

A G E N D A

SAGINAW VALLEY STATE COLLEGE

BOARD OF CONTROL

Regular Monthly Meeting
Pioneer Room--Pioneer Hall of Engineering and Technology
January 9, 1984
9:30 a.m.

I. CALL TO ORDER

II. PROCEDURAL ITEMS

- ✓1) APPROVAL OF MINUTES OF REGULAR MONTHLY MEETING HELD ON DECEMBER 12, 1983
- ✓2) OFFICIAL REPRESENTATIVE OF FACULTY ASSOCIATION
- ✓3) COMMUNICATIONS AND REQUESTS TO APPEAR BEFORE THE BOARD
- ✓4) REMARKS BY THE PRESIDENT
- ✓5) ADDITIONS TO THE AGENDA

III. ACTION ITEMS

- ✓6) RECOMMENDATION FOR APPROVAL OF AN EXPANSION IN THE SUMMER 1984 SCHEDULE OF CLASSES
- ✓7) RECOMMENDATION FOR APPROVAL OF THE REAPPOINTMENT OF YEO AND YEO CERTIFIED PUBLIC ACCOUNTANTS AS AUDITORS FOR 1983-84.
- ✓8) ELECTION OF TREASURER OF THE BOARD OF CONTROL TO FILL THE UNEXPIRED TERM OF G. JAMES WILLIAMS
- ✓9) RECONSTITUTION OF STANDING COMMITTEES
- ✓10) APPOINTMENT OF BOARD MEMBERS TO STANDING COMMITTEES
- ✓11) ESTABLISHMENT OF A SPECIAL AD HOC COMMITTEE ON COLLECTIVE BARGAINING
- ✓12) RECOMMENDATION FOR APPROVAL OF THE MEMBERSHIP OF THE ADMINISTRATIVE BARGAINING TEAM FOR THE CONTRACT WITH THE SVSC FACULTY ASSOCIATION
- ✓13) RECOMMENDATION FOR APPROVAL OF THE MEMBERSHIP OF THE ADMINISTRATIVE BARGAINING TEAM FOR THE CONTRACT WITH THE AFSME (AMERICAN FEDERATION OF STATE, COUNTY AND MUNICIPAL EMPLOYEES-AFL/CIO) UNION - INCLUDES SERVICE STAFF EMPLOYEES
- ✓14) RECOMMEND APPROVAL OF A MOVE TO EXECUTIVE SESSION OF THE BOARD OF CONTROL FOR THE PURPOSE OF CONSIDERING COLLECTIVE BARGAINING
- ✓15) RECOMMEND CONSIDERATION OF APPROVAL OF A COLLECTIVE BARGAINING AGREEMENT WITH THE SVSC SECRETARIAL/CLERICAL ASSOCIATION
- ✓16) RECOMMENDATION FOR APPROVAL OF A RESOLUTION EXTENDING APPRECIATION TO FORMER BOARD OF CONTROL MEMBER BARBARA L. DARIN FOR OUTSTANDING SERVICE TO SVSC

- ✓7) RECOMMENDATION FOR APPROVAL OF A RESOLUTION EXTENDING APPRECIATION TO FORMER BOARD OF CONTROL MEMBER DR. G. JAMES WILLIAMS FOR OUTSTANDING SERVICE TO SVSC

✓(17a) - *President Samsky* -

IV. INFORMATION AND DISCUSSION ITEMS

- ✓18) PRELIMINARY REPORT ON WINTER 1984 STUDENT REGISTRATION

- ✓19) PRELIMINARY REPORT ON WINTER 1984 STUDENT HOUSING

- ✓20) REPORT ON PERSONNEL

- ✓21) REPORT ON SPONSORED PROGRAMS

- ✓22) REPORT ON SVSC PRIORITIES FOR THE FUTURE

- ✓23)
- V. ADJOURNMENT

JMR:sah
12/29/83



Saginaw Valley State College

MEMORANDUM

TO: MEMBERS OF THE BOARD OF CONTROL

FROM: JACK M. RYDER, PRESIDENT

A handwritten signature in cursive script, reading "Jack M. Ryder".

DATE: DECEMBER 29, 1983

RE: SCHEDULE OF EVENTS FOR THE REGULAR MEETING OF THE BOARD OF CONTROL
ON JANUARY 9, 1984

<u>9:30 A.M.</u>	<u>REGULAR MEETING</u>	<u>PIONEER ROOM</u> <u>PIONEER HALL</u>
<u>12:00 NOON</u>	<u>LUNCH, INCLUDING MEMBERS OF</u> <u>THE BOARD OF CONTROL, STAFF</u> <u>AND THE PRESIDENT</u>	<u>LARGE PRIVATE</u> <u>DINING ROOM</u> <u>DOAN CENTER</u>

At this point I see no need for the standing committees to meet in the afternoon. The February meetings will be exclusively committee meetings starting at 9:30 a.m.

Enclosed is a copy of the letter from Governor James J. Blanchard appointing our two new members of the Board of Control. We will all be anxious to get to know them better and share with them in this important service to the people of the State of Michigan.

Also we will welcome Dr. Gary W. Davis, Assistant to the President and Secretary to the Board of Control to his first meeting of the Board.

The members of the SVSC Secretarial/Clerical Association are voting on ratification of a new contract proposal for the period 1983-85. We will go into Executive Session for review of the terms negotiated and then back into open session for final ratification.

This new year looks promising in many ways. Let's all hope and pray for peace around the world and in Michigan.

I look forward to seeing you all again. HAPPY NEW YEAR!

JMR:sah

enc.

SAGINAW VALLEY STATE COLLEGE

BOARD OF CONTROL

MINUTES

JANUARY 9, 1984

INDEX OF ACTIONS

		<u>Page</u>
RES-612	RECOMMENDATION FOR APPROVAL OF AN EXPANSION IN THE SUMMER 1984 SCHEDULE OF CLASSES <u>APPROVED</u>	3
RES-613	RECOMMENDATION FOR APPROVAL OF THE REAPPOINTMENT OF YEO AND YEO CERTIFIED PUBLIC ACCOUNTANTS AS AUDITORS FOR 1983-84 <u>APPROVED</u>	3
BM-654	ELECTION OF DR. HUGO T. BRAUN AS TREASURER OF THE BOARD OF CONTROL TO FILL THE UNEXPIRED TERM OF G. JAMES WILLIAMS <u>APPROVED</u>	4
BM-655	RECONSTITUTION OF STANDING COMMITTEES <u>APPROVED</u>	4
BM-656	RECOMMENDATION FOR ESTABLISHMENT OF A SPECIAL AD HOC COMMITTEE ON COLLECTIVE BARGAINING <u>APPROVED</u>	4
RES-614	RECOMMENDATION FOR APPROVAL OF THE MEMBERSHIP OF THE ADMINISTRATIVE BARGAINING TEAM FOR THE CONTRACT WITH THE SVSC FACULTY ASSOCIATION <u>APPROVED</u>	5
RES-615	RECOMMENDATION FOR APPROVAL OF THE MEMBERSHIP OF THE ADMINISTRATIVE BARGAINING TEAM FOR THE CONTRACT WITH THE AFSCME (AMERICAN FEDERATION OF STATE, COUNTY, AND MUNICIPAL EMPLOYEES-AFL/CIO) UNION - INCLUDES SERVICE STAFF EMPLOYEES <u>APPROVED</u>	5
BM-657	RECOMMENDATION FOR APPROVAL OF A MOVE TO EXECUTIVE SESSION OF THE BOARD OF CONTROL FOR THE PURPOSE OF CONSIDERING COLLECTIVE BARGAINING <u>APPROVED</u>	6
BM-658	RECOMMENDATION FOR CONSIDERATION OF APPROVAL OF A COLLECTIVE BARGAINING AGREEMENT WITH THE SVSC SECRETARIAL/CLERICAL ASSOCIATION <u>APPROVED</u>	6
RES-617	RECOMMENDATION FOR APPROVAL OF A RESOLUTION EXTENDING APPRECIATION TO FORMER BOARD OF CONTROL MEMBER BARBARA L. DARIN FOR OUTSTANDING SERVICE TO SVSC <u>APPROVED</u>	6
RES-618	RECOMMENDATION FOR APPROVAL OF A RESOLUTION EXTENDING APPRECIATION TO FORMER BOARD OF CONTROL MEMBER DR. G. JAMES WILLIAMS FOR OUTSTANDING SERVICE TO SVSC <u>APPROVED</u>	7
BM-659	CONSIDERATION AND DISCUSSION OF PRESIDENT'S SALARY <u>APPROVED</u>	8

BOARD OF CONTROL
SAGINAW VALLEY STATE COLLEGE

REGULAR MEETING
Pioneer Room--Pioneer Hall

Present: Braun
Curtiss
Kendall
Klykylo
Saltzman
Woods

Excused: Arbury
Gilmore

Others Present: Davis
Dickey
Fitzpatrick
Frahm
Lange
Pope
Ryder
Thompson
Vanguard Representative
Weaver
Woodcock
Yien
Zimmer
Press

I. CALL TO ORDER

The meeting was called to order at 9:40 a.m. by Chairman Kendall. Mr. Kendall introduced two new Board members, Mr. Henry Klykylo and Mrs. Joyce Woods. Chairman Kendall further welcomed Dr. Gary Davis, recently appointed Assistant to the President/Secretary to the Board of Control.

II. PROCEDURAL ITEMS

1. Minutes of the December 12, 1983 Regular Meeting

The minutes were approved as written.

2. Official Representative of the Faculty Association

Dr. David Weaver, President of the SVSC-FA, informed the Board of his presence as the Association's official representative.

3. Communications and Requests to Appear Before the Board

None.

4. Remarks by the President

President Ryder stated that Opal Colvin, Administrative Assistant to the President, has resigned. He commended her on her many years of service and contributions to SVSC.

The proposed Endowed Faculty Scholarship is currently being reworked and evaluated, and it is hoped to be presented to the Board in February for discussion with Board members and, thus, would be proposed in final format at the March Board meeting.

President Ryder discussed the support for higher education within the nation, and noted that it has become a political issue in most states. Dr. Ryder felt that we have the finest educational system throughout the world, both in private and public education. There is a Commission on Higher Education in Michigan, and they will make a preliminary report in March and a final report in the fall which will include recommendations on education.

Bids for the construction of Instructional Facility No. 2 will be accepted February 1, 1984.

5. Additions to the Agenda

An addition to Agenda Item 17 would be the President's salary considerations.

Mr. Curtiss asked that matters concerning the Michigan Association of Governing Boards (MAGB) be added to the agenda under the Informational section as Agenda Item 23.

III. ACTION ITEMS

6. Recommendation for Approval of an Expansion in the Summer 1984 Schedule of Classes

RES-612 It was moved and supported that the following resolution be adopted:
WHEREAS, It is necessary to provide more flexibility in the existing summer schedule in order to accommodate student access, and
WHEREAS, The schedule can be improved by including an additional seven-and-one-half week session in the summer schedule of 1984, and
WHEREAS, The Faculty Association ratified the inclusion of this session in the summer schedule of 1984;
NOW, THEREFORE, BE IT RESOLVED, That an additional session, beginning June 25 through August 15, 1984, be included in the attached 1984 schedule.

President Ryder mentioned that the basic modification in the Summer 1984 class schedule would be the addition of a 7½ week session. The motion was unanimously carried.

7. Recommendation for Approval of the Reappointment of Yeo and Yeo Certified Public Accountants as Auditors for 1983-84

RES-613 It was moved and supported that the following resolution be adopted:
WHEREAS, It is a 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 1983-84 fiscal year.

President Ryder stated that he felt Yeo and Yeo have done an effective job for SVSC, and recommended they be reappointed to conduct the annual audit. The motion unanimously carried.

8. Election of Treasurer of the Board of Control to Fill the Unexpired Term of G. James Williams

BM-654 It was moved and supported that Dr. Hugo T. Braun be appointed as Treasurer of the Board of Control to fill the unexpired term of G. James Williams.

The motion unanimously carried.

9. Reconstitution of Standing Committees

BM-655 It was moved and supported to reconstitute the standing committees, (the Academic and Personnel Committee, and the Business and Facilities Committee), with the request that the administration bring a statement to the March Board meeting as to what general areas of concern each respective committee will deal with.

The motion unanimously carried.

Chairman Kendall appointed Board members to the following standing committees, respectively. Business and Facilities Committee: Dorothy Arbury, Hugo Braun, Joyce Woods, and Richard Gilmore. Academic and Personnel Committee: Charles Curtiss, Henry Klykylo, Florence Saltzman, and John Kendall. Appointed to a sub-committee on Investments were President Ryder, Mr. Woodcock, Richard Gilmore, Hugo Braun, and Melvin Zahnow (former Board member); Mr. Woodcock will be chairman.

10. Establishment of a Special Ad Hoc Committee on Collective Bargaining

BM-656 It was moved and supported to establish a special ad hoc committee on collective bargaining.

President Ryder stated the purpose of such a committee is to advise the administration on goals, objectives and strategies of the collective bargaining process. The motion unanimously carried.

Chairman Kendall appointed to the Committee Charles Curtiss, Hugo Braun, Richard Gilmore and John Kendall.

11. Recommendation for Approval of the Membership of the Administrative Bargaining Team for the Contract with the SVSC Faculty Association

RES-614 It was moved and supported that the following resolution be adopted:

WHEREAS, The collective bargaining agreement between Saginaw Valley State College and the Saginaw Valley State College Faculty Association will expire at 12:00 midnight on June 30, 1984, and

WHEREAS, Bargaining to reach a new agreement is expected to commence prior to the expiration date of the current agreement;

NOW, THEREFORE, BE IT RESOLVED, That the following staff members are designated to represent the Board of Control for the purpose of negotiating a new agreement, subject to ratification by the Board:

Lawrence K. Fitzpatrick, Director of Personnel & Contract Administrator, Team Chairman

Dr. Crystal M. Lange, Dean, School of Nursing & Allied Health Sciences

Dr. William K. Barnett, Dean, School of Arts & Behavioral Sciences

James G. Muladore, Controller

Ann M. Schulte, Assistant Director of Personnel (alternate)

Additional persons shall be designated by the President of the College on an ad hoc basis for purposes of observation or special assistance.

Mr. Morton E. Weldy will serve as counsel for the team.

The motion unanimously carried.

12. Recommendation for Approval of the Membership of the Administrative Bargaining Team for the Contract with the AFSCME (American Federation of State, County and Municipal Employees-AFL/CIO) Union - Includes Service Staff Employees

RES-615 It was moved and supported that the following resolution be adopted:

WHEREAS, The Service Staff employees have voted to be represented for the purposes of collective bargaining by the American Federation of State, County and Municipal Employees, AFL-CIO, and

WHEREAS, Bargaining to reach an initial contract is expected to begin within sixty days;

NOW, THEREFORE, BE IT RESOLVED, That the following staff members are designated to represent the Board of Control for the purpose of negotiating the initial contract, subject to ratification by the Board:

Lawrence K. Fitzpatrick, Director of Personnel
& Contract Administrator, Team Chairman
Ann M. Schulte, Assistant Director of Personnel
James G. Muladore, Controller
Robert Tutsock, Director of Plant Services
Additional persons shall be designated by the
President of the College on an ad hoc basis for
purposes of observation or special assistance.
Mr. Morton E. Weldy will serve as counsel for
the team.

The motion unanimously carried.

13. Recommendation for Approval of a Move to Executive Session
of the Board of Control for the Purpose of Considering
Collective Bargaining

BM-657 It was moved and supported that the Board
move into executive session for the purpose
of considering collective bargaining.

The motion unanimously carried.

The Board reconvened at 11:30 a.m.

14. Recommendation for Consideration of Approval of a Collective
Bargaining Agreement with the SVSC Secretarial/Clerical
Association

BM-658 It was moved and supported to approve a collective
bargaining agreement with the SVSC Secretarial/
Clerical Association.

The motion unanimously carried.

15. Recommendation for Approval of a Resolution Extending Appreciation
to Former Board of Control Member Barbara L. Darin for Outstanding
Service to SVSC

RES-617 It was moved and supported that the following
resolution be adopted:
WHEREAS, Barbara L. Darin has served as a member
of the Board of Control of Saginaw Valley State
College since 1978, and
WHEREAS, Mrs. Darin brought to the Board a state-
wide perspective and an understanding of the
educational needs of metropolitan areas, and
WHEREAS, She has given conscientious service and
support to all Board meetings and functions, as
well as a variety of College activities, and

WHEREAS, She has participated as an active member of the Board of Control during a period of rapid growth and development of the College, culminating with the groundbreaking for Instructional Facility No. 2 during the 20th anniversary celebration, and

WHEREAS, Her term of office expired in July of 1983, but she continued to serve SVSC until the appointment of a replacement in December;

NOW, THEREFORE, BE IT RESOLVED, That we, the members of the Board of Control, convey to Mrs. Darin our heartfelt thanks and appreciation, not only from ourselves, but from the entire SVSC community and our alumni body, for her commitment and service to Saginaw Valley State College.

The motion unanimously carried.

16. Recommendation for Approval of a Resolution Extending Appreciation to Former Board of Control Member Dr. G. James Williams for Outstanding Service to SVSC

RES-618 It was moved and supported that the following resolution be adopted:

WHEREAS, Dr. G. James Williams has served as a member of the Board of Control of Saginaw Valley State College since January, 1981, and

WHEREAS, Dr. Williams served as treasurer for the Board during 1982 and 1983, and

WHEREAS, He has been an avid supporter of SVSC since its inception, and has been an active fundraiser for the College, serving as Chairman of the Board of Directors for the SVSC Foundation from January, 1977 to September, 1981, and

WHEREAS, He brought to the Board an outstanding record of community service and expertise in business management, and

WHEREAS, He received an honorary Doctor of Laws degree from SVSC in 1979, and

WHEREAS, Dr. Williams has given conscientious service and support to Board meetings and functions, as well as a variety of College activities, and

WHEREAS, He has participated as an active member of the Board of Control during a period of rapid growth and development of the College, culminating with the groundbreaking for Instructional Facility No. 2 during the 20th anniversary celebration, and

WHEREAS, His term of office expired in July of 1983, but he continued to serve SVSC until the appointment of a replacement in December;

NOW, THEREFORE, BE IT RESOLVED, That we, the members of the Board of Control, convey to Dr. Williams our heartfelt thanks and appreciation, not only from ourselves, but from the entire SVSC community and our alumni body, for his commitment and service to Saginaw Valley State College.

The motion unanimously carried.

Dr. Ryder pointed out that both Mrs. Darin and Dr. Williams felt positive about SVSC and appreciate the opportunity of having served the College, and pledged their continued support for the institution in the years ahead.

16 a. Considerations and Discussion of the President's Salary

BM-659 It was moved and supported that the base salary of the President be adjusted, effective July 1, 1983, to \$63,500 for an 18-month term ending December 31, 1984.

The motion unanimously carried.

President Ryder expressed his appreciation for the confidence bestowed in him by the Board of Control. Chairman Kendall stated he hoped the relationship between the Board and the President would continue to be positive, and that the goals and objectives of the College would continue to be met.

IV. INFORMATION AND DISCUSSION ITEMS

17. Preliminary Report on Winter 1984 Student Registration

Mr. Richard Thompson, Executive Director of Admissions and Student Development, reported on SVSC's Winter 1984 registration. Mr. Thompson stated that in terms of headcount and credit hours, SVSC is up as of this date. Concerning enrollment, as of January 5, 1984, there were 3,906 students enrolled (as opposed to 3,716 at the same time last year) which signifies an increase of 5.1%. There has also been a 4.8% increase in credit hours over last year.

Dr. Ryder commended Mr. Thompson and the Admissions staff for their work. In turn, Mr. Thompson extended his gratitude to the faculty and staff of SVSC for their part in the successful enrollment statistics.

Mr. Klyklo asked how SVSC's per credit hour costs compared with other Michigan institutions. Dr. Ryder noted that SVSC ranks approximately seventh of fifteen institutions. The current tuition rate (undergraduate) at SVSC is \$52.50 per credit hour; the rate includes a \$3.00 General Service Fee.

18. Preliminary Report on Winter 1984 Student Housing

Mr. Thompson reported that 71 new housing contracts have been processed for Winter, 1984 term; there were 53 processed last year. As of this date, thirteen students remain on the waiting list for housing. A small percentage of students (10) have had to be placed off campus at Delta College.

Dr. Ryder asked if it was true that seniors were being asked to move off campus to make room for new students. Mr. Thompson stated that was the case.

Mr. Thompson noted that dormitory living is not being suggested or encouraged to students attending SVSC from neighboring counties (Bay, Midland, and Tuscola), as these students could commute.

19. Report on Personnel

Dr. Ryder reported on positions that have recently been filled at SVSC. In the Administrative/Professional category, Dr. Gary W. Davis has been hired as Assistant to the President/Secretary to the Board of Control. Also, two new faculty members have been

hired; Mr. Ghulam H. Raz has been hired as Assistant Professor of Electrical Engineering, effective Winter term, 1984, and Ms. Cheryl Thiem has been hired as Instructor of Nursing, beginning Winter term.

20. Report on Sponsored Programs

This item has been deferred.

21. Report on SVSC Priorities for the Future

President Ryder discussed SVSC's priorities for 1984-85 (listed below), and plans to act on those priorities at the March Board meeting.

- 1) Implementation of the Board-approved Bachelor's degree programs in mechanical and electrical engineering.
- 2) Substantial progress on fund-raising for: 1) the first three years of the engineering program; 2) scholarships, equipment and library acquisitions, and 3) the proposed fine arts facility.
- 3) Implementation of revised requirements for demonstration or acquisition of basic skills in reading, writing and mathematics.
- 4) Implementation of revised general education requirements and a number of new courses which students may elect to fulfill these requirements.
- 5) Implementation of the Board-approved Master of Arts in Criminal Justice/Political Science program.
- 6) Maintaining awareness of ways in which faculty and staff can encourage more students to complete their programs successfully.

7) Completion of a comprehensive self study in preparation for an accreditation visit during the 1985-86 academic year by the North Central Association of Colleges and Schools. Re-evaluation of the College Mission Statement will be one aspect of the self study.

8) Balancing the operating budget for 1984-85 and obtaining Board approval for a plan to eliminate the operating deficit which has accumulated during three years of serious deterioration in state support of public higher education.

22. Report on Michigan Association of Governing Boards (MAGB)

Mrs. Saltzman and Mr. Curtiss gave an update on MAGB activities.

Mrs. Saltzman stated that the MAGB is comprised of two delegates from each state college and university in Michigan.

The MAGB will hold its next meeting on January 10.

Mr. Curtiss announced the tentative topics for the 1984 MAGB workshop. They include Academic Planning and Evaluation, Deferred Maintenance, Relationship Between Public and Private Sector, The Role of The Effective Board Member, and the Governor's Preliminary Report (which identifies five problem areas in education). President Ryder asked Mr. Curtiss if a program could be added by the MAGB concerning the role of the regional institution. Mr. Curtiss responded that he would discuss the issue with the MAGB.

V. Adjournment

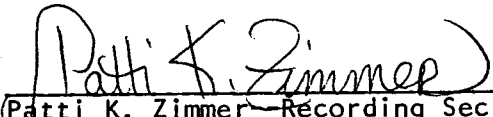
The meeting was adjourned at 12:20 p.m.

January 9, 1984

Respectfully submitted

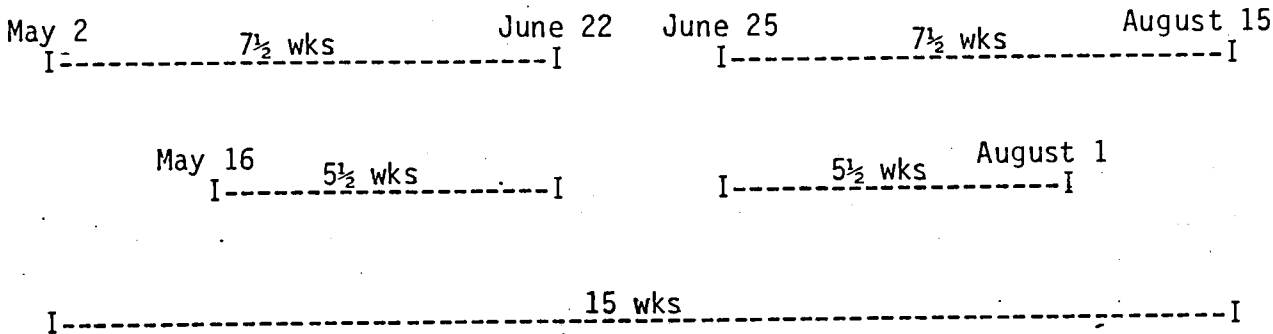
John W. Kendall--Chairman

Florence F. Saltzman--Secretary



Patti K. Zimmer--Recording Secretary

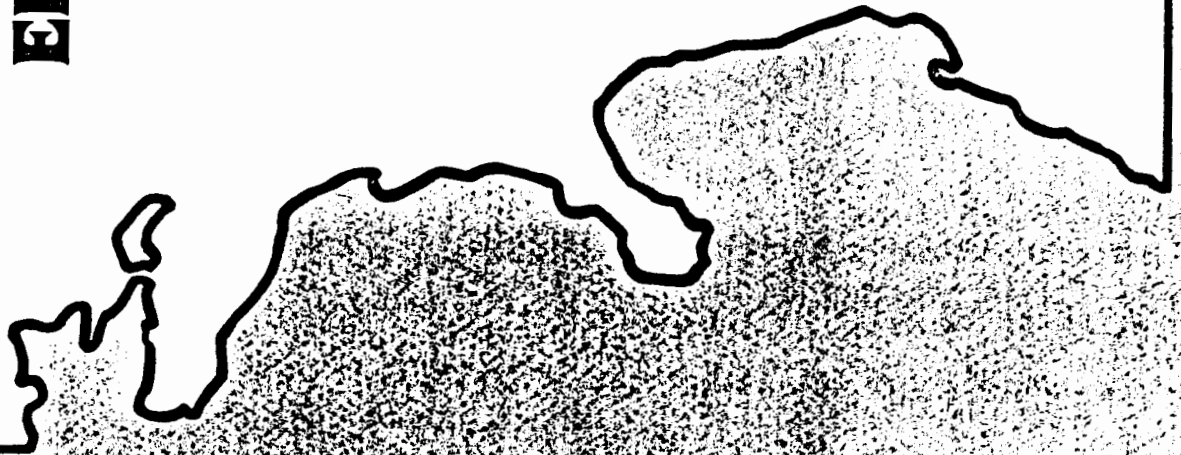
PROPOSAL FOR SUMMER 1984 SCHEDULE



Sessions

- I. 7 1/2 weeks
 May 2 - June 22 (Finals June 20-22)
 Registration: through May 3 or 4
 Grades: after June 22
- II. 5 1/2 weeks
 May 16 - June 22 (Finals June 20-22)
 Registration: through May 3 or 4
 Grades: after June 22
- III. 15 weeks
 May 2 - August 15 (Finals August 13-15)
 Registration: through May 3 or 4
 Grades: after August 15
- IV. 7 1/2 weeks
 June 25 - August 15 (Finals August 13-15)
 Registration: through June 26 or 27
 Grades: after August 15
- V. 5 1/2 weeks
 June 25 - August 1 (Finals July 30 - August 1)
 Registration: through June 26 or 27
 Grades: after August 15

**THE STATE
INVESTMENT IN
HIGHER
EDUCATION
1983**




Presidents
Council
State Colleges and Universities

FOREWORD

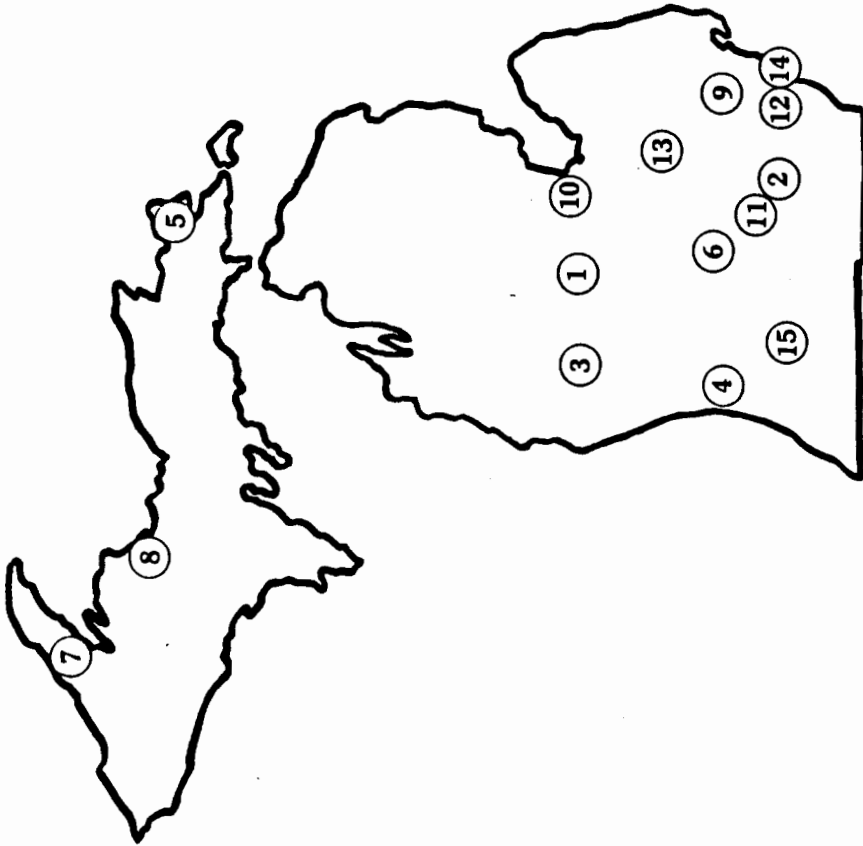
Throughout the history of Michigan, the people of this state have insisted that education be assigned the highest priority among public services. We have willingly supported higher education with the expectation that our support would provide us and our children with the finest public colleges and universities in the nation. This public investment in human capital has not gone unrewarded: the Michigan higher education system has been nationally recognized for decades as a standard for quality.

Today, Michigan has 15 public four-year colleges and universities. Enrollment for fall term, 1982, was over 226,000 students. During the past year alone these institutions awarded 48,687 degrees to students who completed their collegiate study programs.

But this education system, its quality built up painstakingly over the years, is in serious jeopardy. Even before Michigan slid into the current recession, fiscal problems have been engulfing higher education. It has been assigned progressively lower positions of priority among public services with each passing year. It is becoming evident that under conditions of continued state underfunding, Michigan's public higher education system cannot be sustained. And this is at a time when Michigan needs her education system more than at any other time in her history as she trains and re-trains her citizens for an economic revitalization.

Indeed, public expenditures for education are true investments in Michigan's future, for it is a future that is closely, irrevocably tied to higher education.

MICHIGAN PUBLIC FOUR-YEAR COLLEGES AND UNIVERSITIES



1. Central Michigan University
2. Eastern Michigan University
3. Ferris State College
4. Grand Valley State College
5. Lake Superior State College
6. Michigan State University
7. Michigan Technological University
8. Northern Michigan University
9. Oakland University
10. Saginaw Valley College
11. U of M, Ann Arbor
12. U of M, Dearborn
13. U of M, Flint
14. Wayne State University
15. Western Michigan University

Higher Education in Society

It is ironic to note that one of our greatest hopes for recovery from our economic difficulties...our public higher education system...is dropping in priority for state support. The fact is that both in the short-term impact of delivering well-prepared citizens into today's job market and in the long-term investment of human capital into a revitalizing economy, Michigan can look with confidence and pride to its system of public four-year colleges and universities. For example:

- public higher education institutions handle the great majority of post-secondary enrollments in Michigan. While nearly a quarter of a million people were enrolled as students on its widely-distributed 15 campuses in the Fall term of 1982, thousands more were served off-campus via extension and continuing education programs, thus reaching out to make a college education accessible to the maximum number of Michiganders.
- higher education is a real industry in Michigan. In many communities it is the largest single employer and biggest consumer of local goods and services.
- cooperative efforts linking state institutions of higher learning with businesses, like the Business and Industrial Development Institute at Saginaw Valley State College, the Middle Michigan Development Corporation at Central Michigan University, and the Industry Development Institute at Michigan State University, are all aiding in our state's economic development.
- new links with businesses are also better preparing graduates for employment in today's work force.
- occupational offerings at our public four-year institutions are more and more reflecting career changes and re-training.
- there would be no possibility of attracting high technology to Michigan without the extraordinary resources of our higher education institutions. The ready-made pool of trained brain power plus the research and development functions of our colleges and universities are indispensable toward nurturing this fledgling high technology base.

- research projects undertaken at our public higher education institutions are touching nearly every aspect of our lives. From concerns in pediatrics and gerontology to research in agriculture, prison reform, and sickle cell anemia, valuable scientific, social, and medical breakthroughs are helping to maintain Michigan's enviable quality of life.

Higher education does more than fit into society; it builds and enriches it. Somewhere in the system a Michigan student, no matter what his/her interests and abilities, can find a program to match educational needs. This human capital is Michigan's richest resource... a resource that is built by education.

The Investment

According to the results of many research findings on the value of higher education, it is generally agreed that it is still worth the expense. Howard Bowen, in his book, "Investment in Learning," concluded that higher education is a high-return industry, the sum of the benefits exceeding its total cost by at least three-fold. Support of public higher education is an investment in political stability, human resources, economic growth, and the other beneficial by-products of a raised educational level. The need for higher education is not decreasing; it is increasing in this era of rapid technological change when scientific and technological information doubles about every eight years!

The key to problem-solving is knowledge. The cornerstone of a healthy democracy and a strong economy is an educated citizenry. The foundation for all of this is a strong public higher education system.

But Michigan has seriously neglected its investment in higher education. This neglect began several years ago and has continued through good times and bad. It is not a national phenomenon that has been experienced by all states, nor is it completely the product of inflation. The cause of the financial crisis in Michigan's public higher education is long-term state underfunding.

Operating revenues for Michigan's public colleges and universities come primarily from two sources: state appropriations and student tuition. Here is what has happened to the appropriations picture in Michigan:

- fiscal year 1981-82 endured four executive order cuts in the appropriations for higher education, accounting for \$137 million, or

20.5% of the original amount. Michigan wound up with only a 3% increase in appropriations over two years earlier, a figure that was dead last among the 50 states!

- the percentage change in appropriations for higher education, less inflation over the past decade has declined 11%, ranking Michigan 49th nationally. (See table 1)
- the adjusted purchasing power of appropriation dollars last year was actually less than it was ten years ago. (See table 2)
- the share of the state budget appropriated for higher education has declined over the decade from 15.4% to 13.3%, while non-education's share has risen dramatically from 51.8% to 74.2%. Even if the state had maintained its funding priority for colleges and universities, Michigan would still be behind more than two-thirds of the other states in this statistic. (See table 3)

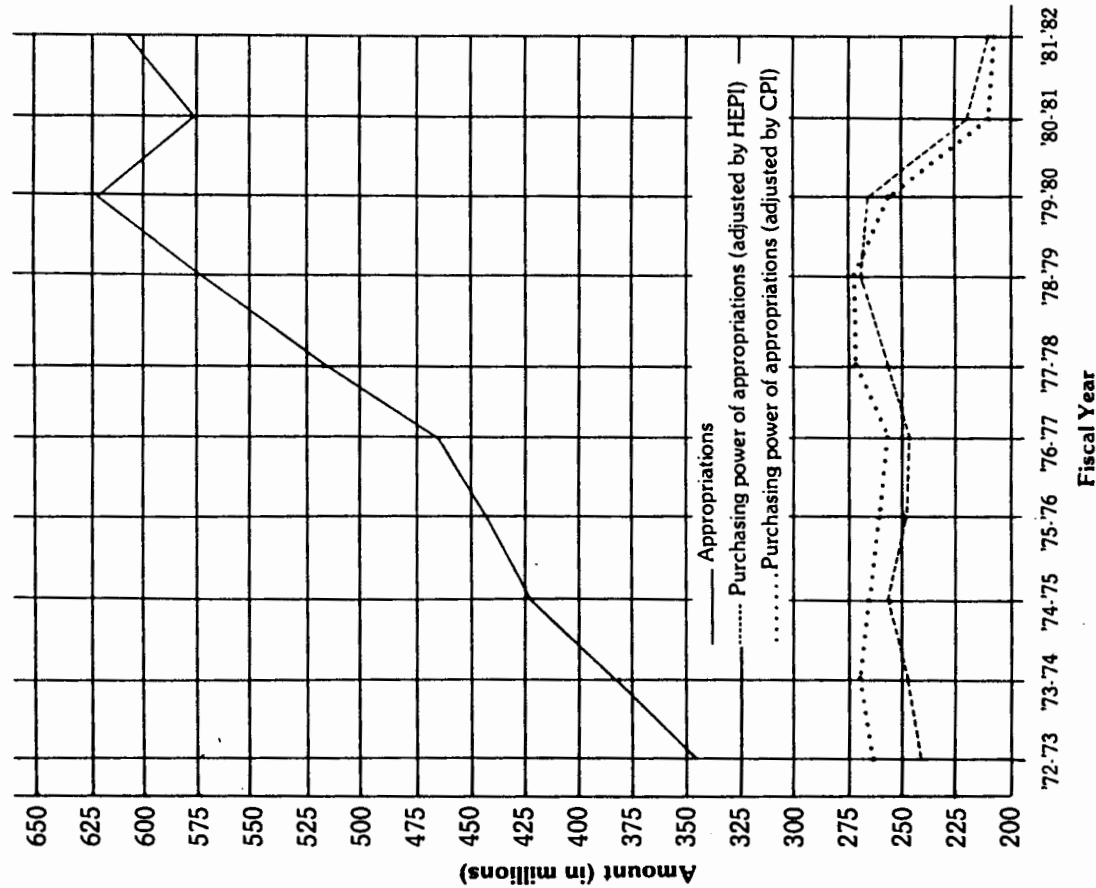
TABLE 1

Per-Cent Increase in Appropriations (less inflation) 1972-73—1982-83

1. Alaska...187%	26. Kentucky...27%
2. Wyoming...128%	27. Tennessee...26%
3. Oklahoma...110%	28. Arizona & Hawaii...23%
4. Texas...89%	30. Idaho...22%
5. Alabama...71%	31. Ohio...20%
6. North Dakota...70%	32. Maryland...17%
7. New Mexico...55%	33. Massachusetts...15%
8. North Carolina...53%	34. Washington...12%
9. Arkansas...51%	35. Rhode Island...11%
10. Nevada...50%	36. New Hampshire...10%
11. Utah...48%	37. West Virginia...7%
12. Louisiana...47%	38. New York...5%
13. Kansas & Nebraska...44%	39. South Dakota...1%
15. Virginia...43%	40. Indiana...1%
16. California...40%	41. Oregon & Vermont...3%
17. Montana...33%	43. Connecticut, Missouri, & Pennsylvania...5%
18. Iowa, Mississippi, & South Carolina...31%	46. Maine & Wisconsin...8%
21. Florida, Georgia, & Minnesota...29%	48. New Jersey...9%
24. Colorado & Delaware...28%	49. Michigan...11%
	50. Illinois...14%

TABLE 2

Purchasing Power of State Appropriated Dollars for Public Higher Education 1972-73 to 1981-82



HEPI—Higher Education Price Index measures average changes in prices of goods and services purchased by colleges & universities through current fund educational and general expenditures.

CPI—Detroit Consumer Price Index

TABLE 3

Declining Share of State Budget for Higher Education (in millions of \$)

	1971-72	1976-77	1981-82*	% Increase
Operation of 4-Year Public Colleges and Universities	\$ 307	\$ 464	\$ 610	109%
Noneducation Appropriations**	1,306	1,843	3,415	222
State General Fund/General Purpose Expenditures	1,999	3,203	4,600	141
Colleges and Universities Percentage Share	15.4%	14.5%	13.3%	—
Noneducation Percentage Share	51.8%	57.5%	74.2%	—

Source: Senate Fiscal Agency 1981 Statistical Report; Executive Budget

*Estimated on basis of 9/82 Senate Fiscal Agency report. Figures adjusted to include \$80 million payment deferral of E.O. 1982-4 in 1981-82 spending. Deposit of lottery revenues in K-12 school aid fund during 1981 also required \$110 million adjustment to 1976-77 general fund expenditures.

**All expenditures except appropriations for Department of Education, colleges and universities, community colleges, local school districts, and student financial aid.

- last year, 59% of the operating costs for public higher education came from state appropriations, down from 64.1% just four years ago, and down from 76% 15 years ago. That is dramatic enough, but that is without considering the incredible increases in operating costs due to inflation over that period.

Clearly, public higher education in Michigan is the victim of long-term persistent underfunding. Cutting funds for education is rarely something someone *wants* to do, but simply is done by those who see little choice. But, public higher education in particular has seen its place in the priority order for funding drop lower and lower.

One of the most significant results of this continuing slide in priority has been the shifting of the burden of support from the state to the students and their families. As the state's support has fallen short of higher education's funding requirements, student tuition and fees have had to take up the slack. The result:

- the percentage of the general fund revenue of state colleges and universities taken from students has increased dramatically. (See table 4)

- average tuition rates at Michigan's public colleges and universities are now over \$560 more than the national average! (See table 5)
- Michigan ranks very high (eighth nationally) in the tuition paid per \$100 of state appropriation. (See table 6)

TABLE 4
Percentage of College and University
General Fund Revenues Drawn from
Various Sources, 1967 to 1982

General Fund Revenue Source	1966-67	1977-78	1981-82
Student Fees	21.5%	30.1%	34.6%
State Appropriations	76.0	64.1	58.9
Other Income	2.5	5.8	6.5
	100.0%	100.0%	100.0%

- now tuition at these state schools has reached the levels of private colleges and universities, thereby compromising one of the very purposes of a public four-year college and university system, that of making a college education affordable and accessible to the maximum number of people in the state.

Higher education has responded to this underfunding crisis with a series of on-campus actions. Most of these actions are designed to minimize the immediate impact on the users of higher educational services. In addition to raising tuition rates beyond reasonable limits, institutions have initiated a phasing-out of selected degree programs, personnel positions have been left unfilled, and needed equipment purchase has been postponed.

Funds have also been diverted from the physical plant of the system to operations to keep essential academic programs alive. This diversion of funds for maintenance and renewal could take a devastating long-term toll. The total current building value of the physical plant of our state colleges and universities is over \$2½ billion. A substantial portion of this plant is in an advanced state of aging and if no state action is taken, buildings will be lost. Over 6½ million square feet of space is over 50 years old now, and the cost of replacing these buildings completely would be at least double the cost of their renewal.

TABLE 5
Average Tuition Rates (Unweighted Average for Fall Term)
Public Four-Year Colleges & Universities National & Michigan Averages, 1973-1982

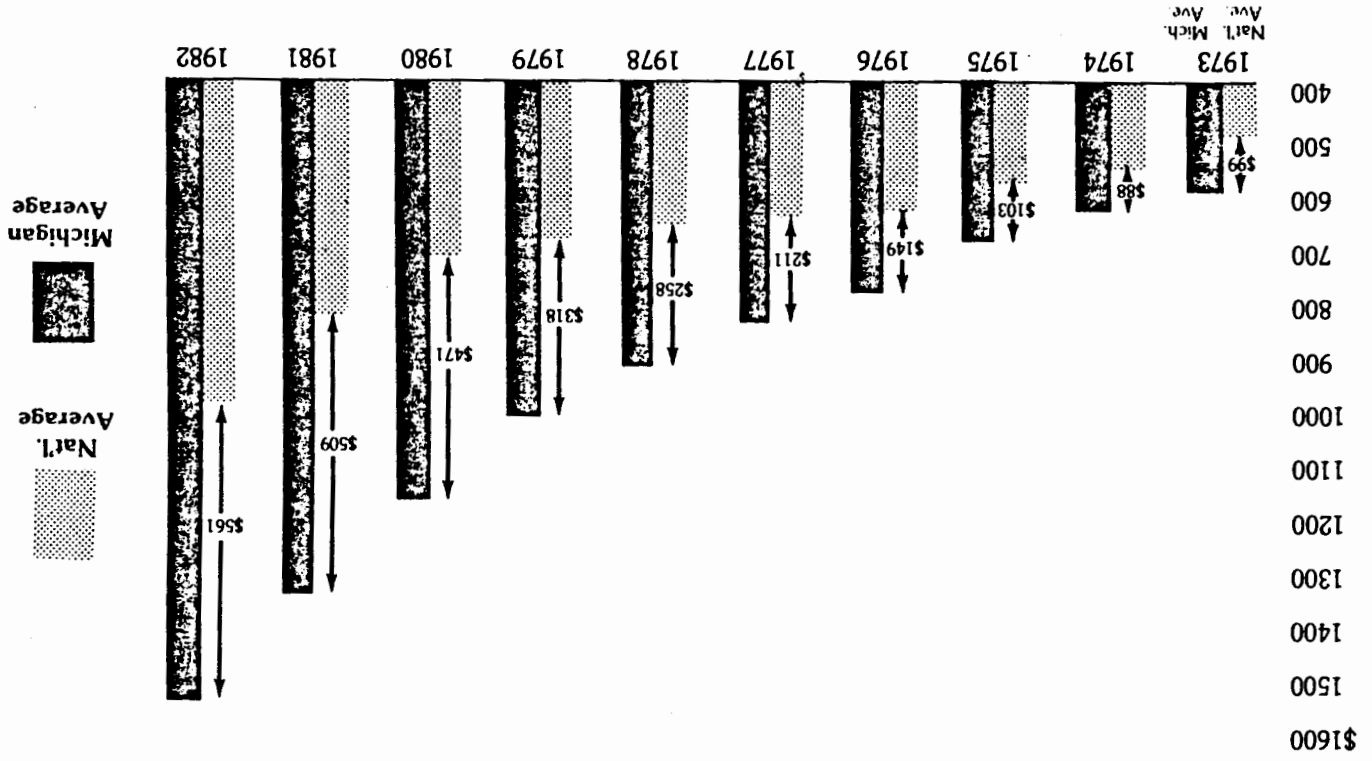


TABLE 6

**Public-college tuition
per \$100 appropriation***

	Amount Rank	Amount Rank	Amount Rank
Alabama	\$27	23	27
Alaska	12	48	24
Arizona	30	17	23
Arkansas	22	34	104
California	10	50	34
Colorado	58	5	22
Connecticut	22	35	30
Delaware	61	4	16
Florida	23	32	24
Georgia	22	37	50
Hawaii	12	49	21
Idaho	15	47	31
Illinois	24	29	63
Indiana	40	10	36
Iowa	26	25	19
Kansas	25	27	35
Kentucky	21	38	28
Louisiana	23	31	16
Maine	48	7	25
Maryland	43	9	162
Massachusetts	19	41	30
Michigan	43	8	19
Minnesota	30	19	17
Mississippi	26	26	30
Missouri	27	21	15
Montana			27
Nebraska			26
Nevada			23
New Hampshire			104
New Jersey			34
New Mexico			22
New York			30
North Carolina			16
North Dakota			24
Ohio			50
Oklahoma			21
Oregon			31
Pennsylvania			63
Rhode Island			36
South Carolina			19
South Dakota			35
Tennessee			28
Texas			16
Utah			25
Vermont			162
Virginia			30
Washington			19
West Virginia			17
Wisconsin			30
Wyoming			15
Total U.S.			\$26

*Estimated tuition revenue of public colleges and universities per \$100 of state and local appropriations for public higher education based on 1979-80 ratio.

The colleges and universities have made nearly all of the internal adjustments possible to accommodate state funding shortfalls, short of dismantling essential parts of the system. All of these actions have kept higher education viable and in operation during a difficult period, but cannot sustain it indefinitely under continuing conditions of state underfunding.

Further exacerbating the fiscal crisis is the incontrovertible fact that enrollments in Michigan's higher education institutions are dropping and, according to demographic statistics, will continue to decline into the 1990s. Hope for easing the financial difficulties by increased tuition monies through larger enrollments, therefore, is very unlikely.

Only the state has the resources to save Michigan higher education from becoming a second-rate system. Only the state has the power to restore the priority and funding support necessary to allow higher education to contribute fully to the economic and spiritual revitalization of Michigan.

Conclusion

In the face of soaring costs and diminishing appropriations, higher education in Michigan has begun to experience a depletion of human, physical, and financial resources. These disturbing trends demand serious consideration by everyone concerned with the state investment in higher education. To the extent that these trends continue unchecked, public higher education in Michigan will find it increasingly difficult, and in some cases impossible, to maintain current levels of performance.

Improvement cannot come from tax incentives, increased enrollments, nor continued hikes in tuition. It is clear that improvement must result from an increasing awareness among the people of Michigan of the critical importance of public higher education and the crucial investment the future of our state has in this system. Then, with the resulting influence on legislators to re-establish higher education as a top priority for appropriations, our colleges and universities can continue to pave the way for tomorrow.

And not just future students, but all of us have a vital stake in our decisions, because our progress as a state can be no swifter than our progress in education.

The Presidents Council of State Colleges and Universities is an association of the chief executive officers of Michigan's public four-year colleges and universities. For over 30 years the Council has strengthened public higher education through voluntary coordination and inter-institutional cooperation.

Michigan's public colleges and universities...

Central Michigan University
Eastern Michigan University
Ferris State College
Grand Valley State College
Lake Superior State College
Michigan State University
Michigan Technological University
Northern Michigan University

Oakland University
Saginaw Valley State College
University of Michigan—Ann Arbor
University of Michigan—Dearborn
University of Michigan—Flint
Wayne State University
Western Michigan University