

## AGENDA

### SAGINAW VALLEY STATE COLLEGE BOARD OF CONTROL

#### REGULAR MONTHLY MEETING

June 9, 1986

9:30 a.m.

Pioneer Board Room - Pioneer Hall

Note: There will be a five minute recess at approximately 10:45 a.m.

#### I. CALL TO ORDER

#### II. PROCEDURAL ITEMS

- ✓A. Approval of minutes of May 2, 1986
- ✓B. Recognition of the official representative of the Faculty Association
- ✓C. Communications and requests to appear before the Board
- ✓D. Additions and deletions to the agenda

#### III. REMARKS BY THE PRESIDENT - reports on International Program and Affirmative Action are underway

#### IV. ACTION ITEMS

- ✓1) Appointment of Auditors
- ✓2) Approval of Continuation of the General Fund Operating Budget for 1986-87
- ✓3) Authorization for the President to sign agreement for the Sculpture Gallery
- ✓4) Resolution Commending Daniel M. Strasz
- ✓5) Reappointment of the President
- ✓6) Board of Fellows Appointments ←
- ✓7) Election of Board Officers

#### V. INFORMATION AND DISCUSSION ITEMS

- ✓8) Apparent Impact of Gramm-Rudman-Hollings
- ✓9) Limitation of Enrollment in Teacher Education Programs
- ✓10) Federal Grant for Continuing Education for Registered Nurses
- ✓11) Preliminary Report on Admissions for Fall, 1986
- ✓12) Legislative recognition of former Board members Dorothy D. Arbury and John W. Kendall
- ✓13) BEST Proposal
- ✓14) Sponsored Programs Report
- ✓15) IF-2 Dedication Dates

#### VI. OTHER ITEMS FOR CONSIDERATION

#### VII. ADJOURNMENT

5/3 → exec committee

AGENDA

SAGINAW VALLEY STATE COLLEGE  
BOARD OF CONTROL

REGULAR MONTHLY MEETING

June 9, 1986  
9:30 a.m.

Pioneer Board Room - Pioneer Hall

Please let me  
know if you are  
not prepared to  
handle the item  
beside your name  
- Gary

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- D. Additions and deletions to the agenda

III. REMARKS BY THE PRESIDENT - reports on International Program and Affirmative Action are underway

IV. ACTION ITEMS

- 1) Appointment of Auditors (Woodcock)
- 2) Approval of Continuation of the General Fund Operating Budget for 1986-87 (Woodcock)
- 3) Authorization for the President to sign agreement for the Sculpture Gallery (Ryder)
- 10 am → 4) Resolution Commending Daniel M. Strasz (Ryder/Thompson)
- 5) Reappointment of the President (Ryder/Gilmore)
- 6) Board of Fellows Appointments (Ryder)
- 7) Election of Board Officers (Gilmore)

V. INFORMATION AND DISCUSSION ITEMS

- 8) Apparent Impact of Gramm-Rudman-Hollings (Dichey)
- 9) Limitation of Enrollment in Teacher Education Programs (Yen)
- 10) Federal Grant for Continuing Education for Registered Nurses (Yen)
- 11) Preliminary Report on Admissions for Fall, 1986 (Thompson)
- 12) Legislative recognition of former Board members Dorothy D. Arbury and John W. Kendall (Gilmore & Ryder)
- 13) BEST Proposal (Ryder & Davis)
- 14) Sponsored Programs Report (Yen & Copola)
- 15) IF-2 Dedication Dates (Davis & Ryder)

VI. OTHER ITEMS FOR CONSIDERATION

VII. ADJOURNMENT

SAGINAW VALLEY STATE COLLEGE

BOARD OF CONTROL  
JUNE 9, 1986

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REFERENCE DEPARTMENT  
SAGINAW VALLEY STATE COLLEGE LIBRARY  
2250 PIERCE ROAD  
UNIVERSITY CENTER, MICHIGAN 48710

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**MINUTES**  
**BOARD OF CONTROL**  
**SAGINAW VALLEY STATE COLLEGE**

Regular Monthly Meeting  
9:30 a.m.  
Pioneer Board Room -- Pioneer Hall  
June 9, 1986

**Present:** Braun  
Curtiss  
Gilmore  
Klykylo  
Ryder  
Salas  
Saltzman  
Woods

**Absent:** Lofton

**Others**  
**Present:** Beutler  
Coppola  
Davis  
Dickey  
Frahm  
Kullgren  
Lake  
Lange  
Lehman  
McNeil  
Merchak  
Oliver  
Palmer  
Rathkamp  
Stanley  
Strasz  
Thompson  
Tucker  
Willertz  
Woodcock  
Yien  
Press

I. CALL TO ORDER

Chairman Richard Gilmore called the meeting to order at 9:50 a.m.

II. PROCEDURAL ITEMS

1. Approval of minutes of May 2, 1986 Regular Monthly Meeting

Mrs. Saltzman asked that pages two and three be corrected to read: "Mrs. Saltzman reported that the names used to be recorded in the minutes of the Board, but that it seemed immaterial who made or seconded the motion, since this is not an elected board where trustees want publicity for sponsoring particular resolutions." She added that the Board had decided not to record the name of the person making the motion because the name is immaterial, and because to do so would not help the Board complete its business within the allotted time.

Dr. Salas asked that the minutes carry a non-sex bias as much as possible, using the terms "individual" or "person", rather than "he" or "she".

The minutes were **APPROVED** as corrected.

2. Official Representative of the Faculty Association

Dr. Walter R. Rathkamp, Professor of Biology, was present on behalf of the Faculty Association.

Dr. Salas asked why the Faculty Representative does not sit at the Board table, as does the student body representative.

Dr. Ryder stated that the custom preceded his tenure. Dr. Salas asked that the issue be added to the agenda for the Board's retreat.

3. Communications and requests to appear before the Board

Dr. Ryder stated that Andrew Merchak, President of Student Government, had asked to speak before the Board, as well as Brian Oliver, Vice-President of Student Government.

Mr. Merchak read the following statement:

"After the President's Office received my presentation for mailing to the Board of Control, I was confronted with the perception that I went over the heads of administration. This perception came from administrators, Board of Control members and students as well. I think this is a perception that must change. It was not my intention to go over their heads, nor is it my perception that I did so. I think that the presentation was addressed to the appropriate body, that body being the Board of Control. I should be able to feel free to give direct input to the Board of Control. I do not view my actions to be uncooperative, nor adversarial. For the Board of Control, and not the administration, makes the decisions that affect students, and I should be able to address the Board without fear of retribution. I believe that the amount of student input that is allowed, one of the issues I raise in my presentation, is a Board of Control matter and that the misrepresentation of the percentage increase, the second issue I raise in my presentation, is also a matter for the Board of Control, because the Board members considered that part of the administration's proposal when the Board adopted the resolution for tuition increase. I ask the Board to decide or consider what my role will be on future issues that concern students, and I hope that I have been clear in expressing the role that I want to play."

Brian Oliver stated that, as President of Student Senate, he represents the entire Student Senate in support of Andy Merchak, as a legitimate representative of the students to the Board of

Control in his efforts to get reconsideration from the Board concerning the tuition increase. Mr. Oliver stated that the Student Senate respectfully requested that tuition increase reconsideration be placed on the agenda, as they felt that there was a misrepresentation of fact regarding the percentage of increase and that the students' interests were not considered by the Board, since neither Dan Strasz nor Andy Merchak participated in the decision making process.

Chairman Gilmore asked Mr. Merchak if he had spoken to the administration about the accusation of misrepresentation. Mr. Merchak replied he thought it was more appropriately addressed to the Board of Control, for they made the decision based on that information. He added that according to his presentation, the actual percentage increase is 4.54%, not 4.28%.

Chairman Gilmore noted that in his letter to Mr. Merchak, he had asked that Dr. Ryder afford Mr. Merchak the opportunity to discuss his concerns with the administration. Mr. Merchak stated that he had had no communication with administration after his request to place the issue on the agenda, except for a conversation with Dr. Davis about where it would fall on the agenda. Mr. Merchak added that he had met with Mr. Jerry Woodcock, Vice President for Administration and Business Affairs, prior to making his request. Mr. Woodcock had given him information about the General Service Fee and tuition and had asked him to extend his efforts toward the administration, and had stated that Dr. Ryder would be available to meet with him.



Mr. Merchak reiterated that he felt the matter should be addressed to the Board, not the administration.

Mrs. Woods suggested that the item be put on the agenda to afford the students the opportunity to express their view.

Dr. Salas added that, as well as the issue of the tuition increase, the role of the relationship of the student representative to the Board should be discussed. He suggested that the Board invite the student representative to attend the Board's committee meetings.

Chairman Gilmore asked if the students were asking that a resolution be attached to the day's agenda asking for a revision of tuition. Mr. Merchak replied that the tuition increase should fall within the 4.3% guidelines, instead of what the students feel was an actual 4.54% increase. He asked that the students be allowed the opportunity to sensitize the Board to their needs.

Chairman Gilmore asked Mr. Merchak to be somewhat specific as to what the students were requesting. He also asked if Mr. Merchak could spend some time with the administration so they could go over how the percentage increase was arrived upon.

Mr. Merchak asked if a 28 day notice were required before a reconsideration of a decision could be requested--if there could be a reconsideration without a resolution--perhaps a \$2.00 increase, rather than a \$2.25 increase, which, in his estimation, would fall below the 4.3% limit. He asked if he would be allowed to give a presentation at the next Board meeting regarding how the tuition increase and the Gramm-Rudman-Hollings Act will

affect students.

Chairman Gilmore stated that if Mr. Merchak compiled such a presentation, he would be welcome to bring it before the Board, and that he would appreciate it if Mr. Merchak would discuss any proposal with Dr. Ryder and any other administrative staff member who could be helpful to him. Dr. Gilmore asked if this would be agreeable.

Brian Oliver indicated that on behalf of the Student Senate, he felt that the General Service Fee of \$3.00 should not be included in the tuition increase, if we are to stay within the limits set by Governor Blanchard. He felt the matter should not be discussed any further with the administration--that the students should deal directly with the Board--time constraints necessitate discussing it now, possibly appealing it now. It should not be put off until August.

Mr. Braun replied that all the Board members welcome student input, and had been under the impression that they had been affording them that right. He added that the matter should be discussed at the Board retreat.

Mrs. Saltzman raised the issue of the calendar for setting of tuition rates. Last year a special meeting was called in July to change the budget because of the direction of the Office of Management and Budget. It was difficult for the administration to rework the entire budget and assign allocations. She added that perhaps the students don't understand the sequence of the budget calendar; we need to be timely in our decisions.

Dr. Ryder stated that he had no problem in having a discussion of the issue at this time. As for the sequencing, typically an attempt is made to set tuition rates prior to advance registration for the fall, if possible. That's often difficult to do because the Legislature is moving along so that they end in July. If we wait until July, problems arise in billing and the collection of fees. The decision-making process regarding this year's tuition began last year. This assessment is based on the institution's requirements, the need for additional faculty and staff, and the increase in supply and expense budgets. He added that a 5% increase was fully justified last year. Because the increase was rolled back, the current fiscal year started with a deficit budget. A 4.3% increase this year is essential and does not even represent sufficient funds to meet the real needs of the institution, considering what we expect from the State.

Dr. Ryder noted that Dan Strasz had attended the meeting with Senator Sederburg (before Mr. Merchak's election) and SVSC's need for additional revenue was outlined to the Senate at that time. Dr. Ryder had also met with the Student Senate several months previously and reviewed with them the expected recommendation to the Board of Control with respect to increases in tuition rates--at that time, about 5%. The specific increase request was not settled until shortly before the May 2 Board meeting, at which time the President called Mr. Merchak, who had been inducted on April 14th, to come in and review the proposed

tuition increase. Dr. Ryder added that Dan Strasz was probably more cognizant of the situation than was Mr. Merchak, since Mr. Strasz had participated in the previous hearing. On May 6, 1986, Mr. Merchak and several administrators had met with the House Committee on Higher Education and the subject of tuition increases was discussed. Therefore, it seemed that actions were taken that would provide adequate information to Student Government. The administration thought it was doing as much as possible to inform the students -- if this is not so, President Ryder pledged that he would work to bring about improvements in this area.

Dr. Dickey, Director of Institutional Research and Planning, indicated that the College reports to State Government an item called "tuition and required fees." The State does not ask for a breakdown on this; their purpose is to get a sense of everything that students have to pay. Therefore, only tuition and required fees are reported. From the State perspective, when they look at the tuition increase that the Board has approved, they will be seeing a 4.3% increase.

Dr. Ryder stated that the 4.3% increase was not misrepresentation. The facts were presented to the Board, as they were to the State. The total impact on the student is what is most important.

Mr. Woodcock added that the entire process for the development of this year's budget began in August of last year, when a basic budget request was developed for submission to the

State of Michigan. As Dan Strasz was aware, our request from the State of Michigan was a 13.3% increase for basic operations--if we were not to have a tuition increase--plus program revision requests. Program revision requests included proposals for additional faculty members, start-up costs of the new facilities, and computing needs on campus.

Mr. Woodcock added that the actual process is that we report to the State our annual tuition and required fees for a Michigan undergraduate student to graduate in four years. The total increase is based on this amount.

He explained that the General Service Fee (\$3.00 per credit hour) consists of five sub-costs:

1. the bond cost, for Cardinal Gymnasium
2. the Health Service fee
3. the Student Government fee
4. the parking fee
5. the publications fee

He added that when we borrow money from external sources, they require that a specific amount be assessed as a fee. The State Legislature decreed that the Health Service fee should not come out of tuition, nor should the parking fee. There is a mechanism whereby Student Government can request an increase in their revenues. This is not done automatically.

Mr. Merchak asked whether the Student Government President would have the opportunity to make recommendations to the administration regarding increases in General Fees. Dr. Ryder

replied that the Student Government President could make such recommendations at any time preceding the time when we would be preparing to recommend tuition increases. Our budget request goes to the Governor on November 1st. Senate hearings this year were in March, the House hearing was held in May. Student Government could typically make recommendations any time in the process before tuition increases are considered. If, then, Student Government felt that the administration's recommendation to the Board did not include what Student Government felt was necessary, they would have the right to recommend a modification.

Mr. Merchak stated that he was concerned as to what his constituents would think if he took on the responsibility of increasing General Fees. He said that the administration should decide whether or not increases should be made in Student Services, not the Student Government President.

Dr. Ryder stated that Student Government has a great deal of freedom in dispersing funds among the various activities not operated by the administration. They should advise the administration as to what they feel they need.

Mr. Woodcock added that, at SVSC, Student Government and the publications operations are not part of the General Fund, but are under the control of external groups, who determine what their needs are and who make proposals. These operations are quite independent, and it is their responsibility to determine their own needs.

Mr. Merchak stated that he preferred that Student Government

fees not be included in the calculations of a tuition increase.

Dr. Gilmore asked Mr. Merchak if he would like to have the matter included in the agenda.

Mr. Merchak replied affirmatively.

Dr. Gilmore asked if there were any other communications or requests to appear before the Board. There were none.

#### 4. Additions and deletions to the agenda

Dr. Gilmore asked the Board's permission to add item 6b, Board Appointment to Faculty Reappointment and Tenure Commission, to the agenda. Dr. Davis stated that copies of the resolution would be distributed at the appropriate time. Dr. Salas wondered why the Board had not received a copy of the resolution until it was time to act on it. Dr. Yien replied that the request had not been received by his office until June 2nd, and since it is a timely issue, and the Board does not meet in July, it was thought best to bring the issue before the Board at this meeting. The Board gave its permission to add the item to the agenda, as well as item 6c, the Board motion to reconsider the Board action of May 2nd that increased tuition.

### III. REMARKS BY THE PRESIDENT

Dr. Ryder stated that reports on International Programs and Affirmative Action will be given in the near future.

IV. ACTION ITEMS

1. Resolution: Appointment of Auditors

RES-710 It was moved and supported that the following resolution be adopted.

WHEREAS, It is good management practice to have conducted an annual independent financial audit;

NOW, THEREFORE, BE IT RESOLVED, That the CPA firm of Yeo and Yeo be reappointed to conduct the financial audit for the 1985-86 fiscal year.

Dr. Salas asked whether the contract with Yeo and Yeo is ongoing. Dr. Gilmore replied that they have had the contract for a number of years. Mr. Braun added that they had to be reappointed annually. Dr. Salas asked what would happen if another firm were to make a request for consideration.

Mr. Woodcock stated that the subject of the auditors is a Board prerogative. The Business and Facilities Committee has been acting as the Audit Committee of the Board. This committee meets with the auditors more than once a year. The Business and Facilities Committee has discussed adopting some other type of policy but has felt that the reappointment of Yeo and Yeo, who have been SVSC's auditors since the inception of the College, would be appropriate.

Dr. Salas asked if there is any type of process by which other auditing firms are given consideration for selection. Mr. Woodcock replied that the rotation policy, such as some colleges use, had been discussed, but the Business and Facilities Committee had advised against it. Mrs. Saltzman reported that



the question had come up before on the Board, and that the auditors sometimes rotate the personnel from their firm, so that, in effect, a completely different team reviews SVSC's finances. She added that the advantage of retaining the same auditors is the efficiency which results from the firm's familiarity with the College. The disadvantage is that a familiar firm may not always be capable of taking a fresh look at the College's operations. As a result of the committee's review, a decision was made to continue with Yeo and Yeo. There is no reason why the Board can't continue to review this approach.

The resolution was **APPROVED** unanimously.

2. Resolution: Approval of Continuation of the General Fund Operating Budget for 1986-87

RES-711 It was moved and supported that the following resolution be adopted.

WHEREAS, The operating budget will expire on June 30, 1986,  
and

WHEREAS, the 1986-87 General Fund operating budget for the College is currently in the process of being developed;

NOW, THEREFORE, BE IT RESOLVED, That the administration of the College is hereby authorized to continue General Fund expenditures for salaries and for such other services, supplies, and equipment as may reasonably be required to permit continued operation of the College at a level consistent with the anticipated operating budget for the 1986-87 fiscal year.

Dr. Ryder stated that because our fiscal year is from July 1st to June 30th, and because typically we don't adopt the operating budget until August, the Continuation of the Budget Resolution is necessary every year. The Budget is not adopted until August because the Legislature usually doesn't make the

appropriation until July.

There was no further discussion.

The resolution was **APPROVED** unanimously.

3. Resolution: Authorizing the President to sign an agreement with Marshall M. Fredericks for the transfer of his work to the Marshall M. Fredericks Sculpture Gallery

RES-712 It was moved and supported that the following resolution be adopted.

WHEREAS, Saginaw Valley State College intends to erect on its principal campus a Fine Arts Center and further intends to incorporate within said Center a gallery to be known as the Marshall M. Fredericks Sculpture Gallery which will have as its sole purpose the displaying and storage of sculptures and other works of Marshall M. Fredericks; and

WHEREAS, the Sculpture Gallery will enlarge the spirit and the imagination of all those who set foot on the College campus, and

WHEREAS, the Sculpture Gallery will attract thousands of persons to the Saginaw Valley and the SVSC campus, and

WHEREAS, Mr. Fredericks is interested in seeing that the Sculpture Gallery comes into existence and to be certain that it will house a fully representative display of his works, models and related artistic properties; and

WHEREAS, Mr. Fredericks is willing to transfer various of his works to the College during his lifetime and to make further commitments for additional transfers of various works following his death but during the lifetime of his wife, Rosalind Fredericks; and further to commit to the transferring of additional works following the death of both Marshall M. Fredericks and Rosalind Fredericks;

THEREFORE, BE IT RESOLVED, That the Board of Control authorizes President Jack M. Ryder to sign an agreement on its behalf with Mr. Fredericks which stipulates the responsibilities of Mr. Fredericks and Saginaw Valley State College in the establishment of the Sculpture Gallery.

Dr. Ryder stated that the Fine Arts Center/Marshall M. Fredericks Sculpture Gallery is a very important step forward in the development of the College.

Mrs. Saltzman stated that she understands the need for such a contract, but wondered how the College could enforce some articles in a draft she had seen, such as "new successor public charity must specifically agree...."

Mr. Braun replied that this provision is a fairly common kind of condition that is attached to a major charitable gift. The theory is that in the event there has to be a successor organization, the value of the gift would be so significant that there would be a host of people willing to accept the gift under the previous conditions.

Mr. Braun questioned whether the Board of Control had properly expressed formal appreciation to the Fredericks. Dr. Ryder replied that something would be prepared for the August meeting.

The resolution was **APPROVED** unanimously.

4. Resolution: Commending Daniel M. Strasz

RES-713 It was moved and supported that the following resolution be adopted.

WHEREAS, through his counsel Daniel Martin Strasz has aided the members of the Saginaw Valley State College Board of Control in the discharge of their responsibilities, and

WHEREAS, in his role as President of the Saginaw Valley State College Student Government, Daniel Strasz has demonstrated exemplary leadership of the student body, and

WHEREAS, through his effective communication of institutional needs, Daniel Strasz has helped Saginaw Valley State College obtain more adequate support in the State Legislature, and

WHEREAS, in his service, Daniel Strasz has represented the talents and dedication of his fellow Saginaw Valley State College students,

THEREFORE, BE IT RESOLVED, that the Board of Control of Saginaw Valley State College commends Daniel Martin Strasz on the occasion of the completion of his term of office as President of Saginaw Valley State College Student Government, and wishes him well in his future endeavors.

Dr. Gilmore read the resolution. He asked for discussion. There was none.

The resolution was **APPROVED** unanimously. There was a round of applause.

Mr. Strasz thanked the Board. He stated that it had been a privilege and honor to work with them and to furnish them with student input, which is invaluable to a Board of this kind. Not all the other colleges in the State offer their students such an opportunity. SVSC has unique needs and a unique student body. Representing them has helped him, as well as the College, to explore new ways to service the students and provide educational needs for the people of Michigan.

5. Reappointment of the President

BM-687 It was moved and supported that the Board approve the Memorandum of Agreement and the following Deferred Compensation Agreement. (See next page.)

Chairman Gilmore stated that the agreement is for three years and contains a 7% increase in direct compensation. The Board of Control views the agreement as a statement of appreciation for Dr. Ryder and the very significant growth of Saginaw Valley State College during his service.

Dr. Gilmore asked for discussion. There was none.

The motion was **APPROVED** unanimously.

MEMORANDUM OF AGREEMENT  
Between  
THE BOARD OF CONTROL OF SAGINAW VALLEY STATE COLLEGE  
and  
DR. JACK M. RYDER

This Agreement is made this 9th day of June, 1986, by and between the Board of Control of Saginaw Valley State College (the "Board") and Dr. Jack M. Ryder (the "President") and covers the terms and conditions of the employment of the President by the Board. This Agreement supersedes any and all prior agreements and understandings between the parties hereto.

1. Duties. During the term of this Agreement, the President shall perform full-time services for the Board. The President shall obey and fulfill the policies, rules and regulations established by the Board from time to time and carry out the Board programs and policies.

2. Term. The term of this Agreement shall commence on July 1, 1986, and shall continue in full force and effect until June 30, 1989, unless terminated earlier as set forth below. Provided further, that unless the Board gives the President written notice on or before May 15, 1988 that this Agreement will not be extended beyond June 30, 1989, the term of this Agreement shall be deemed automatically extended for one additional year, to June 30, 1990.

3. Salary. The President's salary shall be at the annual rate of Seventy Thousand Two Hundred Seventy-five Dollars (\$70,275) effective January 1, 1986 and shall be reviewed as of January 1, 1987 and annually thereafter for changes in each succeeding year. While the Board reserves the right to make decreases in such salary in succeeding years, it is not anticipated that decreases will occur absent a severe and unanticipated worsening of budgetary position and financial support of Saginaw Valley State College (the "College").

4. Fringe Benefits. All fringe benefits available, or made available in the future, by specific action of the Board, to any other nonunion, full-time College employees will also be applicable to the President, for so long as same are provided to such employees (including any and all such benefits as collective life insurance, disability insurance, health insurance, retirement program, social security, etc.) except as specifically indicated to the contrary below. The President shall also receive the following additional fringe benefits:

(a) Supplemental Retirement Annuity. Ten percent (10%) of base salary will be paid annually on or before the first day of each calendar year during the term of this Agreement as a Supplemental Retirement Annuity according to the applicable policies of the Teacher Insurance and Annuity Association. If any increase in such base salary amount is approved after the first day of the calendar year, a sum equal to ten percent (10%) of the increase shall be contributed to such Supplemental Retirement Annuity as promptly as possible. In the event of termination for any reason the President will reimburse the College for the amount of any unearned Supplemental Retirement Annuity.

(b) Deferred Compensation. For each full year of service under this Agreement, in addition to the base salary specified in paragraph 3, the President shall be paid an additional sum of Six Thousand Dollars (\$6,000.00) per year. Payment of such additional sum shall be deferred under the terms of a Deferred Compensation Agreement between the Board and the President dated the same date as this Agreement.

(c) Additional Life Insurance. The following additional insurance coverages shall be provided and continued during the term of this Agreement.

<u>Amount</u>	<u>Type</u>	<u>Carrier as of June 9, 1986</u>
\$100,000	5-year Renewable Term*	T.I.A.A.
\$100,000	Accidental Death and Dismemberment	C.N.A.
\$250,000	Accidental Death and Dismemberment	The St. Paul Companies

\*(Cost of living rider attached to above policy. Amount provided for 1986 is an additional \$43,500 and the amount of additional coverage is determined annually by the carrier.)

The Board reserves the right to change insurance carriers, so long as coverage in the above amounts continues to be provided to the President throughout the term of this Agreement.

(d) Automobile. An automobile including all cost of maintenance and operation will be provided for the use of the President. The President will pay any operational cost (oil and gas) involved for any personal use. It shall be replaced after 50,000 miles, or three years of service, whichever occurs first. The President shall maintain such records and logs concerning his business and personal use of the vehicle as may be necessary to enable the College to comply with applicable federal tax laws and regulations.

(e) Vacation. The President will be under the vacation policy for administrative/professional employees of the College except that he is encouraged to take up to twenty-five (25) days of vacation, instead of twenty-two and one-half (22.5) days, each year.

(f) Housing. The College will continue to provide, and the President will be required to live in, the present residence provided by the College or any agreeable substitute therefor. The College will provide for necessary maintenance, utilities and lawn and garden care, and decorating for said housing. The College will provide regular telephone service for the presidential residence, but the President will pay for personal toll calls. Housekeeping service will be provided at the presidential residence up to the equivalent of two (2) days per week, with additional services as reasonably required upon special occasions. Food and beverages will also be provided as are reasonably required for official entertaining.

(g) Travel. All reasonable travel expenses and other necessary expenses associated with the execution of the duties and responsibilities of the Presidency shall be provided by the College. The Board perceives the President's wife to be a part of the Office of the President serving as a volunteer assistant and she is encouraged to travel with him at College expense when there is obvious benefit to the College.

5. Termination. This Agreement shall terminate prior to expiration of the full term specified in paragraph 2 upon the death or disability (as hereafter defined) of the President, upon exercise of the right of termination by the Board or the President (as hereafter set forth), or upon the announcement by the President of his candidacy for partisan political office. Any such early termination shall be upon the following terms:

(a) Death. This Agreement shall terminate immediately upon the death of the President, except that in such event the President's spouse will be allowed up to ninety (90) days to make arrangements and to vacate the presidential residence.

(b) Disability. For purposes of this Agreement, the President shall be deemed disabled if, by reason of physical or mental illness or infirmity, he is unable to carry out the duties of his position on substantially a full-time basis. The Board shall, in its sole and reasonable discretion, determine whether the President is under a disability, and the date of onset of such disability. The President shall continue to receive full salary and fringe benefits under this Agreement for up to one hundred



eighty (180) days of continuous disability; any sums received by the President under the College's disability insurance plan in effect during such period shall be applied to reduce the amount of salary otherwise payable to the President hereunder, and any paid sick days, vacation days, or other benefits which would otherwise accrue to the President during such period shall be deemed included in the salary paid to the President during such period. If the President is disabled for a continuous period in excess of one hundred eighty (180) days, this Agreement (including salary and fringe benefits) shall then terminate, and the Board shall give written notice of such fact to the President. Provided, however, that after such termination the President shall be entitled to the following additional benefits:

(i) The President shall continue to receive disability benefits under, and in accordance with, the provisions of the College's disability insurance coverage then in effect, for so long as such benefits are available;

(ii) Any renewable term insurance referenced in paragraph 4(c) shall be continued until the applicable waiver-of-premium provisions can become effective, or for a period of twenty-four (24) months following the date of termination of this Agreement, whichever period first expires or for so long as such continued coverage is available through the carrier, whichever period expires first.

(iii) Any College health insurance covering the President will be provided for a period of two (2) years after the date of termination of this Agreement, or for so long as such continued coverage is available through the carrier, whichever period first expires.

(iv) The President shall have the right to return to the employment of the College, on the terms set forth in paragraph 6.

(c) Termination by Board Without Cause. The Board may terminate this Agreement at any time without cause, by providing written notice to the President. Upon such termination the President will continue to receive his salary and fringe benefits (as available through the fringe benefit carriers) for twelve (12) months beyond the date of such termination, except with respect to the use of the Presidential residence and the provision of an automobile, both of which may be terminated by the Board on ninety (90) days notice. In the event of such termination without cause, the President, if requested by the Board, shall make himself available to continue to render his services to the College in another position during the balance of such twelve (12) month period. If the President accepts other employment during such



period, and therefor becomes unable to fulfill his obligations under this paragraph 5(c), his salary and fringe benefits from the College shall cease upon the effective date of his new employment with any vested but unused days of vacation paid to him in a lump sum. No more than thirty-seven and one-half (37½) working days of vacation can be vested but unused. In addition, in the event of termination without cause hereunder, the President shall have the right to return to the employment of the College, on the terms set forth in paragraph 6.

(d) Termination by Board With Cause. The Board may at any time discharge the President and terminate this Agreement immediately by showing that good cause exists for such action ("good cause" includes, but is not limited to: any violation of this Agreement, any significant failure to carry out duties with reasonable proficiency, and immoral or criminal activity which has a substantial negative impact on the interests of the College). However, prior to taking such action, the Board must inform the President in writing of the cause or causes for discharge and termination and grant the President the opportunity for a hearing on such cause or causes before the Board. From and after the date of such discharge for cause, the President shall be entitled to no further salary or fringe benefits hereunder, other than accrued sick days or vacation days outstanding as of such date.

(e) Termination by President. The President shall have the right to terminate this Agreement with or without cause, by giving notice in writing to the Board ninety (90) days prior to the effective date of termination. In addition, any public announcement by the President of his intention to run for partisan political office during the term of this Agreement shall be deemed to constitute an election by the President to terminate this Agreement under this paragraph 5(e), such termination to be effective immediately upon such public announcement. In either event, use of the presidential residence and of the College automobile by the President, and all salary and fringe benefits other than accrued sick days and vacation days outstanding as of such date, shall end as of the date of such termination.

6. Return to Employment of College. The President shall have the right to return to, or continue in, the employment of the College as Professor of Education in the School of Education (or in another position mutually agreeable to the Board and the President) with two (2) years of credit toward tenure, in the following situations:

(a) If after suffering a disability (as defined in paragraph 5(b)), such disability shall end more than one hundred eighty (180) days but less than five hundred forty

(540) days after the onset of such disability; but in no event shall the President's right to return to the employment of the College be more restrictive than the policy then applicable to administrative/professional employees of the College. The Board shall determine, in its sole and reasonable discretion, when the disability of the President has ended and shall give him written notice of such date; or

(b) If the Board should elect not to renew the employment of the President as president of the College after expiration of the term of this Agreement set forth in paragraph 2 (including any extended term); or

(c) If the President's employment is terminated by the Board without cause under paragraph 5(c).

If the President elects to continue in the employment of the College as a faculty member, he must give the Board written notice of such fact no later than thirty (30) days following the end of his disability in the situation described in subparagraph (a) above, no later than one hundred eighty (180) days before expiration of the term of this Agreement in the situation described in subparagraph (b) above, and no later than one hundred eighty (180) days following termination of his employment as president in the situation described in subparagraph (c) above.

If the President elects to continue his employment as a faculty member the President shall receive a base salary at the base rate of the highest-paid faculty member in the School of Education. In the situations described in subparagraphs (b) and (c) above, the President shall be granted a six month paid sabbatical leave to prepare himself for teaching. In all other respects the employment of the President as a faculty member of the College shall be governed by the collective bargaining agreement in effect from time to time concerning the College faculty, and nothing in this Agreement shall be deemed to guarantee employment to the President as a faculty member of the College for any specified term, or to indicate that the President will necessarily be granted tenure.

The foregoing provisions notwithstanding, if the President's employment is terminated by the Board without cause under paragraph 5(c), the President shall receive a salary in the amount, for the period, and upon the terms specified in paragraph 5(c); it is understood that during all or a portion of such period the President may be on sabbatical leave, fulfilling teaching duties, or performing other services for the College at the request of the Board. Upon expiration of such period the President's base salary shall revert to the base rate of the highest-paid faculty member

in the School of Education. Provided further, that if the President elects a faculty appointment in accordance with the terms of this paragraph 6, he will thereupon no longer be required under paragraph 5(c) to make himself available to render other services at the request of the Board.

7. Miscellaneous.

(a) The Board will periodically review the performance of the President during the term of this Agreement, for the purpose of enhancing the effectiveness of the President in his administration of the College.

(b) The President shall arrange for an annual comprehensive physical examination. The College will pay for the cost of same, in accordance with the policy for annual physical examinations for members of the Executive Committee. The examining physician shall then provide a statement of general health of the President to the Chairman of the Board of Control who will make such statement available to the members of the Board.

(c) The President is encouraged to take part in local, state and national activities and organizations to the extent that same relate to the performance of his duties hereunder, so long as participation in such activities and organizations does not negatively affect the performance of his duties hereunder; provided, however, that the initial and ongoing consent of the Board must be obtained for the President to engage in any activity or organization which:

(i) provides for compensation for the President,  
or

(ii) involves any possible conflict of interest  
between such activity or organization and the College,  
or

(iii) would require him to be away from the campus  
for a substantial amount of time.

(d) This Agreement shall be subject to restrictions contained in the College's collective bargaining agreements in effect as of the date of this Agreement.

8. Governing Law. This Agreement shall be governed by the laws of the State of Michigan.

9. Amendment. This Agreement may not be modified or amended, except in a writing signed by each of the parties hereto.

10. Binding Effect. This Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their respective heirs, representatives, successors and assigns.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day, month and year above written.

BOARD OF CONTROL

PRESIDENT

By: Richard H. Gilmore  
Dr. Richard H. Gilmore  
Chairman

Jack M. Ryder  
Dr. Jack M. Ryder

## DEFERRED COMPENSATION AGREEMENT

THIS AGREEMENT made this 9th day of June, 1986, by and between the Board of Control of Saginaw Valley State College (the "Board"), and Dr. Jack M. Ryder (the "President").

### WITNESSETH THAT:

In consideration of the agreements hereinafter contained, the parties hereto agree as follows:

1. Employment of President. The Board agrees to employ President and President agrees to serve in the capacity of President of Saginaw Valley State College (the "College") beginning July 1, 1986, and continuing until terminated under the provisions of the Memorandum of Agreement between College and President dated June 9, 1986, (the "Memorandum of Agreement").

2. Duties of President. During the term of this Agreement, the President shall perform full-time services for the College. The President shall obey and fulfill the policies, rules and regulations established by the College and carry out the College's programs and policies.

3. Deferred Compensation.

(a) In addition to any compensation and fringe benefits provided for in the Memorandum of Agreement heretofore mentioned, College shall credit to a book reserve (the "Deferred Compensation Account") established for this purpose, the sum of \$6,000 on the first day of July of each year, during the continuance of President's employment with the College as president under the Memorandum of Agreement, the first such payment hereunder to be made on July 1, 1986.

(b) The Deferred Compensation Account shall be credited annually with interest at the same rate of return allocated to the Endowment Fund assets participating with the Working Capital "pooled" investments of the College, or the College may at the discretion of the Chairman of the Board make separate investments for this purpose.

(c) If President's employment as President of the College terminates prior to June 30th of any year, the amount of the contribution to the Deferred Compensation Account for such year specified in paragraph 3(a) shall be reduced to reflect that portion of the year for which he was not employed by the College. The amount of the reduction shall be determined by multiplying such contribution amount by a fraction, the numerator of which is

the total number of days from termination of employment up to and including the next June 30th, and the denominator is 365.

(d) Upon the date of termination the Deferred Compensation Account shall be credited with interest at the rate at which interest was credited for the immediately preceding June 30th year end under paragraph 3(b) above, pro-rated for that fraction of the year for which the President was employed as president of the College.

(e) Interest will accrue on the balance, both principal and interest, in the Deferred Compensation Account from the date of termination of President's employment until commencement of payment under paragraph 4(a). Interest will be credited through the end of the month preceding the date payment commences. Such interest shall be credited at the same rate determined under paragraph 3(d) above.

(f) President agrees on behalf of himself and his designated beneficiary to assume all risk in connection with any decrease in value of the funds which are invested or which continue to be invested in accordance with the provisions of this Agreement.

(g) Title to and beneficial ownership of any assets which the College may have earmarked to pay the contingent deferred compensation hereunder, shall at all times remain in the College, and President and his designated beneficiary shall not have any property interest whatsoever in any specific assets of the College.

4. Payment of Deferred Compensation. The benefits to be paid as deferred compensation are as follows:

(a) Within twelve (12) months after President's termination of employment with the College, the College shall pay to President the entire amount credited to the Deferred Compensation Account in one or more of the following fashions, such option to be selected in the sole discretion of the Board:

1. a lump sum payment subsequent to the next January 1st, or

2. an annuity, or

3. an annuity for five (5) or ten (10) years certain and lifetime thereafter, or

4. a deferred annuity with benefits commencing no later than age 65.



(b) If President's employment is terminated because of death, the amounts referred to in paragraph 4(a) shall be paid to President's designated beneficiary. The designated beneficiary shall be such beneficiary as is designated, in writing, to the College prior to President's death. The beneficiary referred to in this paragraph may be changed by President (without the consent of any prior beneficiary) at any time by making such designation change in writing and delivering it to the College before his death. If no beneficiary shall have been designated, or if no designated beneficiaries shall survive President, any payments referred to in this paragraph 4(a) shall be payable to President's estate.

5. Trust Not Created. Nothing contained in this Agreement and no action taken pursuant to the provisions of this Agreement shall create or be construed to create a trust of any kind, or a fiduciary relationship between the Board or the College and President, his designated beneficiary or any other person. Any funds which may be invested under the provisions of this Agreement shall continue for all purposes to be part of the general funds of the College and no person other than the College shall by virtue of the provisions of this Agreement have any interest in such funds. To the extent that any person acquires a right to receive payments from the College under this Agreement, such right shall be no greater than the right of any unsecured general creditor of the College.

6. Rights Not Assignable. The rights of President or any other person to the payment of deferred compensation or other benefits under this Agreement shall not be assigned, transferred, pledged or encumbered, except as expressly provided for in paragraph 4(b).

7. No Right to Continuing Employment. Nothing contained herein shall be construed as conferring upon President the right to continue in the employment of the College in the capacity as President or otherwise. Any and all such rights as to employment shall be governed by the Memorandum of Agreement heretofore referenced.

8. Payments Not Considered Salary. Any deferred compensation payable under this Agreement shall not be deemed salary or other compensation to President for the purposes of computing benefits to which he may be entitled under any pension plan or other arrangement of the College for the benefit of its employees.

9. Interpretation by Board. The Board shall have full power and authority to interpret, construe and administer this Agreement and the Board's interpretation and construction hereof, and actions hereunder, including any valuation of the Deferred Compensation Account, or determination of the amount or recipient

of any payment to be made therefrom, shall be binding and conclusive on all persons for all purposes. No employee or Board member of the College shall be liable to any person for any action taken or omitted in connection with the interpretation and administration of this Agreement unless attributable to his or her own willful misconduct or lack of good faith.

10. Binding Effect. This Agreement shall be binding upon and inure to the benefit to the College, its successors and assigns, and the President and his heirs, personal representatives, administrators and legal representatives.

11. Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Michigan.

12. Changes in Applicable Law. If, after the date of this Agreement, federal or state tax laws shall be modified or construed so as to render all or a portion of the deferred compensation amounts hereunder presently taxable to President, then the amount of the Deferred Compensation Account which would be treated as current taxable income shall be promptly paid over to the President. All other sums remaining in the Deferred Compensation Account shall be distributed in accordance with paragraph 4 above.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first above set forth.

BOARD OF CONTROL

PRESIDENT

By Richard H. Gilmore  
Dr. Richard H. Gilmore  
Chairman

Jack M. Ryder  
Dr. Jack M. Ryder



Dr. Ryder thanked the Board and added that he will continue to serve them, the faculty and students to the best of his ability.

6. Board of Fellows Appointment

BM-688 It was moved and supported that Mr. John W. Kendall be appointed to fill the position on the Board of Fellows which was vacated by Mr. David Wierman. The appointment of Mr. Kendall would begin upon Board of Control action and end June 30, 1990.

The motion was **APPROVED** unanimously.

BM-689 It was moved and supported that the Board accept the nomination of Mr. David Wierman as an emeritus member of the Board of Fellows.

The motion was **APPROVED** unanimously.

6b. Resolution: Board Appointments to Faculty  
Reappointment and Tenure Commissions

RES-714 It was moved and supported that the following resolution be adopted.

WHEREAS, Reappointment and Tenure Commissions (RTCs) shall be established to review faculty promotions, tenure, and sabbatical leaves upon request from faculty member or members, and

WHEREAS, the Commissions shall consist of two members selected by the Faculty Association and two members selected by the Board of Control, and a fifth member shall be selected by agreement between the Board and the Faculty Association,

NOW, THEREFORE, BE IT RESOLVED, That the Board appoint Dr. Crystal Lange, Dean of Nursing and Allied Health Sciences, and Dr. Eugene Hamilton, Dean of Continuing Education and International Programs to the Commission for promotion review, and

BE IT FURTHER RESOLVED, That Mr. Richard Thompson, Executive Director of Student Development, replace Dr. Crystal Lange on the Commission for sabbatical leave review.

Dr. Yien explained that there are two RTCs; one for sabbatical leaves review and the other for promotion review.

The resolution was **APPROVED** unanimously.

6c. Reconsideration of Board Action Item of May 2, 1986 to increase tuition.

BM-690 It was moved and supported to reconsider the Board action of May 2, 1986 to increase tuition.

Mrs. Saltzman suggested that Board policy regarding reconsideration of items be added to the Board retreat agenda, in the category of parliamentary procedure.

Mrs. Woods stated that her purpose in bringing this motion before the Board was to assure the student body that the Board is cognizant of their concerns regarding tuition. She added that the Board had investigated the matter thoroughly and had expressed its reluctance to increase tuition and fees. No evidence has been shown that would permit the Board to reduce tuition, although the Board is open to suggestions.

The motion was **APPROVED**, with Mr. Braun dissenting.

Resolution: Approval of Tuition and Fee rates for 1986-87

RES-715 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 from tuition and fees be approved effective beginning with the Fall term, 1986.

(See attachment on the following pages.)

Chairman Gilmore asked Mr. Merchak whether he had any further information to present to the Board. Mr. Merchak stated

SAGINAW VALLEY STATE COLLEGE  
TUITION AND FEES  
1986-87

	<u>1985-86</u>	<u>1986-87</u>
<u>TUITION</u>		
Michigan Residents: _		
Undergraduate Courses	\$ 49.50/cr. hr.	\$ 51.75/cr. hr.
Graduate Courses	72.50/cr. hr.	74.00/cr. hr.
Non-Residents:		
Undergraduate Courses	104.00/cr. hr.	104.00/cr. hr.
Graduate Courses	145.00/cr. hr.	145.00/cr. hr.
Auditor	Tuition Rate	Tuition Rate
Credit by Examination	Tuition Rate	Tuition Rate
<u>FEES</u>		
General Service <sup>a</sup>	3.00/cr. hr.	3.00/cr. hr.
Athletic Season Pass (annual fee)	20.00	20.00
Listener's Permit	15.00/course	15.00/course
Off-Campus Service Fee	See Footnote b	See Footnote b
Laboratory	15.00/course	16.00/course
Applied Music <sup>c</sup>	35.00/cr. hr.	35.00/cr. hr.
Equitation	30.00/cr. hr.	35.00/cr. hr.
Matriculation (On and Off Campus) <sup>d</sup>	25.00/first Registration at SVSC	25.00/first Registration at SVSC
Orientation	30.00	30.00
Late Registration	10.00	10.00
Late Payment <sup>e</sup>	12.50	12.50
Hand Registration	25.00/transaction	25.00/transaction
I.D. Replacement	5.00	5.00
Graduation	15.00	15.00
Transcript	2.00/official copy 1.00/student copy	2.00/official copy 1.00/student copy
Diploma Replacement	4.00	4.00
Diploma Cover Replacement	6.00	6.00
Return Check Service Charge <sup>f</sup>		
First Billing	5.00	5.00
Second Billing	10.00	10.00

SAGINAW VALLEY STATE COLLEGE  
TUITION AND FEES 1986-87

	<u>1985-86</u>	<u>1986-87</u>
<u>SPECIAL TUITION AND/OR FEE RATES</u>		
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	\$ 18.00/cr. hr.	\$ 18.00/cr. hr.
Oscoda/Wurtsmith Center -- Undergraduate Tuition	70.00/cr. hr.	70.00/cr. hr.
Graduate Tuition	80.00/cr. hr.	80.00/cr. hr.
Family Tuition Grant Program	Applies to families with two or more students attending SVSC. Details and application avail- able in the SVSC Financial Aid Office.	

<sup>a</sup>General Service Fee includes (on-campus students only):

Athletic Fee	\$.90/cr. hr.
Parking Facility Fee	.90/cr. hr.
Student Government Fee	.55/cr. hr.
Publication Fee	.15/cr. hr.
First Aid Facility Fee	Up to \$1.00/cr. hr.

<sup>b</sup>Off-Campus Service Fee calculation based upon distance from campus:

30 miles - includes Bay City, Midland and Saginaw	\$ 6.00/cr. hr.
31-45 miles - includes Caro	12.00/cr. hr.
46-60 miles - includes West Branch	18.00/cr. hr.
61 and over miles - includes Kirtland Community College	24.00/cr. hr.
(Macomb and Oscoda/Wurtsmith Center have independent fee structures.)	

<sup>c</sup>Plus tuition, subject to variance by instrument upon administrative approval.

<sup>d</sup>Excluding guest students and high school students.

<sup>e</sup>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.

<sup>f</sup>If charge involves registration or a board and room payment, late payment charges can also apply.

that he felt there was an inconsistency in the way that tuition and fee schedules were presented. He referred to the May 6, 1986 edition of the Board Report section of the Interior, which states "The new rates recommended by College administrators and approved by the Board call for a 4.3% increase for Michigan undergraduate students. They will pay \$51.75 per credit hour next year compared to \$49.50 per credit hour, a rate that has been in effect since 1983." Mr. Merchak added that he had understood the sentence to mean that the 4.3% was based on the \$49.50 and not the \$52.50. Also, it stated that the recommended rate was within the Governor's guideline of keeping tuition increases at or below the increase in the Consumer Price Index. Mr. Merchak stated that he believes that the Governor's guideline of 4.3% applies only to the tuition and not to tuition and fees. No mention was made of the General Service Fee. Mr. Merchak felt that there were many inconsistencies as to how tuition and the General Service Fee were represented, and that was his reason for stating that the increase had been misrepresented--that the increase was 4.54% not 4.3%.

Mr. Curtiss replied that this issue had been discussed at some length at the previous Board meeting, that he had asked a series of questions because he too had been confused about the percentage of the proposed increase. It was clear at that meeting that the increase was based on the sum of tuition and fees. He added that there is good historic background for this. Some of the fees evolved because of contracts with lending

authorities and some because of legislative action. To his knowledge, there is no specific Michigan statute dealing with what "tuition" is and what "fees" are. Several years ago when the Governor's Office encouraged institutions to freeze tuition, most did, but several doubled their fees. Mr. Curtiss said that he believed that the intent on the part of the Governor and the Department of Management & Budget was to limit the increase in the minimum dollar amount charged each full time student, and that continues to be the intent with regard to their proposed limitation of 4.3% this year. He added that it would be very easy for the Board to roll back tuition to the \$49.50 level, and institute a new fee for \$2.25. What the Board tries to do is to keep as General Service Fees only those things that have a legislative basis or are contracted with outside entities, and to classify everything else as "tuition." The real intent is to keep the cost increase to the student down to the 4.3% level. The only effective way to do that is to apply that limit to the total tuition and fees that all full time students must pay.

Mr. Merchak stated that his other concern was that he had not known that he had the opportunity to recommend that the Student Government Fee be increased, or be a part of the 4.3% increase, and that he would have liked to see Student Government or Publications get a portion of the 4.3%. He would have liked to have had the opportunity to make that recommendation prior to the May 2nd Board meeting.

Mr. Curtiss noted that Mr. Merchak had taken office on April

14th, which is well along in our legislative and budgeting processes. Better communications in the budgeting process are important.

He added that Dr. Ryder had mentioned the issue to Student Government on numerous occasions over the past two years. There is a problem in timing, however. Some of those comments were made prior to Mr. Merchak's election. We need to have a process that works regardless of when Student Government leaders are elected. We should be taking a look at the process.

Mr. Richard Thompson, Executive Director of Admissions and Student Development, noted that he, as the chief Student Services Officer over the past three years, had not asked Student Government if they had an interest in changing their fees. He, as well as the Dean of Students Office, had not realized a need for increased rates. However, the Student Government Constitution states that the Senate has the right to tax students, and that Senators, like Mr. Merchak, can propose that through their regular Senate meetings. They would then ask Dr. Ryder and the administration to pass the recommendation on to the Board of Control. Mr. Thompson added that he will try to pass this information on to each new student administration as it is elected.

Dr. Ryder suggested that both the administration and Student Government would profit by a re-reading of the Student Constitution.

The motion was **APPROVED** unanimously.

7. Election of Board Officers

Chairman Gilmore called upon Mr. Curtiss, Chairman of the Nominating Committee.

Mr. Curtiss reported that the Nominating Committee had met, and on their behalf he nominated the following for the offices indicated:

Chairman	- Richard H. Gilmore
Vice Chairman	- Mrs. Florence "Jo" Saltzman
Secretary	- Mrs. Joyce Woods
Treasurer	- Mr. Henry Klykylo

Mr. Klykylo nominated Mrs. Joyce Woods for Chairman. There were no other nominations. Nominations were closed. With the consent of the Board it was agreed to vote for the officers separately.

BM-691 It was moved and supported that the election for the chairmanship be done by roll call because there were two candidates nominated for the position.

The motion was **APPROVED** unanimously.

The gavel was turned over to Dr. Salas, as newest member of the Board. Mrs. Jo Saltzman and Mr. Ted Braun made comments in support of the candidacy of Dr. Gilmore.

BM-692 Dr. Salas asked for further comments. Hearing none he asked for a roll call vote on the two candidates, Gilmore and Woods, for chairman of the Board.

The roll call was taken. Mr. Braun, Mr. Curtiss, Dr. Gilmore and Mrs. Saltzman voted for Dr. Gilmore; Mr. Klykylo, Dr. Salas, and Mrs. Woods voted for Mrs. Woods. Dr. Salas announced Dr. Gilmore's election and returned the gavel to him.

Dr. Gilmore stated that Mrs. Florence Saltzman had been



nominated as Vice Chairman of the Board. He asked if there were any other nominations. Hearing none, he declared the nominations closed.

BM-693 It was moved and supported to elect Mrs. Florence Saltzman as Vice Chairman to the Board of Control.

The motion was **APPROVED** unanimously.

Dr. Gilmore stated that Mrs. Joyce Woods had been nominated as Secretary to the Board. He asked if there were any other nominations. Hearing none, he declared the nominations closed.

BM-694 It was moved and supported to elect Mrs. Joyce Woods as Secretary to the Board of Control.

The motion was **APPROVED** unanimously.

Dr. Gilmore stated that Mr. Henry J. Klykylo had been nominated as Treasurer to the Board. He asked if there were any other nominations. Hearing none, he declared the nominations closed.

BM-695 It was moved and supported to elect Mr. Henry J. Klykylo as Treasurer to the Board of Control.

The motion was **APPROVED** unanimously.

The terms of office begin on July 1st, 1986, and end on June 30, 1987. The next regular election of officers will occur at the May 2, 1987, Regular Meeting of the Board.

#### V. INFORMATION AND DISCUSSION ITEMS

##### 8. Apparent impact of Gramm-Rudman-Hollings

Dr. Dickey distributed an article from Higher Education and National Affairs titled "Gramm-Rudman-Hollings: Its Potential

Impact on Higher Education," as well as a document presenting the impact on Saginaw Valley State College. (See attachment on the following pages.) She explained that as the 1986-87 year approaches, the first effects of the deficit reduction act are being felt. This act is undergoing constitutional challenges, and its final status is not known, but there is general agreement that, irrespective of action on the particular provisions of the bill, there will be a strong effort to reduce the federal budget deficit. That would have a heavy impact on non-defense, discretionary programs, which include all of those for higher education except the Guaranteed Student Loan Program.

She explained that changes in Pell Grant regulations probably will mean reduced awards for nearly 500 students at SVSC, but there is some chance that this may change. The United States Senate has passed a supplementary appropriation which would provide more money for Pell Grants. The House has not done so and the Conference has not acted. At this stage four things could happen:

1. The conference will accept the Senate recommendation, but the President will veto the bill.
2. The President will sign it and more money will be made available for Pell Grants. The regulations will change. Colleges will send out new award letters anticipating more generous Pell Grants.
3. The conference would accept the Senate recommendation, but the money would be used instead to make up a deficit in the

## HIGHER EDUCATION &amp; NATIONAL AFFAIRS

Gramm-Rudman-Hollings:  
Its Potential Impact on Higher Education

By Arthur M. Hauptman

An independent education consultant, Arthur Hauptman prepared this analysis for the American Council on Education.

The Gramm-Rudman-Hollings (GRH) legislation establishes a set of deficit targets that lead, in equal increments, to a balanced federal budget by fiscal year 1991. The law provides a mechanism called sequestration for invoking a set of automatic spending cuts if the spending and tax laws on the books do not result in the prescribed deficit target for a given year. If the Supreme Court upholds a recent federal court ruling that sequestration is unconstitutional, GRH provides an alternative mechanism that would in effect force Congress to vote on a set of spending cuts to achieve the deficit targets.

This report examines the effects of sequestration on federal support for higher education students and institutions if the mechanism were to go into effect. Because of the adverse and arbitrary effects of the automatic cuts, the bill's sponsors and most observers believe that Congress will try to pass legis-

lation that meets the deficit targets without triggering sequestration.

Two aspects of the legislation are critical:

- Relatively small reductions in the growth of the economy will result in relatively large increases in the size of spending cuts required under GRH. One percentage point less growth in the economy each year could double the size of the annual GRH spending cuts.

- Even assuming optimistic economic conditions, the cuts for federal higher education programs under GRH would be more severe than the budget reductions the Reagan Administration is requesting. The large cuts in student aid proposed by the Administration are offset to some degree by proposed increases in federal dollars to universities for research and development, whereas GRH would impose cuts on all aspects of federal support for higher education.

The GRH legislation, besides providing for the highly publicized automatic cuts, also makes the first substantial changes to the congressional budget

process since it was established in 1974. The legislation speeds up the timetable for budget-related actions in Congress, although Congress seldom met the previous deadlines. GRH also calls on Congress to produce budget resolutions that meet the required deficit targets. And finally, GRH alters the procedural rules of the House and Senate to make it more difficult to pass legislation that does not conform to the spending and tax guidelines contained in congressional budget resolutions.

## Making the Automatic Cuts

The provisions for making automatic cuts under GRH include the following:

- The amount of cuts in any year would be the difference between what the deficit would be under current law, as estimated by the Office of Management and Budget (OMB) and the Congressional Budget Office (CBO), and the deficit target for that year. The cuts are to be divided evenly between defense and domestic programs.

Table 1. Federal Spending and Revenues  
(dollars in billions)

	Fiscal 1980	Proportion of Total (1980)	Fiscal 1986	Proportion of Total (1986)	Average Annual % Change 1980 to 1986
<b>Federal Spending</b>					
National Defense	\$134	23%	\$270	27%	12%
Social Security	119	20%	197	20%	9
Other domestic entitlements	162	27%	256	26%	8%
Nondefense discretionary	154	26%	173	18%	2%
Interest on debt	53	9%	139	14%	17%
Offsetting receipts	-30	-5%	-49	-5%	9%
Total	\$591	100%	\$986	100%	9%
<b>Federal Revenues</b>					
Personal income taxes	\$244	47%	\$354	46%	6%
Corporate income taxes	65	12%	72	9%	1%
Payroll taxes	158	31%	281	36%	10%
Other	50	10%	72	9%	6%
Total	\$517	100%	\$779	100%	7%
Federal Deficit	\$ 74		\$207		

• Several large programs are exempted from cuts. These programs include Social Security, interest on the national debt, Medicaid, veterans pensions, and several income security programs. The law also provides special rules for reducing spending in selected entitlement programs, including Guaranteed Student Loans.

• Percentage reductions would be applied to programs that are not exempt or subject to special rules. The reductions would be designed to bring actual deficits in line with the target deficits.

An important point is that congressional negotiation and agreement to a budget resolution that meets the GRH deficit target does not ensure a reprieve from automatic cuts. Instead, CBO, OMB, and the General Accounting Office must decide whether spending and tax legislation meet the deficit targets. Without such a ruling, the automatic cuts will be invoked regardless of the figures in the congressional budget resolution.

### Programs Affected by GRH

Table 1 (see previous page) shows the federal budget for fiscal 1986 and, as a basis for comparison, for fiscal 1980. The fiscal 1986 figures reflect the effects of the GRH reductions in 1986.

The slowest growing category of spending between 1980 and 1986 was nondefense discretionary programs,

*Even assuming optimistic economic conditions, the cuts for federal higher education programs under GRH would be more severe than the budget reductions the Reagan Administration is requesting.*

which include most federal programs for higher education. As a result of relatively slow growth, nondefense discretionary programs as a proportion of overall federal spending decreased noticeably between 1980 and 1986.

The table highlights a crucial aspect

**Table 2. 1986  
GRH Reductions**

	Amount (in billions)	% Cut
National defense	\$ 5	2%
Social Security	0	0%
Other domestic entitlements	2	1%
Nondefense discretionary	5	3%
Interest on debt	0	0%
Offsetting receipts	0	0%
<b>Total</b>	<b>\$ 12</b>	<b>1%</b>

of the nation's budgetary dilemma. The amount spent on national defense and interest on the debt in 1986 will exceed the total amount of revenue collected from personal income taxes, the major source of federal revenue. Payroll taxes, the next largest source of revenue, are generally dedicated to specific uses such as Social Security and unemployment insurance. Relatively little revenue, therefore, is available to pay for many domestic entitlement programs and the nondefense discretionary programs. The result is large federal deficits. Because GRH in effect bars tax increases, it will be difficult to achieve deficit targets without invoking the automatic cuts.

Table 2 shows the size of the GRH cuts in fiscal 1986 and which programs were affected. The reductions fall most heavily on the nondefense discretionary programs. The disproportionate burden placed on a relatively small part of the federal budget is what makes the GRH procedures so disturbing.

### Size of GRH Cuts

The procedure for cutting spending in fiscal year 1986 under GRH differs from how cuts would be made in later years. Because of when the legislation was passed, a fixed dollar amount of cuts—\$11.7 billion—was specified for 1986 regardless of the deficit estimates for the year. For fiscal years 1987 through 1991, the size of the automatic cuts will be determined by deficit estimates made before the fiscal year begins.

The size of the automatic cuts required under GRH in any one year depends on many factors, including whether revenue increases are enacted to reduce the deficit, the degree to which the defense and domestic ap-

propriations are adjusted to reflect inflation, whether Congress provides any real spending increases for new initiatives or existing programs, and whether Congress passes legislation cutting existing programs before the fiscal year begins. The most important factor, however, may be the state of the economy, which could have an enormous impact on whether the automatic cuts are invoked and how large they might be.

In February, 1986, CBO produced an economic and budgetary outlook indicating that under current laws and a generally optimistic economic forecast, the GRH percentage reductions for domestic programs would be about 8 percent in fiscal 1987. This figure assumed no inflation-related increase in appropriations between 1986 and 1987 for either defense or domestic programs. If Congress adjusts funding for

*The disproportionate burden placed on a relatively small part of the federal budget is what makes the GRH procedures so disturbing.*

inflation, the GRH percentage reductions would be closer to 15 percent for domestic programs.

Legislation passed this spring and summer and changes in economic conditions and outlook will affect what CBO and OMB say the cuts must be when they make their official budget and economic estimates in August.

Table 3 shows how much relatively small changes in the economic outlook can affect the size of the GRH percentage cuts. The table indicates what the cuts might be under three different economic projections: the economic forecast presented in the President's budget; one percentage point less economic growth each year than the Administration's forecast; and two percentage points less growth than the President's budget assumes. Following are the three different scenarios:

• If the economy does as well over the next five years as the Administration predicts—low and declining inflation coupled with healthy economic growth—automatic cuts of roughly 10 percent a year would be required to reach the GRH deficit targets.

• If the economy is a little more sluggish than predicted and grows one percent less each year, the annual GRH cuts would amount to between 20 percent and 30 percent.

• If the economy merely limps along, then the requisite GRH cuts would have to wipe out by 1991 all the programs subject to percentage cuts to achieve a balanced budget in that year. In other words, the 1991 deficit under sluggish economic conditions would be greater than the spending in that year for all programs eligible for GRH percentage cuts.

The GRH legislation does stipulate that if a recession occurs, or if one is predicted, the automatic cuts would not be implemented in that year. But the prospect of recession provides little long-term relief, because the amount of cuts foregone in one year would then be added to the cuts imposed the next year, to stick to the fiscal 1991 timetable.

Other economic factors will affect the size of GRH cuts as well, although not as much as economic growth. For example, a change of one percentage point in interest rates over time could result in a change of 5 percentage points in the size of the GRH percentage reductions. That would be a substantial change, but not as large as the

*If the economy merely limps along, then the requisite GRH cuts would have to wipe out by 1991 all the programs subject to percentage cuts to achieve a balanced budget in that year.*

changes brought about by variations in economic growth.

This brief description belies the complexity of the GRH process for determining percentage cuts. For example, the cuts for defense and domestic programs will differ to some extent; the figures in table 3 are intended only as averages of defense and domestic reductions.

Also, because of federal budgetary procedures, to achieve a certain dollar amount of cuts in any year it may be necessary to reduce federal authority

to spend by a larger amount than the cuts needed. As a result, spending cuts in each year may differ from the estimates in table 3, but the overall impact would be roughly as shown.

### Impact on Higher Education

All of the federal programs that provide funds to higher education stu-

dents and institutions will be subject to cuts called for in GRH if the deficit targets are not met by the beginning of a fiscal year.

The Guaranteed Student Loan (GSL) program, because it is an entitlement, is one of the programs subject to special rules established in the legislation. The special rule for GSLs calls for students to pay an additional one-half percentage point as their origination fee when they borrow, and for lenders to receive four-tenths of a percentage point less as a special allowance payment for the first year of the loan.

All the other federal higher education programs will be subject to percentage reductions.

Table 4 (see next page) shows the potential impact of GRH cuts on federal spending for higher education. The table divides federal spending for higher education into four major categories: student and institutional aid programs administered by the Department of Education; spending for the GSL program; university research and development funded by domestic agencies; and university research and development funded by the Department of Defense.

• The "current policy" line for each category is an estimate of what institutions would receive under policies currently on the books, assuming an an-

nual increase for inflation but not a real increase. The figures include 1986 GRH cuts.

• The "Reagan budget" line shows what spending would be under the policies recommended in the Reagan Administration's budget for fiscal 1987.

• The three "GRH" lines under each category of spending, except the GSL category, show what would happen if

**Table 3. Percentage Reductions Under Gramm-Rudman-Hollings Using Different Economic Assumptions**

	Fiscal Years				
	1987	1988	1989	1990	1991
<b>GRH 1</b>					
President's economic assumptions	10%	5%	10%	10%	10%
<b>GRH 2</b>					
One percentage point less economic growth each year	15%	10%	20%	25%	30%
<b>GRH 3</b>					
Two percentage points less economic growth each year	20%	15%	35%	55%	100%

the percentage cuts listed in table 3 go into effect. "GRH 1" assumes the President's economic forecast, "GRH 2" assumes one percentage point less economic growth than the President's budget predicts, and "GRH 3" assumes two percentage points less growth each year.

• The GSL figures are estimates of the effects of the special rules for GSLs included in the GRH legislation. These figures do not vary with different economic growth assumptions. GSL spending does vary with fluctuations in interest rates, but the estimates in the table do not reflect such possible fluctuations.

Table 4 highlights some important facts related to federal dollars for higher education and how they might be affected by GRH legislation.

• In fiscal 1985, the last year before the GRH provisions took effect, the federal government spent about \$15.7 billion dollars for higher education. Under current policies, and assuming inflation increases of about 4 percent each year, that figure would rise to \$17.5 billion by fiscal year 1991. Under the Reagan fiscal 1987 budget proposals, federal spending for higher education would drop to \$13.6 billion in 1991, a decline of more than \$2 billion from current spending.

• The Reagan budget calls for large



**Table 4. Federal Budget Dollars for Higher Education  
Under Alternative Budget Strategies**  
(dollars in billions)

	Fiscal Years						
	1985	1986	1987	1988	1989	1990	1991
<b>Student Aid and Other Higher Ed. Programs</b>							
Current Policy	\$5.7	5.1	5.3	5.6	5.9	6.3	6.7
Reagan Budget		4.5	4.1	4.1	3.9	3.9	3.9
GRH 1		5.1	4.8	4.8	4.5	4.2	4.0
GRH 2		5.1	4.5	4.3	3.6	2.8	2.1
GRH 3		5.1	4.3	3.8	2.6	1.2	0
<b>Guaranteed Student Loans</b>							
Current Policy	3.7	3.4	3.4	3.5	3.3	3.1	2.9
Reagan Budget		3.3	2.4	2.0	2.1	1.5	1.4
GRH 1		3.4	3.3	3.4	3.2	3.0	2.8
GRH 2		3.4	3.3	3.4	3.2	3.0	2.8
GRH 3		3.4	3.3	3.4	3.2	3.0	2.8
<b>University R&amp;D-Domestic</b>							
Current Policy	5.2	5.3	5.5	5.7	6.0	6.2	6.4
Reagan Budget		5.3	5.6	5.8	6.1	6.4	6.8
GRH 1		5.3	5.0	4.9	4.7	4.4	4.2
GRH 2		5.3	4.7	4.4	3.7	2.9	2.2
GRH 3		5.3	4.5	4.0	2.7	1.3	0
<b>University R&amp;D-Defense</b>							
Current Policy	1.1	1.1	1.2	1.2	1.3	1.3	1.4
Reagan Budget		1.1	1.2	1.3	1.3	1.4	1.5
GRH 1		1.1	1.0	1.0	1.0	0.9	0.9
GRH 2		1.1	1.0	0.9	0.8	0.6	0.5
GRH 3		1.1	0.9	0.8	0.6	0.3	0
<b>Total Federal Dollars for Higher Education</b>							
Current Policy	15.7	14.9	15.4	16.0	16.4	16.9	17.5
Reagan Budget		14.2	13.2	13.2	13.5	13.3	13.6
GRH 1		14.9	14.1	14.1	13.4	12.6	11.9
GRH 2		14.9	13.5	13.0	11.3	9.4	7.5
GRH 3		14.9	13.0	12.0	9.1	5.8	2.8

cutbacks in the first two categories of federal support for higher education: the student aid and other higher education programs administered by the Department of Education and Guaranteed Student Loans. By 1991, both would be cut roughly by half of what is currently provided. These proposed cutbacks would be partially offset by Administration requests for increases in federal support to universities for

research and development.

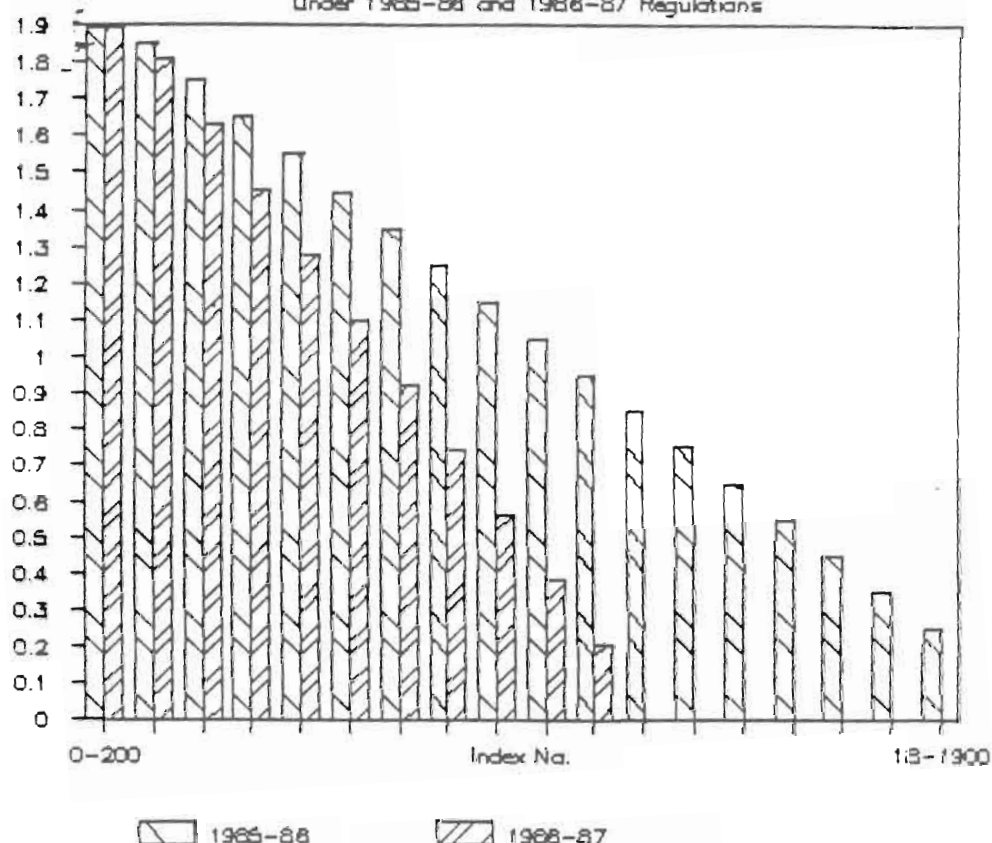
• By 1991, automatic cuts under GRH would be much more severe for federal higher education programs than would the President's budget proposals.

Even under optimistic economic assumptions, in which percentage reductions would average 10 percent a year or less, federal spending for higher education in 1991 would drop

to \$11.9 billion under GRH. This would be a 25 percent drop from current funding. With slightly less economic growth, federal higher education funding would fall to \$7.5 billion in 1991, or less than half of what is currently provided. And sluggish economic growth would mean that all higher education programs except the GSL program would be wiped out entirely under GRH procedures.

# Comparison of Pell Grant Awards

Under 1985-86 and 1986-87 Regulations



## CHANGES IN PELL GRANT REGULATIONS MEAN REDUCED AWARDS FOR NEARLY 500 STUDENTS

Pell Index	Size of Award		No. at SVSC 1985-86
	1985-86	1986-87	
0	\$1,890	\$1,890	508
1 - 100	1,890	1,890	45
101 - 200	1,890	1,890	38
201 - 300	1,850	1,811	33
301 - 400	1,750	1,633	36
401 - 500	1,650	1,455	29
501 - 600	1,550	1,277	27
601 - 700	1,450	1,099	21
701 - 800	1,350	921	32
801 - 900	1,250	743	40
901 - 1000	1,150	565	24
1001 - 1100	1,050	387	22
1101 - 1200	950	209	37
1201 - 1300	850	0	26
1301 - 1400	750	0	34
1401 - 1500	650	0	23
1501 - 1600	550	0	23
1601 - 1700	450	0	30
1701 - 1800	350	0	19
1801 - 1900	250	0	24
1901 - & Up	0	0	0

OIR&P:AKD:6/6/86



SAGINAW VALLEY STATE COLLEGE  
COMPARISON OF FEDERAL FINANCIAL FUNDS: 1985-85 AND 1986-87

	1985-86 Allocations	1986-87 as seen 6/6/86	1985-86 (Under) Dollars	1986-87 Percent
Direct to Students				
Pell Grants	\$1,360,213	\$1,168,842 *	(\$191,371)	-14.1%
Campus Based Funds				
Supplementary Educational Opportunity Grants (SEOG)	\$140,685	\$92,833	(\$47,852)	-34.0%
College Work Study Program (CWS)	\$211,563	\$202,553	(\$9,010)	-4.3%
National Direct Student Loans (NDSL)	\$90,000	\$120,000	\$30,000	33.3%
Subtotal	\$442,248	\$415,386	(\$26,862)	-6.1%
Total	\$1,802,461	\$1,584,228	(\$218,233)	-12.1%

\*Pell Grant estimate for 1986-87 is based on financial aid profile of 1985-86 students. The number of students to be aided in 1986-87, and their need, will differ, causing this figure to change.

Pell Grant account.

4. The conference will not accept the increase in Pell Grants at all.

Based on the present regulations SVSC could expect approximately a 14% decrease in the amount of Pell Grant funds available to our students. At the same time we are experiencing decreases in federal funding for three kinds of campus based federal funds: the Supplementary Educational Opportunity Grants, the College Work Study Program, and National Direct Student Loans.

As of June 9, the apparent, total impact of all these decreases is about \$218,000. Our total financial aid budget for SVSC students is nearly \$5 million. In the latest completed fiscal year, 32% of the financial aid funding came from federal funds, 36% came through the Michigan Guaranteed Student Loan Program and the Competitive scholarships that the state gives. The remainder, about 31%, is institutional funds.

There are two new programs at the state level, which are not complete. We don't know if any money will be available for 1986-87. One is a College Work Study program from the State of Michigan. Anticipating that federal funds would decline, the State Legislature has appropriated \$5 million for that purpose for all of the Michigan institutions. However, no authorizing legislation has been passed, so the money cannot be expended. The second new program is a \$2 million program for assistance to part-time adult students. It has both authorizing legislation

and an appropriation, but is held up at the present time until issues regarding forward funding are resolved. In this case, "forward funding" means getting onto the same calendar as federal financial aid -- namely, the appropriation made in 1985-86 would be for the 1986-87 year. The money was appropriated for 1985-86, and it's not yet clear whether it can be used next year, but there is a very good chance that some funding will come from these new programs, helping to relieve the shortage of federal funds.

Dr. Dickey concluded that Dr. Arthur Hauptman, author of the article on the potential impact of Gramm-Rudman-Hollings on higher education, believes that under the most favorable economic assumptions, we could expect decreases in our federal funding of 10%, 5%, 10%, 10%, and 10% over the next five years. Under the least favorable economic assumptions, federal funding would be wiped out by 1991. Federal aid will not be wiped out in the next five years for there is too much support for it, but we certainly are heading into a period when it's realistic to expect substantial reductions.

BM-696 It was moved and supported that the Board recess and reconvene at 2:00 p.m. for the remainder of the meeting.

The motion was **APPROVED** unanimously.

The Board reconvened at 2:10 p.m.

9. Limitation of Enrollment in Teacher Education Program

Dr. Ryder stated that there is an increasing level of interest being shown in teacher education throughout the country.

Many of our teachers are moving toward retirement, and there has been an increase in the birth rate, so that more students need to be educated. Therefore, there is a growing demand for teachers, and an increasing demand for courses in the School of Education. We have to decide how this institution should deal with the sharply increased demand.

Dr. Yien reported that we will be limiting enrollment in teacher education programs, especially elementary school education, to the level of the fall semester of 1986. Enrollment will not be increased beyond this level for at least a year, so that we can take care of students who are currently enrolled in teacher education programs. The Office of Information Services has contacted local media regarding this policy. The policy is being implemented because limited resources prohibit the College from expanding its teacher preparation faculty to meet the demand. The School of Education is preparing a new, selective policy which will raise admission standards and allow the College to concentrate on providing additional seats in areas where the need will be most intense -- science and math.

Dr. Ryder added that several institutions in the state, including Michigan State, have already limited enrollment in the field of education.

Mrs. Woods suggested that the Board should study the number of students enrolled and credit hours being generated in all five schools, not only in the School of Education. Perhaps the individual schools could be extended an opportunity to present

information to the Board on a regular basis.

Dr. Yien reported that present admission standards for the School of Education include a grade point average of 2.5, completion of basic skills, and completion of Psychology 100 and 317. The modifications may include raising the G.P.A. to 2.75 or 3.0. Content courses, rather than methodology courses, may be emphasized. Dr. Salas noted that certain kinds of methodology courses are required. If the number of content courses are increased, the students may have to take more credit hours.

Dr. Yien replied that the trend is moving toward a five-year degree program for teacher education.

Dr. Salas said that he felt that the Board should be involved in deliberations regarding any change in requiring a five-year degree for teacher certification. The students would also need to be informed of any such changes.

Dr. Salas added that he was concerned about enrollment limitation for a number of reasons. He felt that an assessment of the job market for teachers needs to be done; that not all the people we train here stay in this area, so we should educate them to be marketable, not necessarily to remain here. He stated that minority students should be encouraged to go into teaching, as there is a great need in that area. A serious shortage of bilingual teachers is being projected.

He continued that all of these factors need to be studied. What would these changes mean to the students who are already at SVSC and are interested in going into teaching? Suddenly closing

the door on them now could have some serious long-range implications for the institution in terms of the image we project to the community, and to the siblings, peers, and friends of those students who find they are unable to complete their education.

He suggested that on a short-term basis modifications could be made as far as faculty are concerned. Master teachers could be brought in on a temporary basis to teach some of the lower level courses in education, thus freeing up regular faculty to fill other areas until the surge of demand is over. Ways should be found to cover the shortages, rather than simply limiting enrollment.

Dr. Yien replied that the issues of concern to Dr. Salas had been examined. He said that the faculty shortage is not limited to the School of Education; students in Education also need to take courses in psychology, English, and mathematics. If we open the door for more than the 125% increase we are accommodating now, several faculty would need to be added, not just to the School of Education, but to other schools also.

10. Federal Grant for Continuing Education for Registered Nurses

Dr. Coppola, Director of Sponsored Programs, suggested that this item be deferred to item 14, when the material could be included in the Sponsored Programs Report. Dr. Crystal Lange, Dean, School of Nursing and Allied Health Sciences, who was to speak to item 10, could not return for the afternoon session.

11. Preliminary Report on Admissions for Fall, 1986

Mr. Richard Thompson distributed the preliminary Admissions Report for Fall 1986. (See attachment on the following page.) It compared admissions for Fall 1986, (as of June 1, 1986) to the June 1, 1985 admissions report for Fall, 1985. There was a 2.3% decrease in "first-time-in-college" applications overall in the tri-counties. Bay County was up significantly, but Saginaw was down 51 applications. Other Michigan counties are up 6%. The admitted student ratio was up for first-time-in-college-students. Transfer student applications were down by 13. Non-degree student applications were up. MAT applications were up by 39. Total applications were up 100 over last year at this time, for a 5.1% increase.

For the Fall 1986 enrollment, secondary and elementary education are now number one and two as choices for academic majors, followed by nursing and accounting.

12. Legislative recognition of former Board members Dorothy D. Arbury and John W. Kendall

Chairman Gilmore stated that the resolutions should be attached to the minutes as a permanent part of the record of the College. (See attachment on following pages.) He noted that Mrs. Arbury's nomination for the Trustee of the Year Award had been recognized by the Association of Governing Boards.

Mrs. Saltzman stated that she was glad to see that both Mr. Kendall and Mrs. Arbury were to stay actively involved with the College. Mr. Kendall will serve on the Board of Fellows, and



# SAGINAW VALLEY STATE COLLEGE ADMISSIONS REPORT

**MAY**  
Month  
**1986**

**FALL '86**

Semester

Year

**F.T.I.C.**  
First Time in  
College

**TOTAL TRI-COUNTIES**

Applications  
Admitted  
Denied

**BAY COUNTY**

Applications  
Admitted  
Denied

**MIDLAND COUNTY**

Applications  
Admitted  
Denied

**SAGINAW COUNTY**

Applications  
Admitted  
Denied

**OTHER MICHIGAN**

Applications  
Admitted  
Denied

**OTHER STATES**

Applications  
Admitted  
Denied

**TOTAL F.T.I.C.**

Applications  
Admitted  
Denied

**TRANSFERS**

Applications  
Admitted  
Denied

**NON-DEGREE GUESTS**

Applications  
Admitted  
Denied

**OTHER NON-DEGREE**

Applications  
Admitted  
Denied

**GRADUATE M.A.T.**

Applications  
Admitted  
Denied

**GRADUATE M.B.A.**

Applications  
Admitted  
Denied

**GRADUATE C.J./P.S.C.**

Applications  
Admitted  
Denied

**TOTAL APPLICATIONS:**

Applications  
Admitted  
Denied

Applications Rec'd This Month For: FALL '86	Cumulative Number For: FALL '86 AS OF 6/1/86	Cumulative Number This Date Last Year FALL '85	Percent Increase/ Decrease Over: FALL '85	Final Number For: FALL '85
46	535	548	- 2.37%	683
51	461	458		612
2	38	36		48
15	189	152	+24.34%	183
15	171	127		152
1	6	7		8
4	37	36	- 2.78%	48
3	28	33		45
0	3	3		3
27	309	360	-14.17%	452
33	262	298		392
1	29	26		37
59	1004	946	+ 6.13%	1073
60	798	789		824
22	147	142		164
0	18	8	+125.0%	17
2	10	3		6
0	3	1		5
105	1557	1502	+ 3.66%	1773
113	1269	1250		1419
24	188	179		217
87	389	402	- 3.23%	940
79	310	305		869
3	7	4		17
8	14	7	+100.0%	147
8	14	7		147
0	0	0		0
6	13	6	+117.0%	148
6	13	6		146
0	0	0		0
37	68	29	+134.0%	192
37	68	27		190
0	0	0		0
5	12	10	+20.00%	72
5	12	10		72
0	0	0		0
1	3	0	- - -	5
1	3	0		5
0	0	0		0
249	2056	1956	+ 5.11%	3277
249	1689	1605		2848
27	195	183		234

# STATE OF MICHIGAN

## MICHIGAN LEGISLATURE

### Senate Concurrent Resolution No. 287

Offered by Senators Hart, H. Cropsey, A. Cropsey, Barcia, Faxon and Engler  
(Representatives Hayes, O'Neill, Busch and Dodak named co-sponsors)

#### A CONCURRENT RESOLUTION HONORING MRS. DOROTHY D. ARBURY

WHEREAS, It is with deep respect and gratitude for her outstanding leadership and dedication as a member of the Saginaw Valley State College Board of Control that we are proud to extend the highest praise and tribute to Mrs. Dorothy D. Arbury as she brings to a close a distinguished tenure that has spanned more than twenty years. Her unwavering commitment to quality education, sound judgment, and clear sense of Saginaw Valley's purpose as an educational institution have left an indelible mark on the school; and

WHEREAS, A member of the original Board of Directors when Saginaw Valley began as a private institution, Dorothy Arbury was appointed to the first Board of Control by Governor George Romney when the school became state supported. Known affectionately to her many friends and colleagues as "Honey," Mrs. Arbury has been at the forefront of every constructive effort to improve the programs and facilities provided by Saginaw Valley. Over the years, she has demonstrated a firm conviction that enhancing the needs and educational opportunities of the student body must be achieved through a prudent and efficient administration of school finances; and

WHEREAS, Honey Arbury has played a significant role in the development of Saginaw Valley State College from the one-building campus of years ago to today's modern, community-oriented school which includes a comprehensive undergraduate curriculum as well as outstanding graduate level programs. Her efforts in organizing and campaigning for the construction of the Pioneer Hall of Engineering and Technology were particularly praiseworthy. Indeed, the exceptional diligence, leadership, and total commitment which she brought to the board of control have set the highest of standards for future board members and are worthy of recognition; now, therefore, be it

RESOLVED BY THE SENATE (the House of Representatives concurring), That we hereby extend the highest commendation to Mrs. Dorothy D. Arbury in recognition of her more than Twenty Years of Service to Saginaw Valley State College; and be it further

RESOLVED, That a copy of this resolution be transmitted to Mrs. Arbury as evidence of our highest esteem.

Adopted by the Senate, June 18, 1985.

Adopted by the House of Representatives, June 19, 1985.

*Don H. Evans*  
Clerk of the House of Representatives

*William C. Londer*  
Secretary of the Senate

# STATE OF MICHIGAN



## MICHIGAN LEGISLATURE

### Senate Concurrent Resolution No. 583

Offered by Senators Hart, Fessler, H. Cropsey, A. Cropsey, Barcia,  
Conroy and Faxon  
(Representatives Busch, DeMars, Dodak, Dutko, Hood, Maynard,  
O'Neill, Weeks and Joe Young, Jr. named co-sponsors)

#### A CONCURRENT RESOLUTION HONORING MR. JOHN W. KENDALL

WHEREAS, It is with deep respect and gratitude for his outstanding leadership and dedication as a member of the Saginaw Valley State College Board of Control that we are proud to extend the highest praise and tribute to Mr. John W. Kendall as he brings to a close a distinguished tenure that has spanned more than sixteen years of service. His unwavering commitment to quality education, his sound judgment, and his clear sense of Saginaw Valley's purpose as an educational institution have left an indelible mark on the school; and

WHEREAS, John W. Kendall was originally appointed to the Board of Control by Governor George Romney and has subsequently led the Board as its Chairman for the past five years. He has been instrumental in guiding the college through a sustained period of growth and expansion of the campus, serving as a primary contributor to the development of the Board Operating Policy of Saginaw Valley State College; and

WHEREAS, A strong advocate of the effort to increase access to higher education, Mr. Kendall freely contributed his expertise in the development of programs to encourage such opportunities. Moreover, he was active in the development of affirmative action policies at the college and has been a constant supporter of the school's many intellectual, cultural, and athletic activities. Clearly, his diligence, leadership, and total commitment will long stand as examples for others to follow; now, therefore, be it

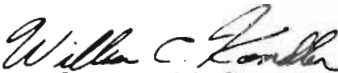
RESOLVED BY THE SENATE (the House of Representatives concurring), That we hereby extend the highest commendation to Mr. John W. Kendall in recognition of his many years of service to Saginaw Valley State College; and be it further

RESOLVED, That a copy of this resolution be transmitted to Mr. Kendall as evidence of our highest esteem.

Adopted by the Senate, February 19, 1986.

Adopted by the House of Representatives, February 19, 1986.

  
Clerk of the House of Representatives

  
Secretary of the Senate

Mrs. Arbury is a Director of the SVSC Foundation Board. She added that Senator Barcia had made some very gracious comments about their contributions during the luncheon preceding Commencement last month.

Dr. Davis added that Chairman Gilmore has written to Senators Barcia and Hart and Representative O'Neill thanking them for their assistance in obtaining legislative recognition of Mrs. Arbury and Mr. Kendall.

13. BEST Proposal

Dr. Ryder stated that the BEST proposal is the Governor's plan to make tuition affordable to Michigan students. The basic plan is that people would contribute a certain amount of money, either on a pay as you go basis over a period of time, or in one lump sum, which would be invested by the State of Michigan. When their child reached college age, he or she could go to any public institution in Michigan and the State would take care of the cost. (If a private college is selected, the State would give the student the percentage of their tuition that would equal the average amount of tuition at a public college or university.) The State Government has requested IRS rulings on this plan. A lot of questions still need to be answered. The President's Council has taken a positive attitude toward any plan that will help make college affordable to Michigan students.

14. Sponsored Programs Report

Dr. Davis distributed the report. (See following pages.)

Dr. Coppola stated that due to the array of Sponsored

# B.E.S.T. Program

The Legislature is looking at a proposal by the Governor which would enable parents to guarantee college tuition for their children.

The first-of-its-kind program is known as the Michigan Baccalaureate Education System Trust (BEST). House Bill 5505 was introduced in mid-April. If passed as introduced, it would allow parents to guarantee their child's Michigan college education tuition by investing a certain amount of money in the name of the child in a special state fund. The State of Michigan would then guarantee tuition for that child in any four-year Michigan college or university.

Parents could choose to make a lump-sum investment or periodic payments — annually, biweekly or through payroll deductions — any time after the birth of the child. The state would pool the money and, with the aid of private investment managers and experienced state money managers, invest it.

The fund would then be used to pay college tuition for each child after he or she is accepted by and enters the state college or university of his or her choice.

No state tax dollars would be necessary for the program.

While it is obvious to me that the Legislature and the Governor have made progress in the past three years in holding down the rising tide of tuition

increases in Michigan, I believe it is unrealistic to think that inflation, declining federal support, an uncertain international economy and other factors won't continue to push tuition up.

In Michigan, if tuition increases an average of 5% per year, a child born this year could expect to pay \$20,680 for 4 years' tuition at a public college or university.

There is real concern that parents of young children, despite their tax support for public higher education, cannot honestly promise their children the hope of higher education at a Michigan public college or university.

The Michigan BEST program would be one solution for them. It has several advantages.

First, the program guarantees tuition. Parents would have their child's tuition paid in full. Many private savings plans only offer a lump sum in future years that might not be large enough to cover the full tuition cost.

Second, Michigan's BEST could provide tax advantages to parents. Professionals in the field believe that interest earnings may be made exempt from federal and state taxes.

Third, working with the private investment community, the state's experienced money managers can take advantage of wise investment opportunities which many individual investors may not be able to use.

From: Education Report  
Representative Tom Hickner  
May, 1986

REPORT OF ACTIVITIES FOR THE  
OFFICE OF SPONSORED PROGRAMS

DR. RALPH K. COPPOLA, DIRECTOR

JUNE 9, 1986

EXECUTIVE SUMMARY

The Office of Sponsored Programs provides service to the faculty and other members of the SVSC community in obtaining external support for a diverse array of projects. The Sponsored Programs activities can be divided into two broad categories: first, qualitative activities such as seminars and workshops which are designed to promote involvement in solicitation of external funds, and second, the actual preparation and application for support. These latter activities are reflected in quantitative terms. The attached report is a representation of quantitative activities.

From April 7, 1986 to the present, 6 proposals were awarded totaling \$448,400.59. The following principal investigators of the above cited successful proposals deserve special recognition. Dr. Crystal Lange, Dean of the School of Nursing and Allied Health Sciences; Dr. David Dalgarn, Professor of Biology; Mr. Gary Apsey, Director of Placement and Cooperative Education; Dr. John Jezierski, Professor of History; Dr. Ervin Sparapani, Director of Student Teaching and Certification; and Dr. Charles Brown, Professor of Music.

The attached Summary Analysis gives the financial breakdown and the remainder of the report provides specific information on each project. The Appendix provides graphic representation of a comparison of the total number of proposals submitted for fiscal years 1980-81 through 1985-86; comparison of proposals funded for fiscal years 1980-81 through 1984-85; comparison of proposals submitted by schools for fiscal years 1984-85 and 1985-86; and comparison of dollars received by schools for fiscal year 1984-85.

REPORT OF ACTIVITIES  
FOR  
THE OFFICE OF SPONSORED PROGRAMS  
Submitted by  
Dr. Ralph K. Coppola  
June 9, 1986

SUMMARY ANALYSIS  
GRANTS RECEIVED AND PENDING  
April 7, 1986-present

I. GRANTS RECEIVED

A. DIRECT COSTS, CONSUMED ASSETS

Total direct cost items  
consumed during the grant  
period (not including assets  
not consumed during the grant  
period such as equipment). \$1,861,887\*

B. UNCONSUMED ASSETS AND  
AND INDIRECT COSTS

Total direct cost items  
(not consumed during the  
grant period such as  
equipment) \$208,598

C. SVSC MATCHING FUNDS \$204,070\*

D. OTHER SOURCES OF MATCHING FUNDS \$7,542.53

E. TOTAL GRANTS RECEIVED \$2,073,500\*

II. GRANTS PENDING

A. DIRECT COSTS, CONSUMED ASSETS

Total direct cost items  
consumed during the grant  
period (not including assets  
not consumed during the grant  
period such as equipment). \$507,919

B. UNCONSUMED ASSETS AND  
AND INDIRECT COSTS

Total direct cost items  
(not consumed during the  
grant period such as  
equipment) \$81,687\*

C. SVSC MATCHING FUNDS \$261,796

D. TOTAL GRANTS PENDING \$769,715

\* Figures are rounded to the nearest dollar.

# GRANTS AWARDED/OPERATING

1.	"Study and Fabrication of Holographic Lenses" Subcontract-Control Data Center-University of Michigan/SVSC-	To further the research efforts of Dr. Frank Chen Total CDC support: SVSC match: Total project cost:  Indirect costs & equipment: (9/1/84 - 8/31/86)	74,200 -0- 74,200  21,200
2.	Financial Aid Program U.S. Department of Education	Continuation of College Work Study Program (CWS), Supplemental Education Opportunity Grants (SEOG) and National Direct Student Loan (NDSL) Total CWS support: Total SEOG (con't year): Total SEOG (initial year): Total NDSL support: Total project cost: SVSC match:  Indirect costs: Equipment: (July 1, 1985-June 30, 1986)	211,563 74,045 66,640 90,000 442,248 -0-  -0- -0-
3.	Dormant Technology Transfer from Corporation to Corporation-U.S. Department of Commerce; Economic Development Administration	To further the activities of BIDI Total Federal support: SVSC match: (\$31,000 Michigan State Research Excellence and Economic Development Fund; \$19,000 BIDI) Total project cost:  Indirect cost rate is 43.1% of salaries, wages and fringe benefits: Equipment: (10/1/1985-8/31/1986)	50,000 50,000  100,000  14,280 925
4.	Preparation of Teachers Leading to State Approved Bilingual Certification in Spanish: Focusing on Maximizing Retention & Quality Assurance Through Evaluation & Curriculum Revision U.S. Department of Education	Bilingual Teacher Training in SVSC service area. Total Federal support: SVSC match and Inkind: (\$26,525 SVSC General Fund, \$87,411 Inkind in existing faculty salaries, use of equipment currently owned, and indirect costs.) Total project cost:  Indirect costs: Equipment: (10/1/85-9/30/86)	149,213 113,936  263,149  15,513 5,650



5.	SU (8) Theory of Multi- generational Grand Unification National Science Foundation	<p>To further the research efforts of Dr. Tom Yun.</p> <p>Total NSF support: 6,000</p> <p>SVSC match: -0-</p> <p>Total project cost: 6,000</p> <p>Indirect costs: 162</p> <p>Equipment: -0-</p> <p>(10/1/85-9/30/87)</p>
6.	Supplemental Funds Program for Cooperative Education U.S. Department of Education	<p>To provide funds for cooperative education students.</p> <p>Total Federal support: 2,669</p> <p>SVSC match: -0-</p> <p>Total project cost: 2,669</p> <p>Indirect costs: -0-</p> <p>Equipment: -0-</p> <p>(10/1/85-9/30/86)</p>
7.	SVSC Fitness Trail Wells Fargo Gamefield	<p>To establish a fitness trail to benefit SVSC and the surrounding communities.</p> <p>Total Wells Fargo support: 2,500</p> <p>SVSC match from SVSC Foundation: 6,105</p> <p>Total project cost: 8,605</p> <p>Indirect costs: -0-</p> <p>Equipment: 8,605</p> <p>(May 1986)</p>
8.	Plan for Research Excellence and Economic Development State of Michigan	<p>To support SVSC in research excellence and economic development.</p> <p>Total State support: 225,000</p> <p>SVSC match: -0-</p> <p>Total project cost: 225,000</p> <p>Indirect costs: -0-</p> <p>Equipment: 25,000</p> <p>(10/1/86-9/30/87)</p>
9.	Project <u>SOLVE</u> : Science Outreach Leadership Venture for Excellence Michigan Department of Education	<p>Teacher preparation in science and gifted education for Tuscola county area teachers.</p> <p>Total MDE support: 39,500</p> <p>SVSC match: -0-</p> <p>Total project cost: 39,500</p> <p>Indirect costs: 3,160</p> <p>Equipment: 16,504</p> <p>(January 1986-May 1987)</p>

- |   |  |
|---|--|
| 10. Project <u>SOLVE</u> : Science Outreach Leadership Venture for Excellence<br>Tuscola Middle Schools               | <p>Received from Tuscola Schools for equipment to support the computer network proposed in Project <u>SOLVE</u>.</p> <p>Total Tuscola Schools support: 6,290</p> <p>SVSC match: -0-</p> <p>Total project cost: 6,290</p><br><p>Indirect costs: -0-</p> <p>Equipment: 6,290</p> <p>(January 1986-May 1987)</p>  |
| 11. Project <u>SOLVE</u> : Science Outreach Leadership Venture for Excellence<br>Tuscola Intermediate School District | <p>Received from Tuscola Intermediate School District for support of Project <u>SOLVE</u>.</p> <p>Total Tuscola ISD support: 1230.91</p> <p>SVSC match: -0-</p> <p>Total project cost: 1230.91</p><br><p>Indirect costs: -0-</p> <p>Equipment: -0-</p> <p>(January 1986-May 1987)</p>  |
| 12. Financial Aid Program<br>U.S. Department of Education   | <p>Continuation of College Work Study Program (CWS), Supplemental Education Opportunity Grants (SEOG) and National Direct Student Loan (NDSL)</p> <p>Total CWS support: 202,553</p> <p>Total SEOG (con't year): 46,984</p> <p>Total SEOG (initial year): 44,849</p> <p>Total NDSL support: 120,000</p> <p>Total project cost: 414,386</p> <p>SVSC match: -0-</p><br><p>Indirect costs: -0-</p> <p>Equipment: -0-</p> <p>(7-1-86 through 6-30-87)</p> |
| 13. Continuing Education for R.N.'s<br>U.S. Department of Health and Human Services                                   | <p>Provide continuing education to nurses in SVSC service area.</p> <p>Total DHHS support: 402,515</p> <p>SVSC match: -0-</p> <p>Total project cost: 402,515</p><br><p>Indirect costs: 32,201</p> <p>Equipment: 8,000</p> <p>(7-1-86 through 6-30-89)</p>  |

14.	Humanities Services Grant Application Michigan Council for the Humanities	Speaker for Humanities Series. Total MCH support: SVSC In-Kind: Total project cost:	250 1050.54 1300.54
		Indirect costs: Equipment: (October 1986)	-0- -0-
15.	A Proposal for the Celebration of the Bicentennial of the U.S. Constitution: A Cooperative Endeavor by SVSC and Delta College Michigan Council for the Humanities	To make the people of the Saginaw Valley aware of the upcoming Bicentennial of the U.S. Constitution Total MCH support: SVSC In-Kind: Delta In-Kind: Total project cost:	9310.29 7353.53 7353.53 24017.35
		Indirect costs: Equipment: (6-1-86 through 12-31-87)	358.09 -0-
16.	Establishment of Student Teacher Exchanges Between SVSC and West Midlands College of Higher Education British Embassy	Travel grant for Dr. Ervin Sparapani to establish student teacher exchange with West Midlands College in England. Total Embassy support: SVSC support (faculty professional improvement funds): West Midlands support: Total project cost:	700.30 250 189 1,139.30
		Indirect costs: Equipment: (June 1986)	-0- -0-
17.	Develop Inventory and Bibliography of Early Country Music Performers National Endowment for the Humanities	Travel to Collections grant for Dr. Charles Brown Total NEH support: SVSC support: Total project cost:	500 -0- 500
		Indirect costs: Equipment: (May 1 1986-June 30, 1986)	-0- -0-

18.	Cell Biology and Molecular Biology Upgrade National Science Foundation	Equipment request to modernize and more fully utilize biology labs. Total NSF support: SVSC support: Total project cost:	25,375 25,375 50,750
		Indirect costs: Equipment:	-0- 50,750
19.	Michigan Youth Corps Program Michigan Department of Education	To provide Summer work experience for youth between the ages of 18 and 21. Total MDE support: SVSC support: Total project cost:	10,000 -0- 10,000
		Indirect costs: Equipment: (Summer 1986)	-0- -0-

**GRANTS PENDING**  
 April 7, 1986 to present

20.	Lao/Hmong Art Preservation Michigan Council for the Arts	<p>To preserve the cultural identity of the Lao/Hmong people.</p> <p>Total MCA support: 17,335</p> <p>SVSC In-Kind: 13,001</p> <p>Total project cost: 30,336</p> <p>Indirect costs: -0-</p> <p>Equipment: -0-</p> <p>(Anticipated notification date: June 1986)</p>
21.	NAFSA Cooperative Projects Program National Association of Foreign Student Affairs	<p>Increase awareness of international programs in the quad-county area.</p> <p>Total NAFSA support: 5,000</p> <p>SVSC match: -0-</p> <p>Total project cost: 5,000</p> <p>Indirect costs: -0-</p> <p>Equipment: -0-</p> <p>(Anticipated notification date: June, 1986)</p>
22.	Development of an M.S.N. Program at SVSC U.S. Department of Health and Human Services	<p>Training grant application for development of a Master of Science in Nursing degree program.</p> <p>Total DHHS support: 485,584</p> <p>SVSC In-Kind: 248,795</p> <p>Total project cost: 734,379</p> <p>Indirect costs: 38,846.72</p> <p>Equipment: 42,840</p> <p>(Anticipated notification date: undetermined)</p>
23.	Veterans Cost of Instruction Payments U.S. Department of Education	<p>Tuition assistance for veterans attending SVSC.</p> <p>Total USDE support: TRA</p> <p>SVSC support: -0-</p> <p>Total project cost: TRA</p> <p>Indirect costs: -0-</p> <p>Equipment: -0-</p> <p>(Anticipated notification date: June 1986)</p>

**GRANTS DENIED**  
April 7, 1986-present

24.	SPIE Equipment Grant Request SPIE	Equipment request for Dr. Frank Chen.	
		Total SPIE support:	5,000
		SVSC match:	-0-
		Total project cost:	5,000
		Indirect costs:	-0-
		Equipment:	5,000
25.	Andrew W. Mellon Postdoctoral Fellowship in the Humanities Stanford University	Postdoctoral fellowship for Mrs. Mary Wessling.	
		Total Stanford support:	21,000
		SVSC support:	-0-
		Total project cost:	21,000
		Indirect costs:	-0-
		Equipment:	-0-
26.	Computers and Creativity Fund for the Improvement of Post-Secondary Education	For Dr. Diane Sautter to develop and teach a course in creative writing using computers.	
		Total FIPSE support:	137,154
		SVSC In-Kind:	120,745
		Total project cost:	257,899
		Indirect costs:	32,954
		Equipment:	120,745
		(The \$120,745 is for a state- of-the-art computer room dedicated as a writing classroom.)	
27.	D'Arcy McNickel Fellowship Application The Rockefeller Foundation	To further the research efforts of Dr. Thomas Hearron on the life of the American Indian.	
		Total Foundation support:	1,500
		SVSC match:	-0-
		Total project cost:	1,500
		Indirect costs:	-0-
		Equipment:	-0-
28.	Protocol Analysis of Students' Use of Levels of Abstraction National Council of Teachers of English	For Dr. Phyllis Hastings to research students' movement between levels of abstraction as they compose.	
		Total NCTE support:	2,539
		SVSC match:	-0-
		Total project cost:	2,539
		Indirect costs:	-0-
		Equipment:	-0-

29.	Voices from the Catholic Worker Movement National Endowment for the Humanities	Travel to Collections grant for Dr. Rosalie Troester. Total NEH support: SVSC Foundation: Total project cost:	500 578 1,078
		Indirect costs: Equipment:	-0- -0-
30.	1986 USAF Summer Faculty Research Program Universal Energy Systems, Inc.	For Dr. Tyler Haynes to participate in Summer Research Program. Total USAF support: SVSC support: Total project cost:	TBA -0- TBA
		Indirect costs: Equipment:	-0- -0-
31.	Equipment for a New Coherent Optics Laboratory National Science Foundation	Equipment request to establish Coherent Optics Laboratory Total NSF support: SVSC support: Total project cost:	27,810 27,810 55,620
		Indirect costs: Equipment:	-0- 55,620
32.	Upgrading Electronic Instrumentation and Communication Laboratories National Science Foundation	Equipment request to modernize the undergraduate electrical engineering laboratories. Total NSF support: SVSC support: Total project cost:	48075.50 53075.50 101,151
		Indirect costs: Equipment:	-0- 101,151
33.	Computer Aided Engineering Laboratory National Science Foundation	Equipment request to upgrade computer aided engineering laboratory. Total NSF support: SVSC support: Total project cost:	19,334 19,334 38,668
		Indirect costs: Equipment:	-0- 38,668

34.	Computer Laboratory for Economics National Science Foundation	Equipment request to establish a computer laboratory to teach economics and statistics. Total NSF support: SVSC support: Total project cost:  Indirect costs: Equipment:	28,654 28,655 57,309  -0- 57,309
35.	Student "Hands-On" Use of EDXRF Spectrometers Improvement of Chemistry Curriculum National Science Foundation	Equipment request to purchase a EDXRF Spectrometer to improve laboratory instruction. Total NSF support: SVSC support: Total project cost:  Indirect costs: Equipment:	24,500 24,500 49,000  -0- 49,000
36.	Integrated Learning and Physiological Psychology Labs National Science Foundation	Equipment request to upgrade Learning and Physiological Psychology Labs. Total NSF support: SVSC support: Total project cost:  Indirect costs: Equipment:	30,076 30,077 60,153  -0- 60,153
37.	Fulbright Scholars in Residence Program-Latin America Council on International Exchange of Scholars	Application for Fulbright Scholarship in Latin America Total CIES support: SVSC support: Total project cost:  Indirect costs: Equipment:	TBA -0- TBA  -0- -0-
38.	Tri-County Wage and Benefit Survey The Saginaw/Bay/Midland Job Training Consortium	For Dr. Hong Park to conduct a tri-county wage and benefit survey. Total Consortium support: SVSC support: Total project cost:  Indirect costs: Equipment:	19,700 -0- 19,700  -0- -0-



39. Genetics of Glutamate-  
Pyruvate Transaminase in  
Mouse Red Blood Cells  
Abbott Laboratories Fund

To further the research  
efforts of Dr. Charles  
Pelzer.

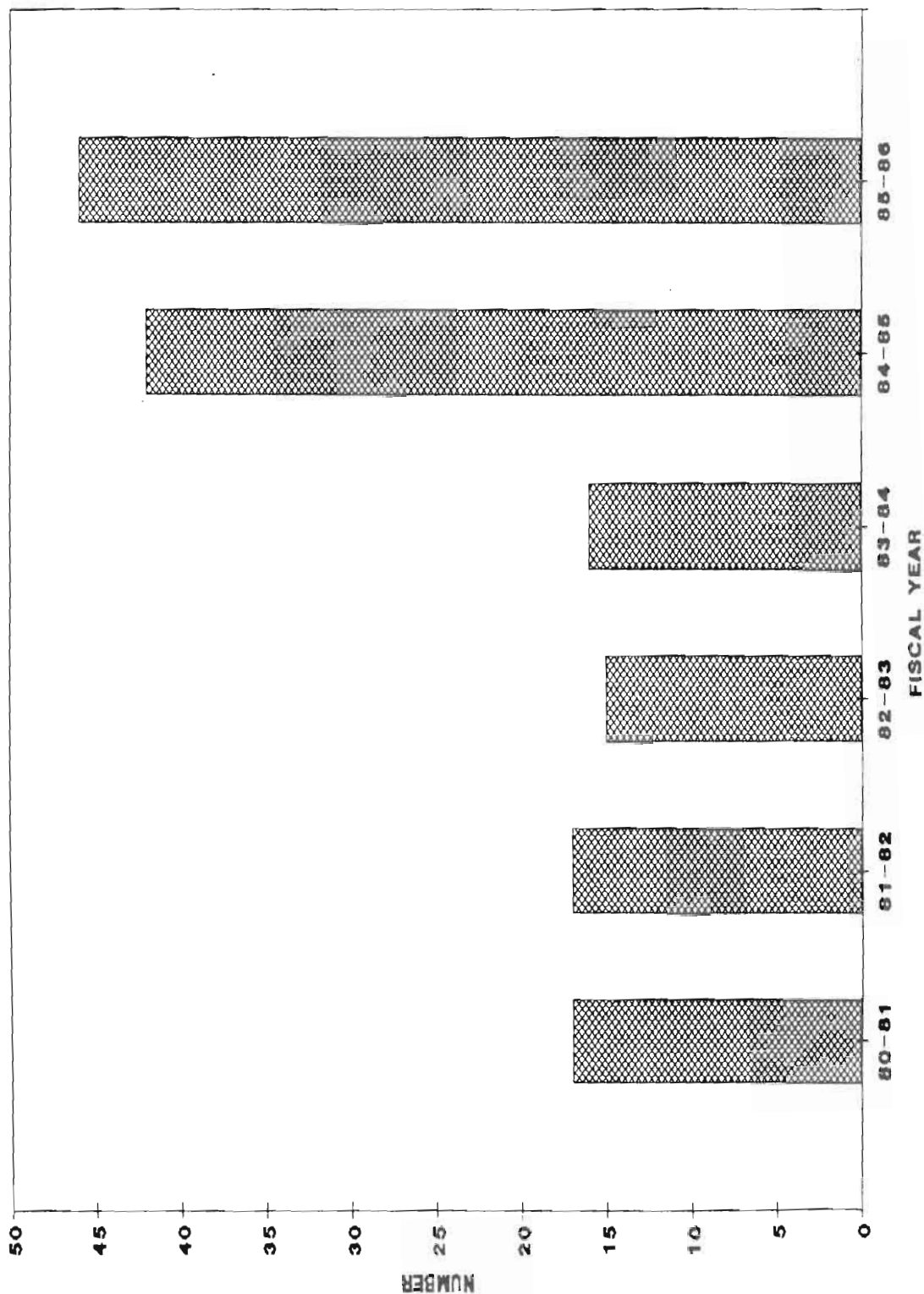
Total Abbott Labs. support:	8,000
SVSC support:	-0-
Total project cost:	8,000

Indirect costs:	-0-
Equipment:	-0-

**APPENDIX**

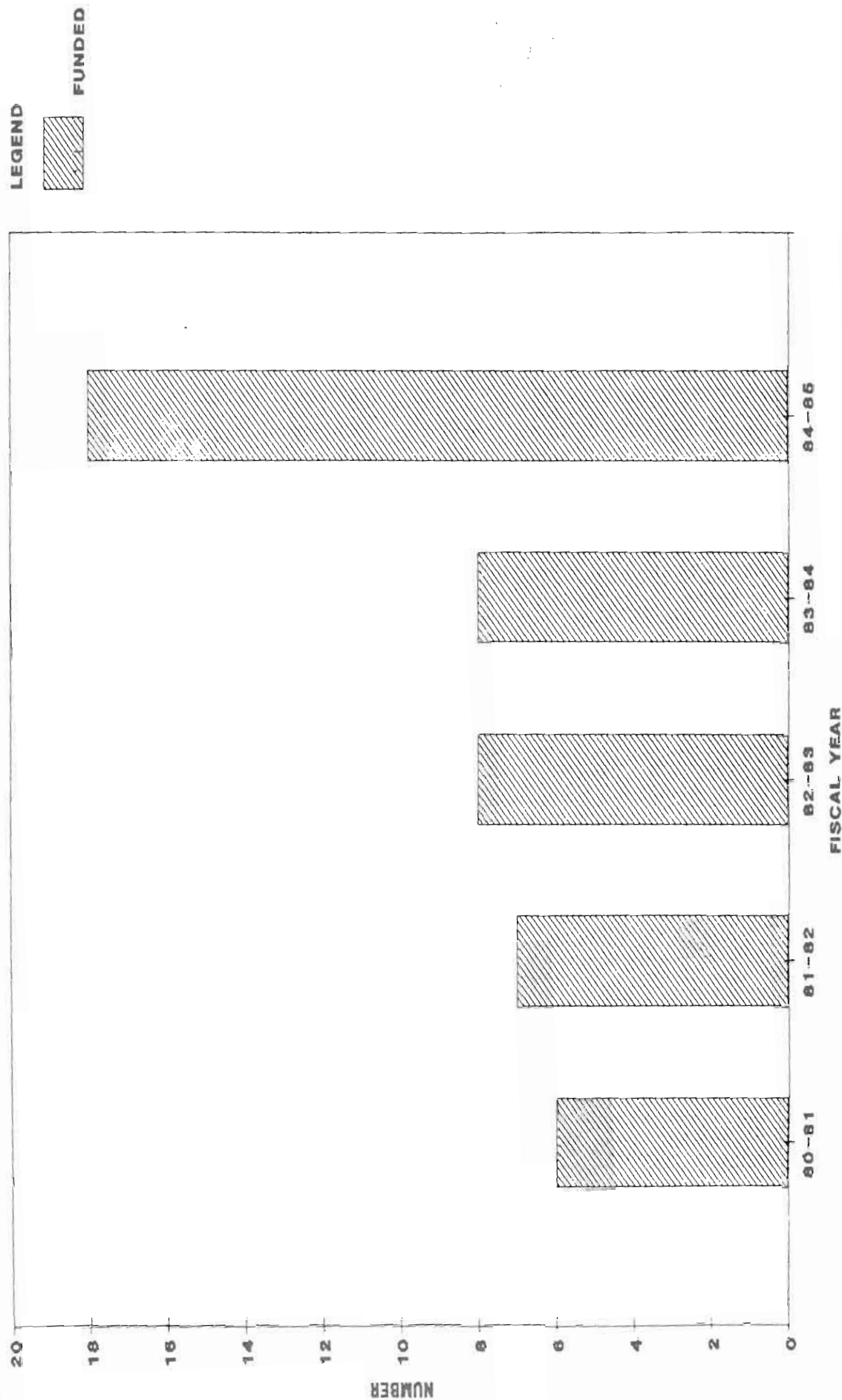
**GRAPHIC REPRESENTATIONS OF  
PROPOSALS SUBMITTED AND FUNDED**

OFFICE OF SPONSORED PROGRAMS  
COMPARISON OF PROPOSALS  
TOTAL NUMBER SUBMITTED  
FISCAL YEAR 1980-81 THROUGH 1985-86

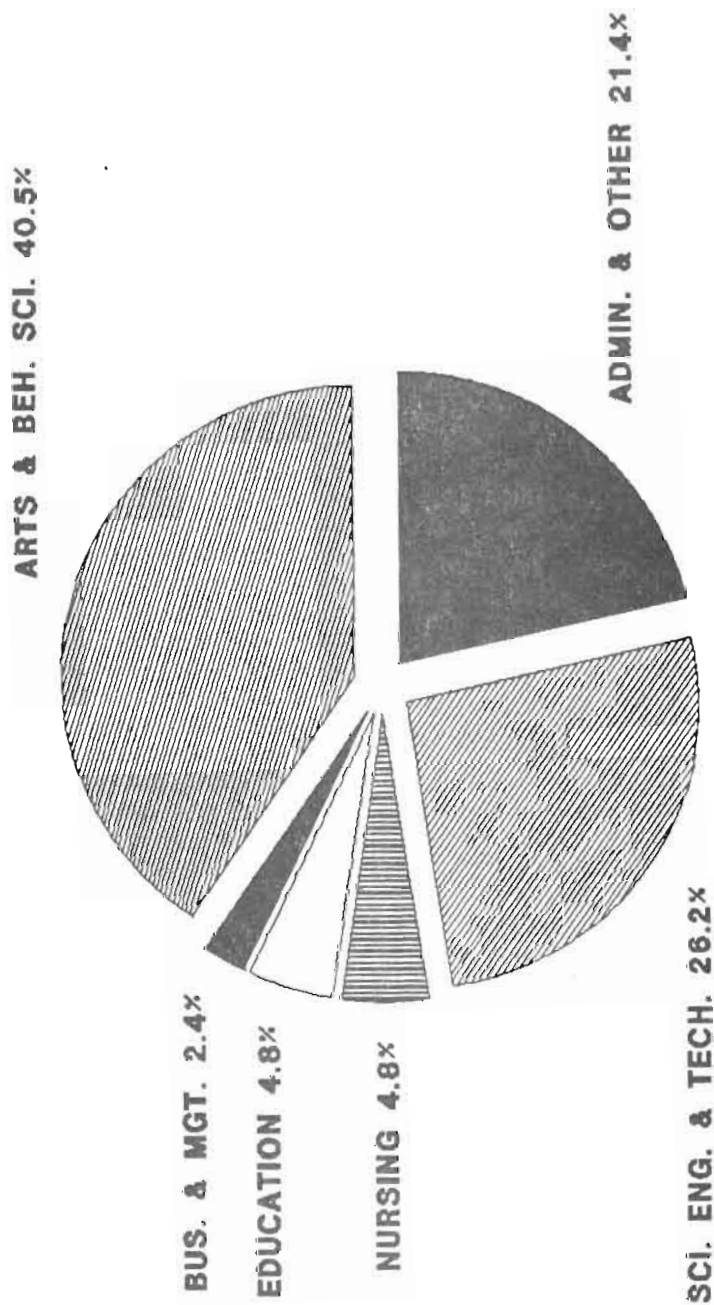


1985-86 DATA IS AN ESTIMATE

OFFICE OF SPONSORED PROGRAMS  
COMPARISON OF PROPOSALS  
NUMBER OF PROPOSALS FUNDED  
FISCAL YEAR 1980-81 THROUGH 1984-85

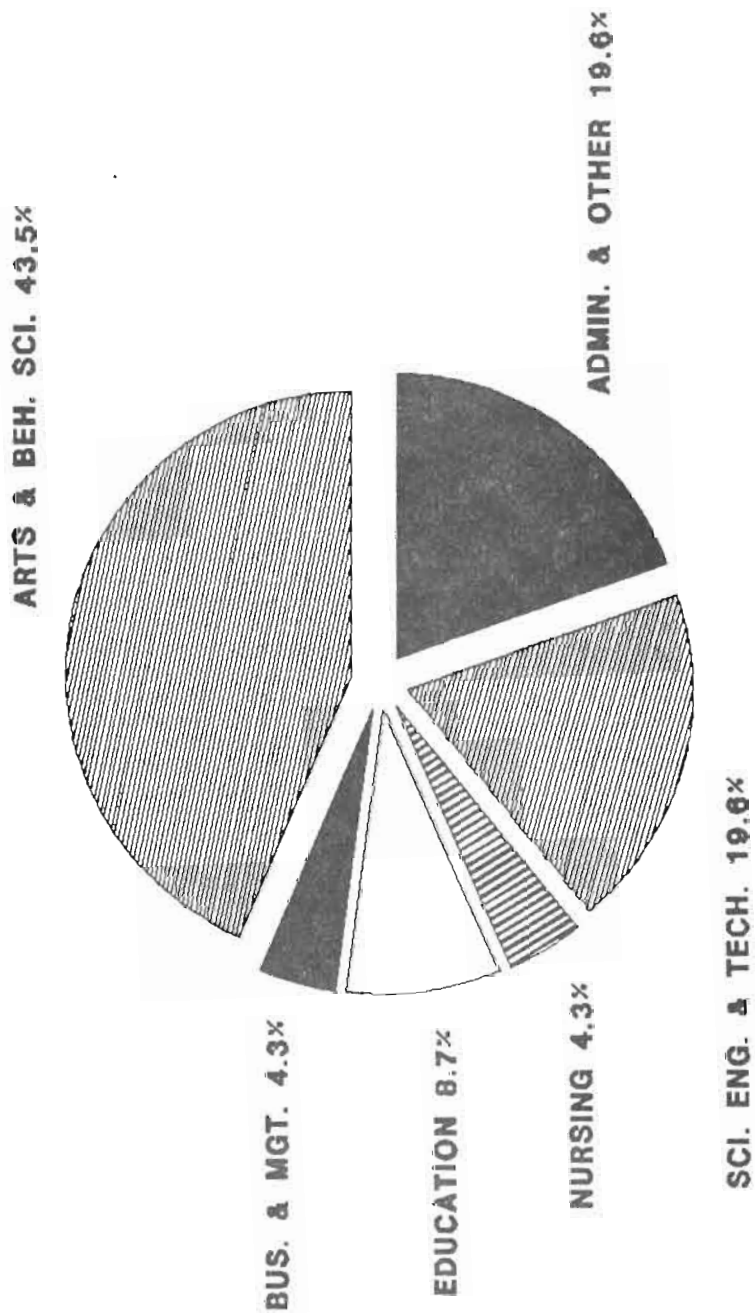


OFFICE OF SPONSORED PROGRAMS  
COMPARISON OF PROPOSALS  
PERCENT SUBMITTED BY SCHOOL  
FISCAL YEAR 1984-85



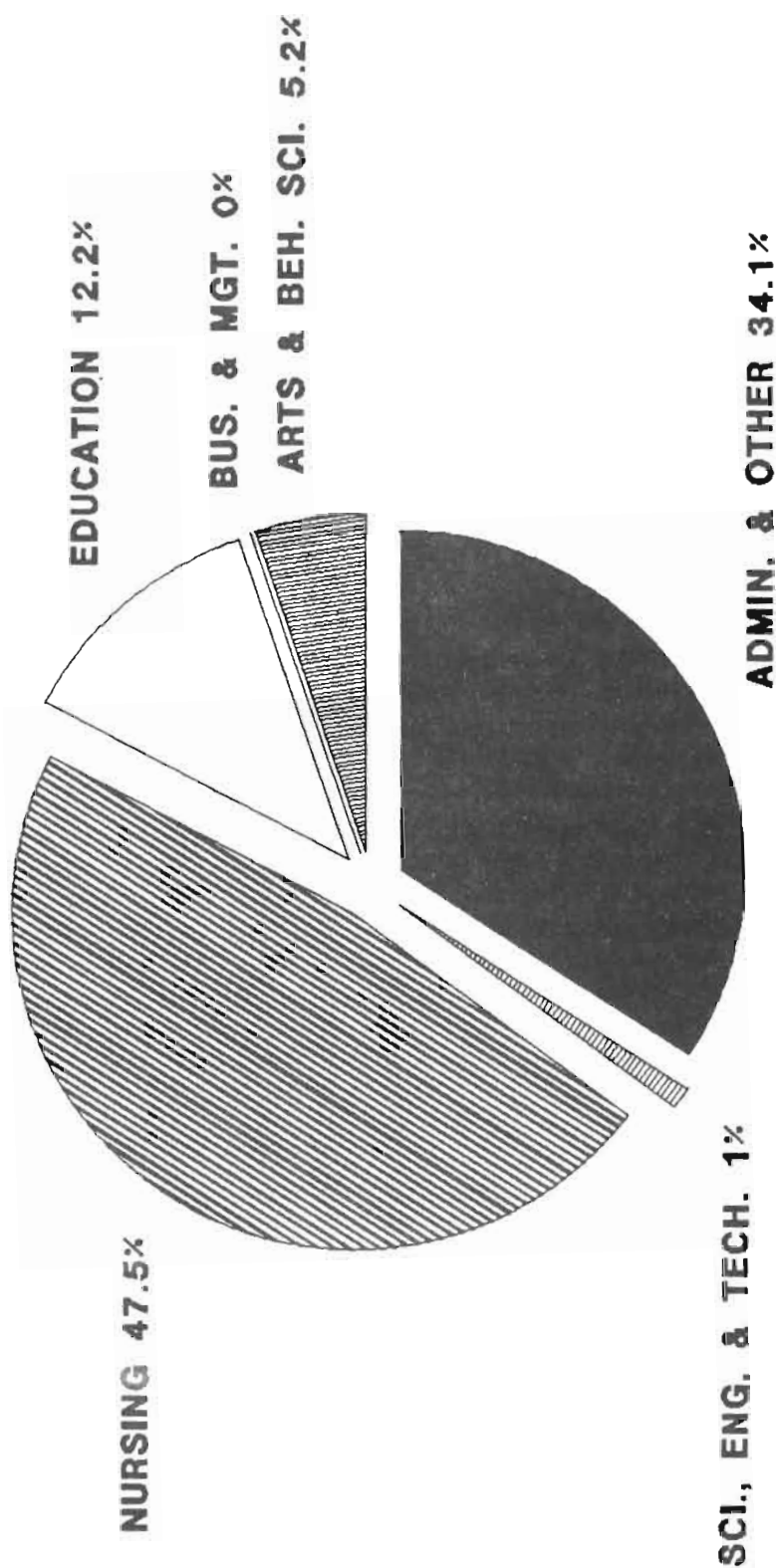
1984-85

OFFICE OF SPONSORED PROGRAMS  
COMPARISON OF PROPOSALS  
PERCENT SUBMITTED BY SCHOOL  
FISCAL YEAR 1985-86 (ESTIMATED)



1985-86

OFFICE OF SPONSORED PROGRAMS  
COMPARISON OF PROPOSALS  
PERCENT OF DOLLARS RECEIVED BY SCHOOL  
FISCAL YEAR 1984-85



1984-85

Programs activity and since the last report was given only two months ago, this report contains an overlap of information with the last one.

From the time of the last report, April 7, 1986, to the present, six proposals were awarded, totaling \$448,400.59. The following principal investigators of those successful proposals deserve special recognition: Dr. Crystal Lange, Dean of the School of Nursing and Allied Health Sciences; Dr. David Dalgarn, Professor of Biology; Mr. Gary Apsey, Director of Placement and Cooperative Education; Dr. John Jezierski, Professor of History; Dr. Ervin Sparapani, Director of Student Teaching and Certification; and Dr. Charles Brown, Professor of Music.

The grants which comprise that total include the continuing education for Registered Nurses, which was awarded by the U.S. Department of Health and Human Services. It is a three-year grant, amounting to \$402,515.00.

John Jezierski's project, "A Proposal for the Celebration of the Bicentennial: a Cooperative Endeavor by SVSC and Delta College was funded by the Michigan Council for the Humanities, for \$9310.29.

Dr. Sparapani's proposal for \$700.30 was funded by the British Embassy. It will establish student teacher exchanges between SVSC and West Midlands College in England.

Dr. Charles Brown will be traveling to Nashville to develop an inventory and bibliography of early country music performers. This project for \$500.00 was funded by the National Endowment for



the Humanities.

Dr. David Dalgarn received an award for \$25,375.00 from the National Science Foundation for a piece of equipment for use in the biology lab.

Gary Apsey received an award from the Michigan Department of Education for \$10,000 for the Michigan Youth Corp Program.

Dr. Coppola added that the Office of Sponsored Programs is continually improving. Dr. Ryder drew attention to the marked increase in the number of proposals submitted since Dr. Coppola came to SVSC. The number of proposals funded has also grown dramatically.

The report included two comparisons of proposals as to the percent submitted by school, one for Fiscal Year 1984-85, and one for FY85-86, as well as a comparison of the percent of proposal dollars received by school.

15. IF-2 Dedication Dates

Dr. Ryder discussed preliminary plans for the Dedication of IF-2. There will be a luncheon, probably at noon, preceding the ceremony.

VI. OTHER ITEMS FOR CONSIDERATION

Monday, August 25, 1986 was selected as the date of the Board retreat.

Dr. Ryder suggested starting early in the morning, and expecting to put in a full day, as there will be an extremely long agenda. The meeting will begin at 8:30 a.m. and if

necessary, will continue through dinner.

Chairman Gilmore asked about the Delta College meeting on December 8.

Dr. Davis stated that everyone he had talked with seemed positive. The proposal was to follow much the same format as last year -- a joint meeting prior to dinner.

Dr. Salas suggested the Board might have a chance to hear about cooperative programs the two colleges share, and that resources might be pooled to bring in an out-of-state speaker who would benefit both Boards.

Mrs. Saltzman reminded the Board of a September MAGB and AGB workshop for Michigan Community colleges and four-year institutions. The date will be September 21st and 22nd, 25th and 26th or 28th and 29th. The Board will be advised when the date has been set.

#### VII. ADJOURNMENT

Chairman Gilmore adjourned the meeting at 3:00 p.m.

Respectfully submitted:

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Richard H. Gilmore  
Chairman

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Florence F. Saltzman  
Secretary

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*Jo Ann Stanley*  
Jo Ann Stanley  
Recording Secretary

RESOLUTION AUTHORIZING THE PRESIDENT TO SIGN AN AGREEMENT WITH  
MARSHALL M. FREDERICKS FOR THE TRANSFER OF HIS WORK TO THE  
MARSHALL M. FREDERICKS SCULPTURE GALLERY

WHEREAS, Saginaw Valley State College intends to erect on its principal campus a Fine Arts Center and further intends to incorporate within said Center a gallery to be known as the Marshall M. Fredericks Sculpture Gallery which will have as its sole purpose the displaying and storage of sculptures and other works of Marshall M. Fredericks; and

WHEREAS, the Sculpture Gallery will enlarge the spirit and the imagination of all those who set foot on the College campus, and

WHEREAS, the Sculpture Gallery will attract thousands of persons to the Saginaw Valley and to the SVSC campus, and

WHEREAS, Mr. Fredericks is interested in seeing that the Sculpture Gallery comes into existence and to be certain that it will house a fully representative display of his works, models and related artistic properties; and

WHEREAS, Mr. Fredericks is willing to transfer various of his works to the College during his lifetime and to make further commitments for additional transfers of various works following his death but during the lifetime of his wife, Rosalind Fredericks; and further to commit to the transferring of additional works following the death of both Marshall M. Fredericks and Rosalind Fredericks;

THEREFORE, be it resolved that the Board of Control authorizes President Jack M. Ryder to sign an agreement on its behalf with Mr. Fredericks which stipulates the responsibilities of Mr. Fredericks and Saginaw Valley State College in the establishment of the Sculpture Gallery.

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## AGREEMENT

THIS AGREEMENT, made this \_\_\_\_\_ day of \_\_\_\_\_, 198\_\_, by and between MARSHALL FREDERICKS of 440 Lake Park, Birmingham, Michigan 48009 (hereinafter "Mr. Fredericks"), and SAGINAW VALLEY STATE COLLEGE, a State of Michigan institution of higher education with principal campus at University Center, Michigan (hereinafter "the College");

### W I T N E S S E T H :

WHEREAS, the College intends to erect on its principal campus a Fine Arts Center and further intends to incorporate within said Center a gallery to be known as the Marshall Fredericks Sculpture Gallery (hereinafter sometimes referred to as "the Gallery"), which will have as its sole purpose the displaying and storage of sculptures and other works of Marshall Fredericks (a copy of the blue print for the first floor plan of the Marshall Fredericks Sculpture Gallery is attached hereto and marked Exhibit "A"); and

WHEREAS, Mr. Fredericks is interested in seeing that the Marshall Fredericks Sculpture Gallery does, in fact, come into existence and to be certain that it, at all times, will house a fully representative display of Mr. Fredericks' works, models and related artistic properties (hereinafter the "Works"), he is willing to make certain transfers of Works to the College during his lifetime and to make further commitments for additional transfers of various Works following his death but during the lifetime of his wife, Rosalind Fredericks; and further to commit to the transferring of additional Works following the death of both Marshall Fredericks and Rosalind Fredericks.

### NOW, THEREFORE, THE PARTIES AGREE:

1. The College intends to construct on its principal campus a Fine Arts Center building having an approximate area of 58,000 square feet of which approximately 10,000 square feet shall be set aside as a permanent gallery area to be named and

designated the Marshall Fredericks Sculpture Gallery, which term shall be deemed to include all areas including but not necessarily limited to the area open to the public, the Permanent Restoration Area, and the Small Model and Mould Storage Area.

2. The College agrees that this Marshall Fredericks Sculpture Gallery will have adequate security, maintenance and insurance so as to provide for the ongoing protection of the various Works either on display or being stored in the Gallery itself or being stored in the Permanent Restoration Area and Small Model and Mould Storage Area of the Gallery (see Exhibit "A" attached). The College agrees that it will maintain adequate insurance for fire, theft and vandalism of the Works either on display or being stored in the Gallery and that adequate maintenance will include properly maintained temperature and humidity in the Gallery, Permanent Restoration Area and the Small Model and Mould Storage Area. Adequate security will include a responsible authorized attendant who will be present in the Gallery at all times when the Gallery is open to the public and, when no attendant is present, all access doors to the Gallery will be closed and locked. When special visitors, such as researchers, photographers, maintenance people, and others, might require access to the Gallery during those times when it is closed to the public, such special visitors will, at all times, be accompanied by a responsible attendant. The College further agrees that the Small Model and Mould Storage Area and the Permanent Restoration Area of the Marshall Fredericks Sculpture Gallery will not be open to the public but will remain locked at all times to be opened only by properly authorized personnel.

3. The College agrees that no procedures to clean, restore, or repair any of the Works will be undertaken without the full time supervision of a trained sculpture conservator or trained paper conservator for the graphic materials. The need for such restoration shall be determined by Marshall Fredericks

during his lifetime and by the Gallery curator following the death of Marshall Fredericks.

4. The College acting through its President and its Board of Control will set up a Marshall Fredericks Sculpture Gallery Board composed of qualified individuals who will have the responsibility in regards to all major decisions regarding the Gallery (subject always to the final approval of the President of the College and the College Board of Control). The Gallery Board acting with the approval of the President will be responsible for hiring a qualified professional person with museum experience as curator of the Gallery to supervise the day-to-day operations of the Gallery and to advise the said Gallery Board in regards to all aspects of the Gallery. The initial Gallery Board shall consist of at least five members including Marshall Fredericks and Rosalind Fredericks who will have life tenure on this Gallery Board. When either Marshall Fredericks or Rosalind Fredericks or both of them leave the Gallery Board because of death, illness or their own personal decision to resign, they each will be replaced on the Gallery Board by a member of the Marshall Fredericks family (which includes children and grandchildren of Marshall Fredericks and Rosalind Fredericks). All subsequent Gallery Boards will have two members of the Marshall Fredericks family as long as there is family issue interested and able to serve. This Gallery Board will report to the President of the College and the College Board of Control on all important matters and decisions pertaining to the Gallery.

5. Mr. Fredericks hereby consents to the said name and designation by the College of the Marshall Fredericks Sculpture Gallery and agrees to make the transfer to the Gallery of various Works (including some Works in storage) consisting of three separate categories:

a) Gifts of Works selected by Mr. Fredericks during his lifetime in accordance with the schedule

attached and which shall be delivered to the Gallery within a reasonable period following the completion of the Gallery and its being ready for use.

b) Gifts of Works selected by Mr. Fredericks during his lifetime to be delivered to the Gallery after his death if at that time his wife, Rosalind Fredericks, is then surviving.

c) Gifts of Works selected by Mr. Fredericks during his lifetime but which are to be delivered to the Gallery following the death of both Marshall Fredericks and his wife, Rosalind Fredericks.

Transfers scheduled to occur under subparagraphs b) and c) above may, at the sole option of the Fredericks family, be made sooner than required hereunder but, in all events, these transfers shall be made without undue delay following the referenced event of Mr. and Mrs. Fredericks' death.

During Mr. Fredericks' lifetime, he will determine and direct the original placement and installation of all of the Works in the Gallery and in the storage areas and any subsequent changes in the placement and installation of such Works made during his lifetime. Any major changes in the exhibitions made after the death of Marshall Fredericks should be made only after consultation with Rosalind Fredericks, if living, and if she is not living, then after consultation with the Gallery Board.

6. The College agrees to accept the said gifts upon the terms and conditions herein provided, it being agreed that the gifts of the Works of Mr. Fredericks to the College is conditioned in all events upon completion by the College of the Fine Arts Center, including the Marshall Fredericks Sculpture Gallery in accordance with the provisions of Paragraph 1 above.

7. The College agrees that the gifts of the Works are conditioned on their agreement to use the Marshall Fredericks



Sculpture Gallery and the Small Model and Mould Storage Area and the Permanent Restoration Area in the Gallery exclusively for the display, protection, storage and restoration of the Marshall Frederick's Works and that no part of the Works included in the gifts enumerated in Paragraph 5 a), b) and c) above will be sold or given away by the College or removed from the Gallery or storage areas to other locations on or off the campus except as provided in Paragraphs 13 and 14 below or except as specifically agreed to by Marshall Fredericks during his lifetime. The College further agrees that, when the Permanent Restoration Area (see Exhibit "A" attached) is no longer needed for restoration of Works, such area will be used for the permanent storage of selected Works, including moulds and models not on display in the Gallery.

8. The College shall receive and accept the Works delivered to it in accordance with the delivery provisions in the attached schedule and upon such receipt and acceptance, legal title thereto shall vest in the College, but subject to the right of Mr. Fredericks during the balance of his lifetime on reasonable notice to the College to temporarily remove, at his own cost and expense, any of the moulds, models, bronzes or other Works that he needs for casting or for the inclusion in public exhibitions or for any other purpose. Prior to delivery to the College, Mr. Fredericks will not be under any liability for damage or loss of the Works or any of them nor will he be liable to insure them while in his possession. In all events, both parties understand and agree that during the lifetime of Mr. Fredericks he is to retain the absolute and uncomplicated use of all of the Works, including but not limited to moulds, models, tools, photographs, drawings, and archival materials, even including any such of these as might be delivered to the Gallery for exhibition purposes during his lifetime, subject to reasonable notice to the College.

9. In the event Mr. Fredericks, during his lifetime, or Rosalind Fredericks, during her lifetime following the death of Mr. Fredericks, may wish to substitute for any Work listed on any of the attached schedules and, subject to this Agreement, another Work not so listed, he or she shall have such right to do so, but only after giving proper written notice to the College of his or her intention to do so.

10. Nothing herein shall prevent Mr. Fredericks during his lifetime from lending all or any of the undelivered Works for inclusion in public exhibitions.

11. During the lifetime of Marshall Fredericks and Rosalind Fredericks, or the survivor of them, they each retain the right to the use of the Works (whether delivered to the College or retained by Mr. Fredericks) to copy, cast or duplicate in any material replicas of any of the Works for sale or for any other purpose upon which he or she might decide. In addition, the children of Marshall Fredericks, during their lifetime, (but exclusively for their own personal use) will have an identical right as that possessed by Marshall Fredericks during his lifetime, but only with the prior approval of Marshall Fredericks and/or Rosalind Fredericks, if living, and if neither of them are then living, then only with the majority approval of the then surviving children of Marshall Fredericks. This right, which is given exclusively to Marshall Fredericks, his wife, Rosalind, and the children of Marshall Fredericks (and not the issue of any children), allows said parties the right to temporarily remove from the College such Works as are necessary for the duplications or castings with the understanding that such Works will be returned to the College in good condition just as soon as the duplications or castings have been made. The College shall be entitled to reasonable notice prior to the exercise of removal of Works previously delivered to the College. In addition, any such

removal shall be at the sole cost and expense of the individual removing such Works.

12. During the lifetime of Mr. Fredericks, the College may, at its own expense, but only with the prior written consent and with the continued supervision of Mr. Fredericks, have additional bronze castings made of Works in its possession, but with the further understanding that such additional castings would not be for sale but would be for display purposes only on the campus of the College. After the death of Mr. Fredericks, it is clearly understood and agreed that no further castings or duplications will be made by the College from any of the Works without the prior written consent and approval of Rosalind C. Fredericks, if she is then living, and if she is not then living, then by the majority vote of the Board of Trustees of the Marshall Fredericks Foundation. Should the Marshall Fredericks Foundation be not then in existence to give such required consent, then the consent by a majority of the then living children of Marshall Fredericks shall be required. Should there be no then living children of Marshall Fredericks, then it is agreed that no further castings or duplications will be permissible under any circumstances.

13. The gift of the Works is conditioned further upon the agreement herein made by the College that none of the Works so donated will ever be sold or given away by the College, save with the express written consent of Marshall Fredericks during his lifetime or, after the death of Marshall Fredericks, of Rosalind Fredericks during her lifetime. If the College, however, shall cease to exist or should there no longer be a suitable repository at the College for the permanent display of the Works as agreed upon herein, then and in that event, the Works shall not be disposed of by sale, but instead shall be distributed to another public charity for permanent display by said successor entity. The selection of such successor public

charity shall be made by Mr. Fredericks, if he is then living, and if he is not then living, then by his wife, Rosalind Fredericks, if living, and if she is not then living, then by the majority vote of the Board of Trustees of the Marshall Fredericks Foundation. Should both Mr. Fredericks and Rosalind Fredericks be not then surviving and if the Marshall Fredericks Foundation is not then in existence, then the College shall make the selection of the public charity, but only with the approval of a majority of the then surviving children of Marshall Fredericks, and should there be no children of Marshall Fredericks then surviving, then only with the approval of a majority of the then surviving issue of Marshall Fredericks. In all events, the new successor public charity must specifically agree in writing to accept such Works subject to the same terms and conditions as the College was subject to under this Agreement.

14. As a matter of policy, the College and Mr. Fredericks understand and agree that while the College shall at all times maintain a fully representative display of Mr. Fredericks' Works in and about the Marshall Fredericks Sculpture Gallery at its Fine Arts Center, the College may occasionally and for a limited period of time lend selected Works to other organizations in order to assure that as many people as possible shall have the opportunity of seeing Mr. Fredericks' Works (including the Works included in this gift). It is further understood and agreed by both parties, however, that the only Works that may be so loaned are bronze castings or properly framed photographs. It is specifically agreed that no fragile works, such as plaster castings, moulds, carvings, miniatures, archival materials, unframed photographs, paintings or other graphic materials will be so loaned.

15. The College shall have the right without claim for compensation to make and sell photographic representations of the Works in its possession.

16. The College agrees to assume and to reimburse Mr. Fredericks for all reasonable costs incurred by Mr. Fredericks in effecting the initial transfer of these various Works to the Gallery, (whether prior to the death of Marshall Fredericks, following the death of Marshall Fredericks, or following the deaths of both Marshall Fredericks and Rosalind Fredericks) including but not necessarily limited to the employment of assistants to repair the plaster models, the rental, maintenance, including the cost of utilities, for the necessary space needed to properly repair the Works and to prepare them for shipping; the cost of transporting, further restoration, re-assembling and placing the Works in the Gallery. The College agrees that at any time they employ personnel to transport, repair or install any of the Works, they will be certain that such personnel are duly qualified to perform such tasks.

17. The College agrees to provide all necessary lighting, pedestals, bases, display and filing cabinets, furniture, frames, photo murals, and other necessary display equipment, all of which will be to the specifications and full satisfaction of Mr. Fredericks.

18. During the lifetime of Marshall Fredericks any of the terms or conditions of this Agreement may be modified or changed provided both Marshall Fredericks and the College agree to such changes. Following the death of Marshall Fredericks, survived by Rosalind Fredericks, this Agreement may be modified or changed with the consent of Rosalind Fredericks and the College. Following the death of both Marshall Fredericks and Rosalind Fredericks, this Agreement may be modified or changed with the consent of the College and the consent of a majority of the then surviving children of Marshall Fredericks and Rosalind Fredericks. Following the death of the last to die of Marshall Fredericks, Rosalind Fredericks, and the children of Marshall and Rosalind Fredericks, the Agreement as it then stands shall not be subject to change or modification.

19. This Agreement is entered into in the State of Michigan and shall be subject to the laws of the State of Michigan.

IN WITNESS WHEREOF, the parties have executed this Agreement the day and year first above written.

In the presence of:

Thomas W. Payne  
Thomas W. Payne  
Jean Scott  
Jean Scott

Marshall Fredericks  
Marshall Fredericks

SAGINAW VALLEY STATE COLLEGE

By: \_\_\_\_\_

Its: \_\_\_\_\_