to variance by instrument upon administrative approval.

[d] Excluding guest students and high school students.

[e] Late payment charges will be assessed at \$12.50 per statement, but not to exceed 50% of the amount outstanding calculated on the previous statement balance, and not to exceed a total accumulation of \$50.00 per semester.

[f] If charge involves registration or a board and room payment, late payment charges can also apply.

**State Appropriations per Full Year Equated Student
Michigan Public Universities
1988-89**

System high appropriation/FYES -
Wayne State University - \$7,522

System low appropriation/FYES -
Central Michigan University - \$3,034

System average appropriation/FYES - \$4,320

Saginaw Valley State University appropriation/FYES - \$3,365

SVSU ranked 7th from the bottom among the
15 public universities in 1988-89 appropriation/FYES.

SAGINAW VALLEY STATE UNIVERSITY
 APPROPRIATION REQUEST
 STATE FISCAL YEAR 1989-90
 OPERATING BUDGET

Appendix Two:
 Rates

Program Maintenance Request

State Fiscal Year Appropriation, 1988-89	\$14,149,873
Additional Amount Needed in 1989-90 for Compensation, Supplies, Materials, Services and Capital Expenditures	1,110,765

	\$15,260,638 (7.9%)

Program Revision Requests

#1 - Full-Time Faculty	271,700
#2 - Fine Arts Center Start-Up and Wickes Hall Renovation - Final Phase	344,857
#3 - Physical Education Facility Start-Up Final Phase	1,294,242
#4 - Computing	443,875

	2,354,674 (16.6%)

TOTAL - OPERATIONS	\$17,615,312 (24.5%)

The state appropriation data presented above include funding for the Research Excellence Fund and Martin Luther King, Jr./Cesar Chavez/Rosa Parks Program.

Also, as stated in the budget narrative, the appropriation request incorporates an assumption that forward funding will continue in 1989-90.

JGM/jg
 11/3/88

Saginaw Valley State University
Ratio of Tuition/Required Fee Revenues to
General Fund Expenditures

(1974-75 through 1987-88 actual; 1988-89 preliminary)

<u>Year</u>	<u>General Fund Expenditures</u>	<u>Tuition & Fee Revenues</u>	<u>Tuition/Fees as % of GF Expenditures</u>
1974-75	\$4,225,133	\$1,112,000	26.3
1975-76	5,476,194	1,486,242	27.1
1976-77	6,199,216	1,703,628	27.5
1977-78	7,095,923	1,813,029	25.6
1978-79	7,960,904	2,040,368	25.6
1979-80	8,758,806	2,332,764	26.6
1980-81	9,896,888	3,129,901	31.6
1981-82	11,789,342	4,213,030	35.7
1982-83	11,891,600	4,349,682	36.6
1983-84	13,166,446	4,968,440	37.7
1984-85	14,247,184	5,120,582	35.9
1985-86	15,969,908	5,407,194	33.9
1986-87	18,359,900	6,055,000	33.0
1987-88	20,994,575	6,876,225	32.8
1988-89	22,688,023	7,952,400	35.0

RESIDENT TUITION AND REQUIRED FEES
 AT MICHIGAN'S STATE UNIVERSITIES: 1988-89

Appendix Two:
 Rates

<u>Undergraduate, Resident, FYES Basis</u>	<u>Amount*</u>	<u>Rank</u>
University of Michigan - Ann Arbor	\$3,170.26 (LD-3,011.26 UD-3,329.26)	1
Michigan State University	3,040.87 (LD-2,913.00 UD-3,168.75)	2
Wayne State University	2,288.75 (LD-2,110.50 UD-2,467.00)	3
Michigan Technological University	2,193.00	4
University of Michigan - Dearborn	2,190.00	5
Western Michigan University	2,103.87 (LD-2,014.75 UD-2,193.00)	6
Oakland University	2,064.87 (LD-1,937.00 UD-2,192.75)	7
Saginaw Valley State University	1,959.20	8
Ferris State University	1,947.00	9
University of Michigan - Flint	1,920.00	10
Central Michigan University	1,827.80	11
Eastern Michigan University	1,820.00	12
Grand Valley State University	1,794.00	13
Lake Superior State University	1,767.00	14
Northern Michigan University	1,729.45	15

*Lower division and upper division rates are averaged for institutions which differentiate.

SOURCE: President's Council, State Universities of Michigan, Report on Tuition and Fees, 1/27/89.

JGM/jg
 7/11/89

SAGINAW VALLEY STATE UNIVERSITY
 TUITION & MANDATORY FEES
 ALTERNATIVES

Appendix Two:
 Rates

FY 1989-90

<u>State Appropriation Increase</u>	<u>Recommended Tuition & Mandatory Fees Increase</u>	<u>Deficit Included in General Fund Budget [2]</u>
5.5% [1]	8.8%	\$233,000
4.0%	9.9%	364,000
4.5%	9.9%	294,000
5.0%	9.9%	224,000
6.0%	8.8%	163,000
6.5%	8.8%	93,000
7.0%	8.3%	59,000

[1] University estimate based on House & Senate recommendations.

[2] Planning Doc. 89-006, 7/7/89.

JGM/jg
 6/16/89, REVISED 7/11/89