

SAGINAW VALLEY STATE UNIVERSITY

BOARD OF CONTROL

JUNE 8, 1992

REGULAR MEETING

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MINUTES

BOARD OF CONTROL

Regular Meeting

1:30 p.m.

Board of Control Room - Wickes Hall

June 8, 1992

Present: Braun  
Clark  
Curtiss  
Gilbertson  
Hornsby  
Revilla  
Rush  
Ward

Absent: Roberts

Others

Present: G. Bachula (CIESIN)  
L. Beer (CIESIN)  
G. Corser  
J. Crary  
S. Fales  
J. Fallon  
P. Kattenbach (CIESIN)  
J. Kerman  
F. King  
J. Lousma (CIESIN)  
J. Lyddon  
B. Morrison (CIESIN)  
K. Nowaczyk  
R. Payne  
F. Porterfield  
C. Rolling (CIESIN)  
R. Ruffin  
P. Saft  
J. Stanley  
R. Thompson  
J. Woodcock  
R. Yien  
Press (3)

I. CALL TO ORDER

Vice Chairperson Revilla called the meeting to order at 1:34 p.m. with Board members Braun, Clark, Curtiss, Hornsby and Rush in attendance. She noted that a quorum was present.

BM-815 Board Motion to Move to Executive Session to Consider Proposed Real Estate Transaction

It was moved and supported that the Board move to Executive Session to consider a proposed real estate transaction.

The motion was APPROVED unanimously.

The Board moved to Executive Session at 1:35 p.m.

BM-816 Board Motion to Reconvene in Public Session.

It was moved and supported that the Board reconvene in Public Session.

The motion was APPROVED unanimously.

The Board reconvened in Public Session at 4:10 p.m. with Board members Braun, Clark, Curtiss, Hornsby, Revilla, Rush and Ward in attendance.

II. PROCEDURAL ITEMS

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

Chairperson Ward asked that the Action Item to consider a proposed real estate transaction be moved to Action Item number one and that the Information and Discussion Item relating to the Staff Member of the Month be stricken from the agenda. He stated that he would also be appointing an Acting Secretary.

Hearing no objections, Chairperson Ward ordered the agenda approved as revised.

B. Approval of Minutes of May 1, 1992 Regular Monthly Meeting

It was moved and supported that the minutes of the May 1, 1992 regular monthly meeting be approved.

The minutes were unanimously APPROVED as written.

C. Recognition of the Official Representative of the Faculty Association.

Chairperson Ward recognized Professor George Corser, President of the Faculty Association, who read the following statement:

OUR FOUNDERS' SPIRIT

Strong feelings of inspiration and humility are present in this company: inspiration from the dedication and accomplishments of the founders; humility at being privileged to carry forward, each one of us in our own way, the dreams of these founders. One can sense a spirit which guides us from the past through the portal of the present forward to the future.

The Romans had a tutelary deity for gates and doors, hence of all beginnings. Janus, for whom January is named, was represented with two faces, perhaps simultaneously to cast an eye to the past and the future. He was the guardian of gates and protector of portals symbolizing a commencement for making a significant passage.

Our founders have made many passages and many beginnings to bring SVSU into being. Their spirit resides in each brick and beam and doorway and even the soil itself. But, perhaps more importantly, it exists in the hearts and minds of each of us engaged with SVSU as it meets the challenges of an exigent, indeterminate, and consequential world.

Their spirit is contagious. Yes, "Catch the Spirit" is a most appropriate phrase to announce opportunities for learning at SVSU.

These words of Samuel McChord Crothers express that spirit in a special way.

"Let the horizon of our minds include all men:  
The great family here on earth with us;  
Those who have gone before and left to us the heritage of their  
memory and of their work;  
And those whose lives will be shaped by what we do or leave  
undone."

D. Communications and Requests to Appear Before the Board

President Gilbertson stated that the Board had received a communication, which will be attached to the minutes. (See Appendix One: Grindahl.) A request to appear before the Board was satisfied in the Executive Session.

President Gilbertson introduced Fred King, the new Executive Director of Saginaw Future Inc., and Joann Crary, his associate. He also formally introduced Scott Fales, new President of SVSU's Student Government.

III. ACTION ITEMS

1) Consideration of Proposed Real Estate Transaction

RES-1001 It was moved and supported that the Board approve a proposal for providing space for facilities for the Consortium for the International Earth Science Information Network (CIESIN). (See Appendix Two: CIESIN)

Trustee Curtiss stated: "The Board has spent many hours over the last six months discussing this matter and has developed a proposal which consists of two options, one in particular of which comes very close to meeting what we understand to be the needs of CIESIN. We think it's a generous offer and one that deserves their careful consideration. We have debated at great length in terms of our responsibilities as state officers in meeting the public trust for this institution as well as our role in the economic development of the community. It is a very positive step forward, and we hope that it will be well received. I would move approval of the proposal with the two options at this point."

Chairperson Ward stated: "I share in your comments. As a Trustee of this University I think one very positive development is the statement of consideration. The reason that I as a Trustee find this a most attractive proposal is because of what it promises our

University community in terms of participation in exciting scientific and research functions. I think that statement of consideration is a most important and favorable development. I also think that we have resolved the remaining substantive sticking points, especially as I heard them described today on the two 40 acre parcels within the center of this 160 acre parcel. I urge you to support this and I hope that with this now the attorneys can get together and put together a final binding set of legal papers that will make this a reality. It has always been our desire to have CIESIN in our midst, and I'm hoping that the action that we take today will move us very, very close to that becoming a reality."

Chairperson Ward asked for comments.

Trustee Revilla asked for the opportunity to explain her vote after the vote had been taken. Chairperson Ward replied that the opportunity would be provided.

There being no other comments, a roll call vote was taken.

Braun	yes
Clark	yes
Curtiss	yes
Hornsby	yes
Revilla	no
Rush	yes
Ward	yes
Abstentions	none

The motion was APPROVED by a vote of 6-1.

Trustee Revilla stated: "I have some differences with this particular proposal and that is the reason that I am voting no. I believe that CIESIN, in our discussions back and forth, has asked for a considerable contribution on the University's part, but I believe that they have a considerable amount to give back in exchange. Again, I think that this is an area that

has been very sensitive. We have had some excellent discussion among the Board, and I do have some differences with this. I don't think it's necessary to go into detail about what all my differences are with this proposal, but that is the reason I am voting no."

Chairperson Ward thanked Trustee Revilla.

He added, "I think that CIESIN will find that this is a framework that will accomplish everything that has been set forth. I hope that both sides can put their lawyers to work now and bring this home a winner. With that, we will make copies of the proposal available to our friends from CIESIN and hopefully we can take this to the next step, which I assume means putting the lawyers to work. If there are any rough edges, I assume that the process of casting it in legal language will make it possible to bring this to fruition in a way that's satisfactory to both sides."

Trustee Curtiss added: "We should also say that there is no implied or expressed time limit on the offer."

Chairperson Ward noted: "We want you, we always wanted you. We just don't want to do anything as trustees in our role as custodians of the assets of this University that could be deemed to be inappropriate....We think this deal is a win/win proposition both for the University and for CIESIN, and therefore we haven't sent an offer that has a time line, although we would like to see this brought to closure as soon as possible."

2) Resolution to Approve Leave Without Pay for Dr. W. Thomas Hearron

RES-1002 It was moved and supported that the following resolution be adopted:

WHEREAS, Dr. W. Thomas Hearron, Professor of English, has applied to teach at Shanghai International Studies University in China for Fall and Winter semesters 1992-93; and

WHEREAS, The Department of English and Dean of the College of Arts and Behavioral Sciences support Dr. Hearron's application; and

WHEREAS, Saginaw Valley State University and Shanghai International Studies University have an active faculty exchange program and the faculties of the two institutions will benefit from the continued exchange activities;

NOW, THEREFORE BE IT RESOLVED, That Dr. W. Thomas Hearron be granted a leave without pay for the period of August 31, 1992 through April 30, 1993.

President Gilbertson told the Board that this matter was originally intended to be on the Board's May agenda. However, it was not certain at that time whether Dr. Hearron would be going to West Africa as a Fulbright Scholar or if he would participate on our behalf as an Exchange Professor at Shanghai International Studies University in the Peoples Republic of China.

President Gilbertson recommended that the Board approve a leave without pay for Dr. Hearron to serve as an Exchange Professor at Shanghai International Studies University.

The motion was APPROVED unanimously.

3) Resolution to Approve Employment Contract for the President

RES-1003 It was moved and supported that the following resolution be adopted:

WHEREAS, The Board has reviewed the form of an extension to the Employment Agreement between the University and Dr. Eric R. Gilbertson, which provides for the continuing employment of Dr. Gilbertson as President of the University for the period of July 1, 1992 through December 31, 1996; and

WHEREAS, It is the judgment of the Board that such agreement should be executed, NOW, THEREFORE, BE IT RESOLVED, That the Employment Agreement in the form submitted to this meeting, which provides for the employment of Dr. Eric R. Gilbertson of Saginaw Valley State University, is hereby ratified and approved; and

BE IT FURTHER RESOLVED, That the Chairperson is authorized and directed to execute such employment agreement on behalf of the University.

Chairperson Ward noted that the Board reviews the President's performance annually. Based on that review, it was decided to extend to the President another three-year

contract. The terms and conditions are virtually the same as the previous contract, except for the length of notice in case either side decides not to renew the agreement.

Chairperson Ward stated: "We are delighted that Dr. Gilbertson wants to remain the President of this University community for another three years, and this resolution would accomplish that."

The motion was APPROVED unanimously.

4) Resolution to Adopt General Fund Operating Budget for 1992-93

RES-1004 It was moved and supported that the following resolution be adopted:

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

NOW, THEREFORE, BE IT RESOLVED, That the attached General Fund Budget Summary, including the attached schedule of tuition and fees charges to be effective beginning with the fall semester 1992, be adopted as the General Fund Operating Budget for Saginaw Valley State University's 1992-93 fiscal year; and

BE IT FURTHER RESOLVED, That the attached Budget Policy authorizes the President to administer University fiscal resources as set forth therein. (See Appendix Three: Budget)

President Gilbertson told the Board that the University has basically three major budgets: 1) the Capital Budget, which comes by appropriation through the State of Michigan and is used for specific capital projects or major capital projects; and 2) the Auxiliary Budget, which is a series of activities that operate almost like a stand alone subsidiary corporation -- dorm dining and residence halls are the major components of that budget; and 3) the General Fund Budget, which covers all salaries, library books, maintenance, utilities, etc.

There are two major sources of revenue for the General Fund Budget: state

appropriations and tuition and fees income. The major expenditure out of this budget is for personnel (over 70%).

In 1975-76, state support provided approximately 72% of the revenue for our General Fund Budget. During 1990-91, state support accounted for 64% of that budget. For the current year it is estimated that this percentage will drop to around 58%.

President Gilbertson stated: "This is a picture that you would find in institutions of our sort throughout the United States. Over a period of time, more and more of the costs of providing higher education opportunities have been shifted from the taxpayers to the consumers....That's a public policy matter, certainly beyond our control to decide."

President Gilbertson told the Board that SVSU is in the third year of its contract with faculty and is committed to a 5.25% across the board increase. Generally a commensurate increase is provided to administrative and professional personnel. We are presently in negotiations with clerical and maintenance staff.

An initial augmentation of \$25,000 for the Library's budget is proposed for the coming year.

Six new faculty positions are reflected in this year's budget model. These are largely in response to growth in enrollments (approximately 10% over the past two years). There are no new administrative positions or other staff positions. An additional \$25,000 has been added for increasing adjunct faculty compensation. There will be an increase of 3.65% for supplies and services. This is approximately the rate of inflation. It is hoped that the University's conservation efforts will allow a 0% increase in the utilities budget. There was also a surplus in last year's utilities account, because of the fairly mild winter and low rates.

This surplus will be dedicated to the utilities reserve, which can be utilized if necessary.

The proposed budget for 1992-93 anticipates a 3% enrollment growth for the year. This is a fairly conservative figure.

President Gilbertson added: "On the expenditure side, given the assumptions I have just given -- rate increases, new faculty positions -- it will require about \$1.327 million to fund the budget. That represents about a 6.11% increase in expenditures for compensation, including the new positions. Supplies and services growth of 3.65% requires just under a quarter of a million dollars in additional revenue. The Capital Budget within the General Fund requires about \$52,000 (5% adjustment) for books and equipment, plus the \$25,000 augmentation I mentioned earlier. That means in total we would need new revenues of \$1.628 million in this budget, which represents an overall General Fund growth of 5.58% over the current year's General Fund budget. This is a relatively modest growth, if you take into account that we are also talking about 3% more students and catching up on the enrollment growth of the past several years. How can we fund that? We anticipate that this year's state appropriation of \$16,942,000 will go up 0% in the coming year. Most years you would hear me whining about a 0% increase in state support. It is, after all, our major source of revenue. But I think we have to take into account the fiscal problems being faced by the State. In fact, a 0% growth looks pretty good compared to the cuts that have been imposed in a number of our sister states. In my judgment, this 0% growth represents a strong commitment on the part of both the Executive and the Legislative leadership of the State to protect higher education at a time when they cannot do very much to help us along."

President Gilbertson continued: "Our tuition and fee income is set by two factors: number of students and rates. With no rate increase, just increasing the number of students by 3% would generate an additional \$340,000 next year. Finally, because of very healthy enrollments this year we obtained some tuition income that was not permanently budgeted, and we were able to carry forward \$135,000 as an unbudgeted allocation for the coming year's budget. Therefore we have a step ahead on this year's budget which will help us mitigate things we will have to do. This still leaves a \$1.153 million hole that we need to resolve with rate changes. The rate changes we propose to accomplish this would mean a tuition increase per credit hour of 8.42% effective fall semester. We also propose an increase in the General Service Fee of \$1.50 -- not to be effective until January....This attempts to spread some of the impact of the increases over a period of time."

President Gilbertson noted that House Fiscal Agency data shows that relative to our sister institutions the growth in our tuition and fee rates has been very moderate. Over a ten-year period our tuition grew at the second slowest rate of the State's fifteen public universities. Over the past two years we were third smallest. Last year we had the second smallest increase in tuition rates. It is likely that the mean increase in tuition and fee rates in the state this year will be in double digits, ranging up to 15% at some institutions. A number of universities are also adding new fees, such as facilities fees or infrastructure fees, which are charged against all students. SVSU only charges tuition and the General Service Fee, and a variety of lab fees which are paid only by the students who take those particular courses. The level increase proposed in this budget would enable SVSU to remain in its position with those institutions with the most modest increases from year to year.

President Gilbertson noted: "This comes at some sacrifice. We added six faculty positions. We could use a whole lot more. We added only 3.65% (which is inflationary) in supplies and services, even though we are absorbing more and more students. Those students get more copies of materials, they put more wear on the carpet, they take out more library books, they need more help in the Registrar's Office and in Financial Aid. So one of the ways we are economizing is by absorbing more students without commensurate growth. We could use more, but this is our best judgment as to what the institution needs to keep moving forward in completing its mission, while minimizing the impact of the financial burden on our students."

Chairperson Ward stated: " I think we all understand that the state appropriation is flat, and that we have fixed obligations. I'm delighted that we were able to stay substantially below the double digit figure. I commend you on this. I know that everyone on this Board and everyone on the administration has great interest in our students and we do try to be as frugal as we can. I think that is reflected in the fact that even this year with no increase in our state appropriation we are able to stay at a number that's unfortunately higher than we would like, but comparatively speaking, pretty modest. I commend you, and I commend the administration. Sometimes you have to do things you don't like to do -- and this is one of those times."

Chairperson Ward asked for questions or comments. There were none.

The motion was APPROVED unanimously.

(Trustee Hornsby was excused from the meeting at this time.)

5) Resolution to Authorize Payment of Deferred Compensation to Dr. Jack M.

Ryder

RES-1005 It was moved and supported that the following resolution be adopted:

WHEREAS, There were deferred compensation agreements between the Board of Control and former President Dr. Jack M. Ryder with contributions beginning on July 1, 1980, and ending July 1, 1989; and,

WHEREAS, Section 4.(a.) of the last agreement dated June 9, 1986 states, "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": and,

WHEREAS, Former President Dr. Jack M. Ryder has announced his retirement from Saginaw Valley State University at the end of the fall semester, 1991;

NOW, THEREFORE, BE IT RESOLVED, That the President and/or the Vice President for Administration and Business Affairs are authorized to enter into contracts with TIAA-CREF to purchase contracts for annuities under Section 4.(a.) 2. of the Deferred Compensation Agreement of June 9, 1986, on behalf of Dr. Jack M. Ryder with the total accumulation of principal and interest calculated as of June 8, 1992.

Mr. Jerry A. Woodcock, Vice President for Administration and Business Affairs, told the Board that former President Jack M. Ryder's contract with SVSU had included a deferred compensation agreement, which stated that the entire amount credited to the Deferred Compensation Account was to be paid to him within 12 months of the termination of his employment with the institution. Dr. Ryder retired at the end of the fall semester of 1991. This resolution is necessary in order to transfer those moneys in accordance with the option he has selected.

Chairperson Ward asked for questions or comments. There were none.

The motion was APPROVED unanimously.

#### IV. INFORMATION AND DISCUSSION ITEMS

##### 6) Appointment of Acting Secretary

Chairperson Ward stated that Trustee Hornsby had asked to be temporarily replaced

as Secretary of the Board because his attendance at meetings will have to be somewhat irregular over the next several months. Hearing no objections, Chairperson Ward appointed Trustee Rush to serve as Acting Secretary until such time as Trustee Hornsby can resume those duties.

7) Personnel Report

The Board reviewed the Personnel Report (see Appendix Four: Personnel). President Gilbertson stated that the University is conducting a search for a new Dean for the College of Education and for eight faculty positions, six of which are new and two of which are replacements for faculty members who have retired.

8) Update on the Athletic Programs

Mr. Richard P. Thompson, Dean of Student Affairs, told the Board that SVSU had a very successful winter sports program this year. The Softball Team made the NCAA Division II Championship Finals, ending up in 4th place. The Bowling Team placed 5th in the Finals.

Mr. Thompson stated: "We're very proud of our athletes for doing so well in their sports events. But we're even prouder of their academic performance. This winter semester there were 14 athletes who had a perfect 4.0 Grade Point Average, while maintaining a full academic load of 12 hours or more. One hundred and five of the athletes who participated in our winter sports program maintained a 3.0 GPA or better while carrying 12 hours or more....I need to point out also that Brian Miller was the Great Lakes Intercollegiate Athletics Scholar Athlete of the Year for the entire collegiate athletic program. Brian has the distinction of graduating from the University with a perfect 4.0 Grade Point Average.

I'd also like to point out that we had three first team All Americans this winter semester in NCAA Division II -- Kathy Kinasz on our Softball Team and Becky Duda and Melanie Bowen on our Women's Track Team. We're very proud of their accomplishments as well."

(See Appendix Five: Athletics)

Mr. Thompson presented President Gilbertson with the trophy won by the "Old Cards" during the Gus Macker Tournament which was held in Saginaw late in May.

9) Enrollment Report

Paul Saft, Registrar, told the Board that enrollment the first half of this summer was up 5.8% over last summer. Credit hours were up 8.7%. He added, "Registration for fall semester is currently up approximately 5% -- but last year one freshman orientation had already taken place by this time. We have not yet started our freshman orientation this year -- if you take that into account, we are about 7% ahead of where we were last year....Over 4,600 students have already enrolled, and we think we may have around 6,700 students for fall."

V. REMARKS BY THE PRESIDENT

President Gilbertson told the Board that because it was so late, he would have no comments, unless the Board had questions.

Chairperson Ward thanked the Board and everyone else who represented the University for their good work on the CIESIN project. He stated: "I do think that we have come a long way. Each side did a good job of representing their respective interests, and I am very pleased at what our people have done in making 160 acres available to this exciting project. I'm hoping that we will see real benefits to the Saginaw Valley community

and to this fine, growing, young University. When we started I didn't think it could be done, but we are at a very important juncture....Again, my thanks to Dr. Gilbertson, Mr. Woodcock and Dr. Yien. I do think our University was well and vigorously represented, and I think we have achieved a great deal in the past months. So I'm excited, and I hope that my excitement is rewarded with a real deal soon."

VI. OTHER ITEMS FOR CONSIDERATION

There were no other items for consideration.

VII. ADJOURNMENT

10) Board Motion to Adjourn

BM-817 It was moved and supported that the meeting be adjourned.

The motion was APPROVED unanimously.

Chairperson Ward adjourned the meeting at 5:06 p.m.

Respectfully Submitted:

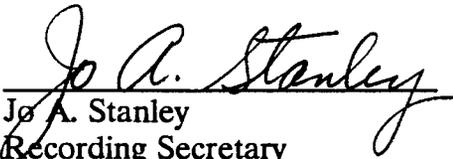
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George E. Ward  
Chairperson

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Thomas E. Rush  
Acting Secretary

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Jo A. Stanley  
Recording Secretary

JUNE 06, 1992

CIESIN, LIKE THE 20M DOLLAR FUNDING OF THE CHRISTOPHER COLUMBUS CENTER FOR MARINE RESEARCH IN BALTIMORE, MARYLAND, AND LIKE THE 22.5M DOLLAR FUNDING OF THE NATIONAL TECHNOLOGY TRANSFER CENTER IN MORGANTOWN, WEST VIRGINIA, AND A BUDGET ITEM OF 7.5M DOLLARS FOR A JESUIT COLLEGE IN WHEELING WEST VIRGINIA, ARE ALL IN NASA'S BUDGET. NOT BECAUSE NASA REQUESTED THEM, BUT BECAUSE THESE LOCATIONS ARE SERVED BY CONGRESSMEN THAT CHAIR APPROPRIATION COMMITTEES THAT HELP DETERMINE NASA'S BUDGET. THEY ARE PURE AND SIMPLE PORK BARREL PROJECTS THAT MAY OR MAY NOT BE NECESSARY AND GOOD, AND MAY OR MAY NOT SURVIVE. I PRESUME THEY ALSO CLAIM PRIVATE, NON-PROFIT STATUS AND EXEMPTION TO THE FREEDOM OF INFORMATION ACT, ALTHOUGH ONLY THE JESUIT COLLEGE'S CLAIM MAY BE LEGITIMATE SINCE THEY ARE NOT SOLELY FUNDED BY TAXPAYER DOLLARS.

I BELIEVE IT'S BECOMING MORE CLEAR THAT THE ELECTORATE IS NOT SATISFIED WITH GOVERNMENT AS USUAL, AND THAT GOVERNMENT MUST CHANGE THE WAY IT DOES BUSINESS. THE BOARD OF CONTROL OF SAGINAW VALLEY STATE UNIVERSITY MUST CONSIDER THIS WHEN DECIDING WHAT CIESIN IMPOSED CONDITIONS ARE ACCEPTABLE FOR THEM TO CONSIDER FREELY GIVING AWAY 20 PERCENT OF THE CAMPUS.

SHOULD THE BOARD OF CONTROL FEEL THAT THE PROPOSED USE OF THIS LAND IS NOT DETRIMENTAL TO THE DEVELOPMENT OF SVSU, I BELIEVE THAT THE LAND SHOULD NOT BE SOLD, SINCE IT THEN COULD EASILY BE RESOLD AND USED COMMERCIALY; BUT RATHER LEASED TO CIESIN AT COMPETITIVE RATES WITH THE PROVISION THAT SHOULD CIESIN CEASE TO EXIST, OR CEASE TO USE THE IMPROVEMENTS MADE AS ORIGINALLY INTENDED, THAT THE LEASE BE DECLARED VOID AND THAT ANY AND ALL IMPROVEMENTS MADE REVERT TO SVSC FREE OF ANY COST.

791451P  
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 R. D. Grindahl  
 R.D. Grindahl  
 5661 N. Ave. Ct.  
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## PROPOSED BUSINESS POINTS AGREEMENT

### STATEMENT OF CONSIDERATION

CIESIN will locate and maintain its headquarters and principal place of business on the SVSU campus, and will there engage in scientific, research and educational activities. CIESIN and SVSU agree that the establishment of CIESIN on the SVSU campus provides a significant opportunity for enhancing the educational programs offered by SVSU, providing for greater access to research programs and the funding of research by SVSU faculty, increasing employment opportunities for SVSU students and graduates, as well as for the community, and improving the quality of life for the entire region. CIESIN will also create improvements on the northwest quadrant of the SVSU campus, including roads and utilities. CIESIN recognizes that SVSU's decision to provide land for CIESIN's facility is made in consideration of these benefits. CIESIN therefore acknowledges that it has a responsibility to use its best efforts to conduct its programs in a manner that promotes the occurrence of these positive results. CIESIN therefore commits as follows:

- 0.1 CIESIN will include SVSU and its representatives in the future planning of any CIESIN project involving the expansion of facilities.
- 0.2 CIESIN will assess the impact, both positive and, if any, negative, of any major new program or initiative, and convey the results of such assessment to SVSU as soon as reasonably possible.
- 0.3 CIESIN will from time to time prepare a list of proposed projects which may be done jointly with SVSU, and consult with SVSU regarding the implementation of such projects.
- 0.4 CIESIN shall inform SVSU of grant opportunities of which it learns which may be coordinated with SVSU research, and shall support SVSU applications for such grants.
- 0.5 CIESIN shall encourage its research faculty to make themselves available to SVSU, either as adjunct faculty, seminar leaders, lecturers or in whatever reasonable supporting role SVSU may deem helpful.
- 0.6 CIESIN shall use its best efforts to insure that SVSU students and graduates are aware of all employment opportunities within CIESIN, and shall monitor its employment practices to insure that SVSU students and graduates have full access to such job opportunities.
- 0.7 In recognition that CIESIN has a responsibility to accomplish its mission in such a fashion as to promote the benefit to the immediate community and region surrounding its facility, CIESIN shall consult with SVSU on as regular a basis as

SVSU may desire as to how CIESIN may further utilize SVSU facilities, and existing community facilities, in such a fashion as to provide a mutual benefit to CIESIN, SVSU and the community itself.

SVSU and CIESIN shall meet periodically, but not less frequently than once each calendar year, to review uses of land subject to or deeded pursuant to this agreement, progress and developments relative to matters of consideration to SVSU, as identified in this agreement, and such other matters as may be relevant to the shared interests of the parties.

## **1. Land transfer.**

- 1.1 The northwest quadrant of the SVSU campus, comprising of approximately 160 acres, will be master-planned by Smith, Hinchman & Grylls (SH&G) and Johnson, Johnson, and Roy (JJR) for immediate (1993) construction of CIESIN's Phase I facilities and for future (3-15 years) CIESIN build-out.
- 1.2 In consideration of the above stated commitments by CIESIN, SVSU agrees as follows: A central 40 acres in this northwest quadrant of the SVSU campus ("Parcel A") will be transferred to CIESIN by SVSU subject to the limitations and conditions set forth hereinafter. This conveyance will occur at such time as CIESIN secures funding for the construction of its headquarters facility on this site.
  - 1.21 The deed to this land would both restrict the use of the land for CIESIN for agreed upon purposes (scientific research and education related thereto, hereinafter called "use restrictions"), and would embody general development criteria mutually agreed upon at the time of the transaction.
  - 1.22 Based upon recommendations and current thinking of JJR, CIESIN's current list of development criteria for this central area is as follows:
    - 1.221 Total building development on the central 40 acres would not exceed 500,000 square feet at full build-out. Total footprint of buildings, roads, and parking would not exceed 50% of the 40 acre site;
    - 1.222 Buildings for all development phases would be used only by CIESIN or by organizations working with CIESIN to fulfill its mission in the global environment change research program;
    - 1.223 All buildings setback 500 feet (minimum) from center lines of abutting roads;

- 1.224 Building heights consistent with SVSU campus, with one vertical element;
- 1.225 "High-touch/earth-friendly" materials, as feasible;
- 1.226 Surface parking lots of approximately 100 spaces;
- 1.227 Native landscape (reforestation: meadows with native grasses and wildflowers);
- 1.228 Wetlands and natural swales for storm water management.
- 1.229 CIESIN will not materially depart from the above described "recommendations" without the prior approval of SVSU, which approval shall not be unreasonably withheld.

- 1.3 A second 40 acres ("Parcel B") will be transferred to CIESIN at a future date and subject to the following conditions and restrictions:
- 1.31 CIESIN shall have first obtained satisfactory financing for the uses of or construction of improvements on Parcel B or some substantial portion thereof.
  - 1.32 Any uses of Parcel B shall be subject to the same use restrictions and development restrictions as are applicable to Parcel A. set forth in this agreement.
  - 1.33 SVSU and CIESIN will work closely together to seek out other parties -- governmental or private -- who wish to establish research or educational facilities on the campus. SVSU and CIESIN will jointly develop a list of prequalified potential occupants or functions for facilities located on this land. In the event CIESIN proposes to permit the occupancy of such a facility by a party or for a function that has not met the agreed prequalification criteria, SVSU will respond to this proposal with 30 days of its receipt.
  - 1.34 SVSU shall receive from CIESIN 20% of the fair market rental value of space use resulting from any transaction granting use or benefit of such land or facilities thereon to any third party.
  - 1.35 In the event CIESIN does not undergo its anticipated expansion, any unutilized land (as defined by the masterplanners) in site B shall revert to the sole use of SVSU, at one of the following points in time, whichever occurs sooner:

- i) Ten years after the initiation of the CIESIN headquarters project;  
or
- ii) Five years after completion and placing in use of the last expansion.

1.36 SVSU shall covenant to CIESIN as to the use of any land which reverts pursuant to paragraph 1.32, and shall be bound by the same restrictions by which CIESIN is bound to SVSU under paragraph 1.2.

### **Perimeter lands.**

- 2.1 A perimeter 80 acres will be retained by SVSU, but would be committed to permanent open space through appropriate covenants, trusts, or other legal mechanisms, subject to condition that CIESIN continues to exist and to occupy Parcel A as its headquarters and principal place of business and as long as CIESIN's interests under paragraph 1.3 have not reverted to SVSU under paragraph 1.35.
- 2.2 The perimeter 80 acres would be master-planned per above.
- 2.3 CIESIN would invest in appropriate natural landscaping and infrastructure on this land.
- 2.4 An agreement shall be developed concerning the perimeter 80 acres, to include the following permanent easements for CIESIN:
  - 2.41 Entrance drives and identification signs;
  - 2.42 Utility corridors (above and below ground);
  - 2.43 Surface parking in accordance with the above criteria;
  - 2.44 Native landscape restoration (reforestation; hedgerows: meadows);
  - 2.45 Storm water management/wetlands development.
- 2.5 CIESIN will be responsible for the maintenance of all roads, utilities and utility connections, public safety and other necessary services for this perimeter 80 acres.
- 3. **SVSU reversionary rights.**
  - 3.1 In the event CIESIN ceases doing business, ceases to occupy Parcel A as its headquarters and primary place of business, or in the event CIESIN attempts to alienate land in either Parcel A or Parcel B or any part thereof, all land

transferred to CIESIN under this agreement shall revert to SVSU (including the land discussed in paragraph 1.35 for which time limits have not yet expired).

3.2 CIESIN may pledge its real estate improvements for financing of expansion, and SVSU will subordinate its reversionary interests in connection with such financing, provided that:

3.21 Any asset pledged is subject to the same use restrictions set forth hereinabove; and

3.22 Any asset so encumbered is not subject to a lien of greater than fifty percent of its fair market value at the time of the encumbrance; and

3.23 The subordination relates to the smallest parcel of land reasonably required in order to occupy and operate the improvement being encumbered, in accordance with the guidelines and standards utilized by the Michigan State Building Authority for the SVSU campus; and

3.24 SVSU shall be granted an option to assume any mortgage or other instrument of debt in the event CIESIN or any other party should default on the same.

#### 4. TERMINATION.

Any and all provisions of this agreement will become void if CIESIN either ceases to do business or to occupy site A as its headquarters and principal place of business.

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6/8/92

## ALTERNATIVE

### PROPOSED BUSINESS POINTS AGREEMENT-

#### STATEMENT OF CONSIDERATION

CIESIN will locate and maintain its headquarters and principal place of business on the SVSU campus, and will there engage in scientific, research and educational activities. CIESIN and SVSU agree that the establishment of CIESIN on the SVSU campus provides a significant opportunity for enhancing the educational programs offered by SVSU, providing for greater access to research programs and the funding of research by SVSU faculty, increasing employment opportunities for SVSU students and graduates, as well as for the community, and improving the quality of life for the entire region. CIESIN recognizes that SVSU's decision to provide land for CIESIN's facility is made in consideration of these benefits. CIESIN therefore acknowledges that it has a responsibility to use its best efforts to conduct its programs in a manner that promotes the occurrence of these positive results. CIESIN therefore commits as follows:

- 0.1 CIESIN will include SVSU and its representatives in the future planning of any CIESIN project involving the expansion of facilities.
- 0.2 CIESIN will assess the impact, both positive and, if any, negative, of any major new program or initiative, and convey the results of such assessment to SVSU as soon as reasonably possible.
- 0.3 CIESIN will from time to time prepare a list of proposed projects which may be done jointly with SVSU, and consult with SVSU regarding the implementation of such projects.
- 0.4 CIESIN shall inform SVSU of grant opportunities of which it learns which may be coordinated with SVSU research, and shall support SVSU applications for such grants.
- 0.5 CIESIN shall encourage its research faculty to make themselves available to SVSU, either as adjunct faculty, seminar leaders, lecturers or in whatever reasonable supporting role SVSU may deem helpful.
- 0.6 CIESIN shall use its best efforts to insure that SVSU students and graduates are aware of all employment opportunities within CIESIN, and shall monitor its employment practices to insure that SVSU students and graduates have full access to such job opportunities.
- 0.7 In recognition that CIESIN has a responsibility to accomplish its mission in such a

fashion as to promote the benefit to the immediate community and region surrounding its facility, CIESIN shall consult with SVSU on as regular a basis as SVSU may desire as to how CIESIN may further utilize SVSU facilities, and existing community facilities, in such a fashion as to provide a mutual benefit to CIESIN, SVSU and the community itself.

SVSU and CIESIN shall meet periodically, but not less frequently than once each calendar year, to review uses of land subject to or deeded pursuant to this agreement, progress and developments relative to matters of consideration to SVSU, as identified in this agreement, and such other matters as may be relevant to the shared interests of the parties.

## **1. Land transfer.**

1.1 In consideration of the above stated commitments by CIESIN, SVSU agrees as follows: An 80 acre parcel located at the northwest corner of the SVSU campus will be transferred to CIESIN by SVSU subject to the limitations and conditions set forth hereinafter. An initial 40 acre conveyance ("Parcel A") will occur at such time as CIESIN secures funding for the construction of its headquarters facility on this site. A second 40 acre parcel ("Parcel B") adjacent to Parcel A will be conveyed at such time as certain conditions, set forth hereinafter, are met.

1.11 The deed to this land will both restrict CIESIN's use of the land to agreed upon purposes (scientific research and education related thereto) and will embody general development criteria mutually agreed upon at the time of the transaction.

1.12 Based upon current thinking, CIESIN's current list of development criteria for this central area is as follows:

- 1.121 Total building development on the 80 acres would not exceed 1,000,000 square feet at full build-out.
- 1.122 Buildings for all development phases would be used only by CIESIN or by organizations working with CIESIN to fulfill its mission in the global environment change research program;
- 1.123 All buildings setback 250 feet (minimum) from center lines of abutting roads;
- 1.124 Building heights consistent with SVSU campus, with one vertical element;
- 1.125 "High-touch/earth-friendly" materials, as feasible;

- 1.126 All parking lots setback 250 feet (minimum) from center lines of abutting roads;
- 1.127 Surface parking lots of approximately 100 spaces;
- 1.128 Native landscape (reforestation: meadows with native grasses and wildflowers);
- 1.129 Wetlands and natural swales for storm water management.
- 1.1210 CIESIN will not materially depart from the above described "current thinking" without the prior approval of SVSU, which approval shall not be unreasonably withheld.

1.2 Conveyance of Parcel B from SVSU to CIESIN shall occur when CIESIN has first obtained satisfactory financing for the uses of or construction of improvements on Parcel B or some portion thereof, and subject to the following conditions and restrictions:

- 1.21 Any uses of Parcel B shall be subject to the same use and development restrictions as are applicable to Parcel A, set forth in this agreement.
- 1.22 SVSU shall receive from CIESIN 20% of the fair market rental value of space use resulting from any transaction granting use or benefit of such land or facilities thereon to any third party.
- 1.23 In the event the CIESIN project or related developments do not undergo the anticipated expansion, any unutilized land (as defined by the masterplanners) in site B shall revert to the sole use of SVSU, at one of the following points in time, whichever occurs sooner:
  - i) Ten years after the initiation of the CIESIN headquarters project; or
  - ii) Five years after completion and placing in use of the last expansion.
- 1.24 SVSU shall covenant to CIESIN as to the use of any land which reverts pursuant to paragraph 1.23, and shall be bound by the same restrictions by which CIESIN is bound to SVSU under section 1.2.

## 2. SVSU reversionary rights.

- 2.1 In the event CIESIN ceases doing business, ceases to occupy Parcel A as its headquarters and primary place of business, or in the event CIESIN attempts to

alienate land in either Parcel A or Parcel B or any part thereof, all land transferred to CIESIN under this agreement shall revert to SVSU (including the land discussed in paragraph 1.23 for which time limits have not yet expired).

2.2 CIESIN may pledge its real estate improvements for financing of expansion, and SVSU will subordinate its reversionary interests in connection with such financing, provided that:

2.21 Any asset pledged is subject to use restrictions set forth hereinabove; and

2.22 Any asset so encumbered is not subject to a lien of greater than fifty percent of its fair market value at the time of the encumbrance, and

2.23 The subordination relates to the smallest parcel of land reasonably required in order to occupy and operate the improvement being encumbered, and in accordance with the guidelines and standards utilized by the Michigan State Building Authority for the SVSU campus; and

2.24 SVSU shall be granted an option to assume any mortgage or other instrument of debt in the event CIESIN or any other party should default on the same.

### 3. TERMINATION.

Any and all provisions of this agreement will become void if CIESIN either ceases to do business or to occupy site A as its headquarters and principal place of business.

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6/8/92

**SAGINAW VALLEY STATE UNIVERSITY  
GENERAL FUND BUDGET SUMMARY**

<u>BASE BUDGET</u>	<u>FISCAL YEAR 1992-93</u>
<b><u>REVENUES:</u></b>	
State Appropriation	\$16,942,533
Tuition and Fees	12,818,000
Miscellaneous	923,313
Total Revenues	<u>30,683,846</u>
<b><u>EXPENDITURE ALLOCATIONS:</u></b>	
Compensation	23,031,827
Supplies, Materials & Services	7,067,139
Capital Expenditures	584,880
Total Expenditures	<u>30,683,846</u>
Resources Over/(Under) Expenditures	<u><u>\$0</u></u>
<b><u>FUND BALANCE</u></b>	
Balance at Beginning of Year, 7/1/92 (Est.)	\$224,300
Resources Over/Under expenditures, FY 1992-93	0
Anticipated Fund Balance at 6/30/93	<u><u>\$224,300</u></u>

SAGINAW VALLEY STATE UNIVERSITY  
TUITION AND FEES  
1992-93

Appendix Three: Budg

TUITION

Michigan Residents:	
Undergraduate Courses	\$80.50/cr.hr.
Graduate Courses	121.00/cr.hr.
Non-Residents:	
Undergraduate Courses	169.75/cr.hr.
Graduate Courses	236.50/cr.hr.
Auditor	Tuition Rate
Credit by Examination	Tuition Rate

FEES

General Service [a]	4.00/cr.hr. 5.50/cr.hr. (effective Winter Semester, 1993)
Athletic Season Pass (annual fee)	25.00
Listener's Permit	60.00/course
Off-Campus Service Fee	See Footnote [b]
Laboratory	
General	55.00/course
Engineering & Nursing	60.00/course
Course Fees (Non-Laboratory)	
Engineering - Upper Division Courses	35.00/course
Nursing - Upper Division Courses	35.00/course
Music, Art, Teacher Education-Field Work	35.00/course
Education - Student Teaching	55.00/course
Applied Music [c]	100.00/cr.hr.
Equitation	40.00/cr.hr.
Application	20.00
Orientation	40.00 FTIC 20.00 Transfer
Late Registration	50.00
Late Payment [d]	12.50
Hand Registration	25.00 transaction
I.D. Replacement	5.00
Graduation	30.00

Transcript	\$4.00/official copy 1.00/student copy
Diploma Replacement	5.00
Diploma Cover Replacement	6.00
Return Check Service Charge [e]	15.00

Placement	3.00/Credentials File 18.00/Job Bulletin Subscription
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SPECIAL TUITION AND/OR FEE RATES

The Electronic Campus Program	270.00/cr.hr.
International M.B.A.	250.00/cr.hr.
Senior Citizens (60 and Over) and employees and employee dependents	1/2 tuition plus other fees
Macomb Program -- Off-Campus Service Fee	35.00/cr.hr.
Oscoda/Wurtsmith Center -- Undergraduate Tuition	94.50/cr.hr.
Graduate Tuition	111.50/cr.hr.

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

Parking Facility Fee	\$1.30/cr.hr.
Student Government Fee	.63/cr.hr. .75/cr.hr. (effective Winter, 1993)
Publication Fee	.17/cr.hr.
Facility Debt Service Fee	Up to .90/cr.hr.
First Aid Facility Fee	Up to \$1.00/cr.hr.
Registration Processing	Residual

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

30 miles – includes Bay City, Midland, and Saginaw	\$10.00/cr.hr.
31–45 miles – includes Caro	18.00/cr.hr.
46–60 miles – includes West Branch	26.00/cr.hr.
61 and over miles – includes Kirtland Community College (Macomb and Oscoda/Wurtsmith Center have independent fee structures.)	33.00/cr.hr.

[c] Plus tuition.

[d] 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.

[e] If charge involves registration, board and room payment, or apartment rent, late payment charges can also apply.

## BUDGET POLICY

In adopting a fiscal year budget for the University, the Board of Control recognizes that the projection of revenues is necessarily imprecise and that management must also be delegated sufficient authority and flexibility to carry out the institution's work under changing circumstances during the fiscal year. Accordingly, the President of the University shall be authorized to administer the University's fiscal resources within the overall limitations established by the budget and shall further seek Board of Control consultation or approval as follows:

- 1) At such time as revenues for the fiscal year become more accurately ascertainable, and as soon as practicable, the President shall present a revised budget to the Board for action. It is anticipated that such action will likely be requested at or around the month of November during each fiscal year.
- 2) The President is authorized to allocate or reallocate sums for expenditure within available resources and as may be needed to carry out the University's work. In the event allocation/reallocation by budget category changes the budget category by one half of one percent ( $\frac{1}{2}\%$ ) of the total General Fund approved budget, this matter shall be brought to the Finance and Audit Committee of the Board for consultation.
- 3) It is further recognized that because the final revenues realized for any fiscal year as well as final expenditure levels by accounting category are not possible to project within that fiscal year, a budget reconciliation will be necessary at the conclusion of the fiscal year. At such time, the President will be responsible for explaining and defending any variances between approved budgets and final revenue figures and expenditures by accounting categories.

**Current Positions Filled****June, 1992****ADMINISTRATIVE/PROFESSIONAL**

Ms. Barbara A. Anderson Eddy - Hired as Director of Scientific Outreach, Institute for Environmental Policy and Education (new). Ms. Eddy received a B.B.A. in 1985 from the University of Texas and is a Certified Public Accountant. Before joining SVSU Ms. Eddy was employed by the University Corporation for Atmospheric Research as Program Manager for the Office for Interdisciplinary Earth Studies.

Ms. Cynthia I. Bala - Promoted to Grant Accountant, Office of the Controller (replacement). Ms. Bala is currently completing a B.B.A. with SVSU, and previously served as Staff Accountant.

Ms. Lori A. Fisher - Hired as part-time, Student Employment Specialist (new). Ms. Fisher received a B.S. in 1990 from Kansas State University. Prior to joining SVSU Ms. Fisher served as Personnel Administrator for Western Auto in Kansas City.

Mr. Matthew F. Hufnagel - Hired as one-year, temporary Research Assistant, Business and Industrial Development Institute (new). Mr. Hufnagel received a B.B.A. from SVSU in 1992 and formerly was a Student Intern with the Business and Industrial Development Institute.

Ms. Janice L. Martz - Hired as Reference Librarian, Zahnow Library (replacement). Ms. Martz received an M.I.L.S. in 1990 from the University of Michigan, an M.A. in 1989 and an M.S. in 1980 both from Eastern Michigan University, and a B.A. in 1977 from Michigan State University. Ms. Martz was formerly employed as a Mortgage Loan Officer with NBD Mortgage Company.

Ms. Monica A. Ollendorff - Hired as Reference Librarian, Zahnow Library (replacement). Ms. Ollendorff received an M.L.S. in 1987 from Kent State University, an M.S. in 1974 from the University of Louisville and a B.S. in 1967 from Ohio University. Before joining SVSU Ms. Ollendorff was employed as Reference Librarian and Social Science Bibliographer at Michigan State University.

Mr. Lee "Woody" Pelton - Hired as Special Assistant to the President for International Programs (new). Mr. Pelton received both a B.A. in 1975 and an M.A. in 1977 from the University of North Carolina, and a J.D. in 1984 from George Washington University. Before joining SVSU Mr. Pelton was an Attorney with the law firm of Sutherland, Asbill & Brennan in Washington, D.C.

Ms. Connie J. Schweitzer - Hired as Buyer, Office of Business and Auxiliary Services (replacement). Ms. Schweitzer received an A.A. from Delta College in 1978 and is currently completing a B.B.A. at Northwood Institute. Prior to accepting this appointment Ms. Schweitzer was Materials Management Supervisor at Saginaw General Hospital.

