

PERFORMANCE AUDIT  
OF  
SAGINAW VALLEY STATE UNIVERSITY

December 1997

## EXECUTIVE DIGEST

# SAGINAW VALLEY STATE UNIVERSITY

---

### INTRODUCTION

This report, issued in December 1997, contains the results of our performance audit of Saginaw Valley State University.

---

### AUDIT PURPOSE

This performance audit\* was conducted as part of the constitutional responsibility of the Office of the Auditor General. Performance audits are conducted on a priority basis related to the potential for improving effectiveness\* and efficiency\*. For audits of universities, audit selection is based on several factors, such as length of time since our last audit and legislative requirements. Section 808(1), Act 312, P.A. 1994, mandates that the Auditor General audit the intercollegiate athletic programs at public universities.

---

### BACKGROUND

The University was originally established in November 1963. In November 1965, it became a State-supported institution and was granted university status in 1987.

The University's mission\* statement states that:

The primary mission of Saginaw Valley State University is to provide opportunities for individuals to achieve intellectual and personal growth. A concurrent mission is to develop individuals' potential to provide

\* See glossary on page 43 for definition.

leadership and professional skills for the civic, economic and cultural well-being of the region, state and society. The university also exists to serve as a cultural and intellectual resource dedicated to the development, acquisition, and dissemination of knowledge.

In support of the educational mission, the Department of Intercollegiate Athletics' mission states that the principal goal of the athletics programs ". . . is to teach the lessons and values that can be learned through competitive athletics, both for the benefit of participating students and spectators."

The University is a Division II member of the National Collegiate Athletic Association\* (NCAA), the Great Lakes Intercollegiate Athletic Conference, and the Midwest Intercollegiate Football Conference. University intercollegiate athletic programs consist of men's baseball, basketball, football, golf, soccer, and track/cross country and women's basketball, soccer, softball, tennis, track/cross country, and volleyball. For academic year 1995-96, 251 male and 84 female students were involved in intercollegiate athletic programs.

This audit includes an examination of revenues and expenditures, internal controls, disclosure of outside income, and the athletic program mission, as mandated by Act 312, P.A. 1994. In addition, Act 312 mandates that these audits report on the number of student athletes and the number and amount of scholarships and other financial

\* See glossary on page 43 for definition.

assistance provided to student athletes. Our report includes this information in the exhibits presented as supplemental information.

The University reported more than 7,000 students enrolled per academic year during the period covered by our audit. Approximately 99% of these students were Michigan residents.

Fiscal year 1995-96 current fund (general, designated, auxiliary activities, and expendable restricted) revenues were \$48.0 million (Exhibit 1) and expenditures and net transfers were \$47.3 million (Exhibit 2). As of September 30, 1996, the University employed 766 persons, consisting of faculty, administrative personnel, and other support personnel.

---

**AUDIT OBJECTIVES,  
CONCLUSIONS, AND  
NOTEWORTHY  
ACCOMPLISHMENTS**

**Audit Objective:** To assess the effectiveness of the University's methods for monitoring student admissions, student academic assistance, student academic progress\*, and student achievement.

**Conclusion:** We concluded that the University's methods were generally effective for monitoring the effectiveness of student admissions, student academic assistance, student academic progress, and student achievement. However, our assessment identified the following material condition\* :

- The University did not enforce its basic skills requirements to ensure that students satisfied basic skills testing and course requirements (Finding 1).

The University concurred with the related recommendation. The University stated that the

\* See glossary on page 43 for definition.

Academic Orientation and Registration Programs, established in the spring of 1995, ensure placement testing and basic skills compliance for all new students.

Our assessment also identified reportable conditions\* related to basic skills courses, high risk student tracking, graduate monitoring, and management information (Findings 2 through 5).

**Noteworthy Accomplishments:** The University received a 10-year full accreditation from the North Central Association of Colleges and Secondary Schools in November 1994.

**Audit Objective:** To assess the effectiveness of the University's methods for monitoring the efficient use of resources for faculty and instructional space utilization.

**Conclusion:** We concluded that the University's methods for monitoring the efficient use of resources were generally effective. However, we identified a reportable condition related to repetitive course enrollments (Finding 6).

**Noteworthy Accomplishments:** The University has effectively managed classroom utilization during a period of increasing growth. For its fall 1996 semester, the University's utilization rate for general purpose classrooms (excluding the portable classrooms that the University is phasing out) was 74%, and the University's class occupancy rate was 79%. Also, the University has recently purchased software that is intended to further assist in making classroom assignments.

\* See glossary on page 43 for definition.

**Audit Objective:** To assess the effectiveness of the University's methods for monitoring the intercollegiate athletic program toward the program's achievement of its mission.

**Conclusion:** We concluded that the University's methods for monitoring the intercollegiate athletic program toward the program's achievement of its mission were generally effective. However, we identified reportable conditions related to internal controls over travel expenditures, NCAA squad lists, and academic support services for student athletes (Findings 7 through 9).

---

**AUDIT SCOPE AND  
METHODOLOGY**

Our audit scope was to examine the program and other records of Saginaw Valley State University. Our audit was conducted in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States and, accordingly, included such tests of the records and such other auditing procedures as we considered necessary in the circumstances.

Our audit included an examination of the University's records and activities covering the period October 1, 1994 through September 30, 1996.

To accomplish our objectives, we examined policies and procedures and analyzed data related to the admissions process, retention and attrition trends, the student tracking system, academic progress, and developmental courses. We also analyzed the student transfer process, academic program reviews, the student outcomes assessment program, class scheduling, degree programs, classroom utilization, and faculty utilization. Further, we examined policies and procedures and analyzed information related to academic support of student athletes, and assessed the

internal control structure related to athletic aid\* , athletic revenues and expenditures, and the disclosure of outside income.

---

**AGENCY  
RESPONSES**

Our audit report includes 9 findings and 9 corresponding recommendations. The University's preliminary response indicates concurrence and compliance with 8 of the recommendations and states that it will further investigate the remaining recommendation.

\* See glossary on page 43 for definition.

December 4, 1997

Mr. Robert H. Walpole, Chair  
Board of Control  
and  
Dr. Eric R. Gilbertson, President  
Saginaw Valley State University  
University Center, Michigan

Dear Mr. Walpole and Dr. Gilbertson:

This is our report on the performance audit of Saginaw Valley State University.

This report contains our executive digest; description of agency; audit objectives, scope, and methodology and agency responses; comments, findings, recommendations, and agency preliminary responses; various exhibits, presented as supplemental information; and a glossary of acronyms and terms.

Our comments, findings, and recommendations are organized by audit objective. The agency preliminary responses were taken from the University's responses subsequent to our audit fieldwork. Annual appropriations acts require that the audited institution develop a formal response within 60 days after release of the audit report.

We appreciate the courtesy and cooperation extended to us during the audit.

AUDITOR GENERAL

This page intentionally blank.

## TABLE OF CONTENTS

### SAGINAW VALLEY STATE UNIVERSITY

#### INTRODUCTION

	<u>Page</u>
Executive Digest	1
Report Letter	7
Description of Agency	11
Audit Objectives, Scope, and Methodology and Agency Responses	13

#### COMMENTS, FINDINGS, RECOMMENDATIONS, AND AGENCY PRELIMINARY RESPONSES

Monitoring of Academic and Related Programs	16
1. Basic Skills Requirements	17
2. Basic Skills Courses	19
3. High Risk Student Tracking	20
4. Graduate Monitoring	22
5. Management Information	23
Use of Resources for Academic and Related Programs	24
6. Repetitive Course Enrollments	25
Use of Resources for the Intercollegiate Athletic Program	27
7. Travel Expenditure Controls	29
8. NCAA Squad Lists	31
9. Academic Support Services for Student Athletes	32

#### SUPPLEMENTAL INFORMATION

Exhibit 1 - Current and General Fund Revenues for Fiscal Year 1995-96	35
Exhibit 2 - Current and General Fund Expenditures and Transfers for Fiscal Year 1995-96	36
Exhibit 3 - General Fund Instruction Expenditures and Transfers by College for Fiscal Year 1995-96	38

Exhibit 4 - Intercollegiate Athletic Program - Statement of Revenues and Expenditures for the Fiscal Year Ended June 30, 1996	39
Exhibit 5 - Intercollegiate Athletic Program - Statement of Revenues and Expenditures for the Fiscal Year Ended June 30, 1995	40
Exhibit 6 - Number of Student Athletes	41
Exhibit 7 - Amount of Athletic Aid Awarded	42

## GLOSSARY

Glossary of Acronyms and Terms	43
--------------------------------	----

## Description of Agency

Saginaw Valley State University is a public institution of higher education that grants baccalaureate and master's degrees. The University was originally established in 1963 as a private institution known as Delta Senior University and was renamed to Saginaw Valley College (SVC) soon thereafter. In 1965, SVC became Saginaw Bay State College, a state-supported institution, with the adoption of Act 278, P.A. 1965 (Sections 390.711 - 390.716 of the *Michigan Compiled Laws*). It was renamed to Saginaw Valley State College by Act 14, P.A. 1975 (Section 390.711 of the *Michigan Compiled Laws*). The College was granted university status in 1987 and was renamed to Saginaw Valley State University.

SVC opened in the fall of 1964 in temporary space on the Delta College campus and moved to its present site in early 1967. This location is a 782-acre campus within a triangle formed by the three cities of Saginaw, Midland, and Bay City.

The University's governing body is an eight-member Board of Control, a body corporate, appointed by the Governor with the advice and consent of the Senate. The Board has general supervision of the University and control and direction of all expenditures from the University funds. The State Legislature annually appropriates money to help maintain the University.

The University's mission statement states that:

The primary mission of Saginaw Valley State University is to provide opportunities for individuals to achieve intellectual and personal growth. A concurrent mission is to develop individuals' potential to provide leadership and professional skills for the civic, economic and cultural well-being of the region, state and society. The university also exists to serve as a cultural and intellectual resource dedicated to the development, acquisition, and dissemination of knowledge.

In support of the educational mission, the Department of Intercollegiate Athletics mission states that the principal goal of the athletics programs ". . . is to teach the lessons and values that can be learned through competitive athletics, both for the benefit of participating students and spectators."

In November 1994, the University received a 10-year full accreditation from the North Central Association of Colleges and Secondary Schools (NCA). The University first received NCA accreditation as a baccalaureate degree granting institution in 1970 and then as a master's degree granting institution in 1980. In addition, some individual programs of the University's colleges and departments are also accredited by 7 other accrediting bodies.

The University reported a headcount of more than 7,000 students enrolled per fiscal year during the period covered by our audit. Approximately 99% of these students were Michigan residents.

The University is a participant in the Michigan Association of Collegiate Registrars and Admissions Officers Agreement. The purpose of this Agreement is to ensure that students who complete a specified distribution of general education courses at a community college will have satisfied general education requirements at participating four-year colleges upon transfer. Also, the University has established course equivalencies to help identify which courses will transfer from community colleges to the University. Transfer students account for over 50% of all new enrollments each fiscal year.

Fiscal year 1995-96 current fund (general, designated, auxiliary activities, and expendable restricted) revenues were approximately \$48.0 million (Exhibit 1) and expenditures and net transfers were approximately \$47.3 million (Exhibit 2). The University received general fund revenues from State appropriations (\$18.5 million), tuition and fees (\$17.0 million), and other sources (\$1.7 million) for a total of \$37.2 million (Exhibit 1). As of September 30, 1996, the University employed 183 full-time faculty, 275 part-time faculty, 145 full-time and 9 part-time administrative personnel, and 138 full-time and 16 part-time other support personnel.

## Audit Objectives, Scope, and Methodology and Agency Responses

### Audit Objectives

Our performance audit of Saginaw Valley State University had the following objectives:

1. To assess the effectiveness of the University's methods for monitoring student admissions, student academic assistance, student academic progress, and student achievement.
2. To assess the effectiveness of the University's methods for monitoring the efficient use of resources for faculty and instructional space utilization.
3. To assess the effectiveness of the University's methods for monitoring the intercollegiate athletic program toward the program's achievement of its mission.

### Audit Scope

Our audit scope was to examine the program and other records of Saginaw Valley State University. Our audit was conducted in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States and, accordingly, included such tests of the records and such other auditing procedures as we considered necessary in the circumstances.

As part of our audit, we prepared, based on the University's financial statements and other records, statements of revenues and expenditures for intercollegiate athletics (Exhibits 4 and 5). We also prepared, from information compiled by the University, other exhibits (1 through 3, 6 and 7). Our audit was not directed toward expressing an opinion on this information and, accordingly, we express no opinion on it.

The financial statements of Saginaw Valley State University are audited annually by a public accounting firm engaged by the University.

### Audit Methodology

Our audit procedures were conducted between September 1996 and March 1997 and included examinations of the University's records and activities covering the period October 1, 1994 through September 30, 1996.

Our methodology included a preliminary survey of University operations. This included interviewing various University personnel, reviewing applicable policies and procedures, analyzing available data/statistics, reviewing reference materials, and obtaining an understanding of the University's internal control structure\* and operational and academic activities to formulate a basis for defining the audit scope.

To accomplish our first objective, we examined policies and procedures and analyzed data related to the admissions process; retention and attrition trends; the student tracking system; academic progress, including probation, dismissal, and advising; placement into developmental courses; and the progress of developmental students. We also analyzed the student transfer process, including the Michigan Association of Collegiate Registrars and Admissions Officers Agreement and equivalencies; academic program reviews; and the student outcomes assessment program.

To accomplish our second objective, we examined policies and procedures and analyzed data related to class scheduling, continuance of degree programs with few graduates, classroom utilization, and faculty utilization.

To accomplish our third objective, we examined policies and procedures related to academic support of student athletes. We analyzed student information, such as graduation rates, freshmen admissions, academic progress, and gender equity. We also assessed the internal control structure related to athletic aid, athletic revenues and expenditures, and the disclosure of outside income.

### Agency Responses

Our audit report included 9 findings and 9 corresponding recommendations. The University's preliminary response indicates concurrence and compliance with 8 of the

\* See glossary on page 43 for definition.

recommendations and states that it will further investigate the remaining recommendation.

The agency preliminary response which follows each recommendation in our report was taken from the agency's written comments and oral discussion subsequent to our audit fieldwork. Annual appropriations acts require the principal executive officer of the audited institution to submit a written response to our audit to the Auditor General, the Senate and House Fiscal Agencies, and the Department of Management and Budget. The response is due within 60 days after the audit report has been issued and should specify the action taken by the institution regarding the audit report's recommendations.

# COMMENTS, FINDINGS, RECOMMENDATIONS, AND AGENCY PRELIMINARY RESPONSES

## MONITORING OF ACADEMIC AND RELATED PROGRAMS

### COMMENT

**Background:** Saginaw Valley State University consists of five colleges: Arts and Behavioral Sciences; Business and Management; Education; Nursing and Allied Health Sciences; and Science, Engineering, and Technology. The University has established specific criteria and procedures related to admissions, transfers, academic progress, course prerequisites, graduation, etc. The University has developed and is in the process of implementing an assessment plan to provide feedback measures in order to reflect and improve on program outcomes that encourage institutional excellence and growth.

**Audit Objective:** To assess the effectiveness of the University's methods for monitoring student admissions, student academic assistance, student academic progress, and student achievement.

**Conclusion:** We concluded that the University's methods were generally effective in monitoring the effectiveness of student admissions, student academic assistance, student academic progress, and student achievement. However, our assessment identified one material condition. The University did not enforce its basic skills requirements to ensure that students satisfied basic skills testing and course requirements.

Our assessment also identified reportable conditions related to basic skills courses, high risk student tracking, graduate monitoring, and management information.

**Noteworthy Accomplishments:** The University received a 10-year full accreditation from the North Central Association of Colleges and Secondary Schools in November 1994.

### FINDING

1. Basic Skills Requirements

The University did not enforce its basic skills requirements to help ensure that students satisfied basic skills testing and course requirements.

As identified in the University's 1994-96 college catalog, each student must satisfy college-level basic skills in reading, writing, and mathematics as a prerequisite to receive a baccalaureate degree. The catalog also states that placement into, or exemption from, the required basic skills courses is determined by the student's performance in basic skills testing. University policy specifies that students who are required to take basic skills courses should begin taking the sequence before they earn 12 University credits. Otherwise, their registration for classes will be blocked.

Our review of the University's adherence to these requirements identified the following conditions:

- a. The University did not require all applicable students to take the basic skills tests. We analyzed academic records for 7,824 students admitted during the fall 1994 through fall 1996 semesters. Based on the number of undergraduate students who were first time in college (FTIC) students and transfer students with less than 39 transfer credits, we estimated that 4,395 of the students admitted during the fall 1994 through fall 1996 semesters were required to complete basic skills tests. However, our review of the basic skills tests in basic math and algebra determined that only an average of 2,701 (61%) of these 4,395 students completed these tests.
- b. The University did not require students who failed the basic skills tests to take basic skills courses. We compared the number of students who failed the basic skills mathematics tests with the number of students who enrolled in the

entry level basic skills mathematics courses for the fall 1994 through fall 1996 semesters and computed the following statistics:

Entry Level Basic Skills Course		Number of Students		Percent of Students Enrolled in Course
Course Number	Course Title	Failed Basic Skills Test	Enrolled in Course	
MATH081	Basic Mathematical Skills	1,491	912	61.2%
MATH082	Beginning Algebra	1,409	542	38.5%

The University informed us that it was the students' responsibility to schedule the basic skills tests and that the requirements for completing basic skills tests and basic skills courses could be overridden with authorization from an academic advisor. The University also informed us that this authorization to override the requirements was not unusual.

In an effort to enforce its basic skills testing requirement, the University implemented a mandatory orientation program required for all FTIC and new transfer students beginning with the fall 1996 semester. This orientation process included the basic skills tests for all incoming FTIC and transfer students. The University also implemented a Prerequisite Compliance Procedure, effective for its winter 1997 semester, that significantly reduced the conditions under which the registration system could be overridden. According to University statistics, these measures significantly reduced the percentage of students not completing basic skills tests. However, we could not verify the effect of these corrective measures because they were implemented at the end of and subsequent to our audit period.

Our analysis done at the University and at other State universities and colleges indicated that requiring students who did not achieve acceptable placement test scores to enroll in basic skills courses enhances student academic success in college-level courses.

### **RECOMMENDATION**

We recommend that the University continue its efforts to enforce Basic Skills Requirements to ensure that students satisfy basic skills testing and course requirements.

## **AGENCY PRELIMINARY RESPONSE**

The University concurred with the recommendation. The University stated that the Academic Orientation and Registration Programs, established in the spring of 1995, ensure placement testing and basic skills compliance for all new students.

## **FINDING**

### **2. Basic Skills Courses**

The University had not evaluated the effectiveness of its basic skills courses.

As identified in the University's 1994-96 college catalog, the University requires each student to satisfy basic skills requirements in reading, writing, and mathematics. These basic skills requirements include basic skills considered by the University to be essential for adequate performance in many college level courses. Thus, the intent of the basic skills courses is to help ensure academic success for University students. Credits earned in entry level basic skills courses do not count toward the credit hours required for graduation.

Our review of the effect of the basic skills courses included identifying those students admitted during our audit period who received math or algebra basic skills test scores below the minimum required for college level courses. We compared the success of the students who failed the basic skills tests and took the basic skills courses with the students who failed the basic skills tests also but did not take the basic skills courses. Although we concluded that, overall, the basic skills courses were generally effective in increasing the success rate in the succeeding courses, we identified one instance when the performance of students who took the basic skills course was comparable to students who did not take the course. In that instance, we determined that 152 (61.5%) of the 247 students who failed the basic skills math test and took the entry level basic skills math course (MATH081) received a "C" grade or better in the succeeding entry level basic skills math course (MATH082). In comparison, we determined that 10 (62.5%) of the 16 students who also failed the basic skills math test but did not take MATH081 received a "C" grade or better in MATH082.

The University informed us that it calculated the pass/fail rates of students who took basic skills math courses each semester. However, we determined that this

analysis lacked comparative student success data and, therefore, could not provide University administrators with sufficient comprehensive information to adequately assess the successfulness of basic skills courses.

Basic skills courses were implemented to enhance successful academic achievement. These courses are supplemental to those required for graduation and, therefore, increase the cost of the student's education for both the student and the State. Evaluating the effectiveness of the basic skills courses would assist the University in identifying information necessary for improving the basic skills courses and consequently enhancing the successful academic achievement of its students.

### **RECOMMENDATION**

We recommend that the University evaluate the effectiveness of its basic skills courses.

### **AGENCY PRELIMINARY RESPONSE**

The University concurred with the recommendation. The University informed us that it initiated a study in the fall of 1995 to review placement test and basic skills course placement, and the study will be continued and expanded to provide the review recommended in the finding.

### **FINDING**

#### **3. High Risk Student Tracking**

The University did not effectively monitor or track the academic progress of all high risk transfer students to help ensure the students' successful academic achievement.

The University's admissions policy requires an acceptable American College Test (ACT) comprehensive score of greater than or equal to 18 for FTIC students under the age of 22. However, the University informed us that it subjectively reviewed each application for admission and, on occasion, admitted students with ACT scores as low as 14. The University identifies these students as marginal and high risk because additional University efforts and assistance are usually required for the students' successful academic achievement.

During our audit period, the University admitted 465 FTIC students with ACT scores less than 18, and 56 of the 465 FTIC students had ACT scores less than or equal to 14. Academic histories were not available for 23 of these 56 FTIC students because they were fall 1996 admissions (enrolled for the first time at the end of our audit period). Therefore, we obtained academic histories for the remaining 33 FTIC students with ACT scores less than or equal to 14.

The University informed us that it did monitor high risk students and offered academic advising, tutoring, and supplemental instruction, in addition to an Early Warning Intervention Program, a Summer Challenge Program, and a Transitional Year Program to assist high risk students with academic progress. However, our review of the academic histories for the 33 FTIC students with ACT scores less than or equal to 14 disclosed that 21 (64%) of the 33 students had not maintained a 2.00 grade point average required for satisfactory academic progress and that 9 (43%) of the 21 students had not been monitored at all.

Identifying and monitoring all high risk students may help promote successful student academic achievement, increased student retention, and the efficient use of resources.

### **RECOMMENDATION**

We recommend that the University effectively monitor and track the academic progress of all high risk students to help ensure the students' successful academic achievement.

### **AGENCY PRELIMINARY RESPONSE**

The University concurred with the recommendation. The University informed us that it has already taken those steps necessary to ensure that all high-risk students are identified, provided the opportunity for academic support services, and that their academic progress is monitored.

## **FINDING**

### **4. Graduate Monitoring**

The University had not developed and implemented a comprehensive system to track and disseminate information relating to its student graduates.

The University's concurrent mission is to develop student potential to provide leadership and professional skills for the community, State, and society.

As part of its academic assessment program, a few of the University's colleges and departments obtained graduate and employer survey information and, when applicable, the colleges and departments obtained licensure examination results. We determined that the information that the University collected was not comprehensive because the majority of the colleges and departments had not obtained graduate and employer survey information, and none of the colleges or departments obtained job placement statistics or graduate school data. We further determined that the results from information that the University did collect were not disseminated to the critical users, such as Admissions and Academic and Career Services.

A comprehensive system to evaluate student graduate success could be used as an effective mechanism to obtain information related to outcome\* indicators, such as the success of a student's transition from college to work. In recent years, students, their families, and educational policymakers have become increasingly concerned about the difficulties encountered by graduates in making the transition from college to employment, particularly in the graduates' respective field of study. This is evidenced by a fiscal year 1994-95 survey that the University conducted of 1,068 students who were admitted to the University for the fall 1994 semester, but subsequently did not enroll. The survey results disclosed that at least 60% of 122 respondents reported that they were unsure of the University graduates' success and their acceptance into professional schools and advanced degree programs. The ability to provide information on the success of University graduates to students and their families could lead to an increase in enrollments and student retention.

\* See glossary on page 43 for definition.

## **RECOMMENDATION**

We recommend that the University develop and implement a comprehensive system to track and disseminate information relating to its student graduates.

## **AGENCY PRELIMINARY RESPONSE**

The University stated that, while it is in compliance with appropriation acts, the value and expense of a more comprehensive system will be investigated.

## **FINDING**

### 5. **Management Information**

The University had not developed methods to fully use available information to more effectively monitor its academic and student support programs.

Trend and comparative analyses often provide useful indicators that could assist management in establishing realistic program goals and measures. Routine monitoring of these program goals and measures would enhance management's control procedures.

The University compiled and summarized various information related to academic enrollments and programs. This included student credit hour and faculty work load information used to meet State reporting requirement, and student enrollment statistics, such as student retention rates.

We analyzed various other available information, not routinely summarized and reported by the University, that could provide University management with measures of the effectiveness of its academic and student support programs. For example, we tracked the academic progress of high risk students; assessed the effectiveness of basic skills courses by comparing student success rates; reviewed the frequency of students taking basic skills testing and tracked their enrollment into required courses; analyzed trends in the timeliness of students' academic achievement; and analyzed the effectiveness of the University's academic probation and dismissal policies.

Findings 1 through 3 and 6 were the result of our analyzing the University's academic information that it had not analyzed. Recognition and use of information currently available would enable the University to perform more thorough evaluations to help identify areas where effectiveness and efficiencies in its academic programs and use of resources can be improved.

### **RECOMMENDATION**

We recommend that the University develop methods to fully use available information to more effectively monitor its academic and student support programs.

### **AGENCY PRELIMINARY RESPONSE**

The University concurred with the recommendation. The University stated that the establishment of a Division of Student Services and Enrollment Management during the winter semester of 1995 is evidence of the University's awareness of such information and the usefulness of that information to develop and evaluate its academic and student support services. The University also stated that efforts to develop and use such information have been under way in this regard since 1995 and those efforts will be expanded and intensified.

## **USE OF RESOURCES FOR ACADEMIC AND RELATED PROGRAMS**

### **COMMENT**

**Background:** During the period covered by our audit, the University reported more than 7,000 students enrolled per academic year and had approximately 48 available general purpose classrooms. As of September 30, 1996, the University employed 183 full-time faculty and 275 part-time faculty.

**Audit Objective:** To assess the effectiveness of the University's methods for monitoring the efficient use of resources for faculty and instructional space utilization.

**Conclusion:** We concluded that the University's methods for monitoring the efficient use of resources were generally effective. However, we identified a reportable condition related to repetitive course enrollments.

**Noteworthy Accomplishments:** The University has effectively managed classroom utilization during a period of increasing growth. For its fall 1996 semester, the University's classroom utilization rate\* for general purpose classrooms (excluding the portable classrooms that the University is phasing out) was 74% and the University's class occupancy rate\* was 79%. Also, the University has recently purchased software that is intended to further assist in making classroom assignments.

## **FINDING**

### 6. **Repetitive Course Enrollments**

The University had not monitored repetitive course enrollments or evaluated the related use of resources.

Academic progress is the progression toward completion of course work required for a degree. The University's current academic progress policy requires the achievement of a minimum grade point average, but does not limit repetitive course enrollments.

We analyzed the repetitive enrollments of students who were enrolled in classes during the fall 1994 through fall 1996 semesters. The academic histories for these students included each semester that the student had attended classes at the University through fall 1996. Our analysis of these academic histories disclosed 441 instances of students enrolled in the same course four or more times. From these 441 instances, we identified and excluded Music courses that may be repeated because of enrollment requirements for Music majors and Teacher Education courses whose contents vary from semester to semester even though the course number remains the same. Therefore, we identified 228 remaining instances of students enrolled in the same course four or more times.

\* See glossary on page 43 for definition.

The following schedule identifies examples of course titles, number of students with four or more enrollments, and the range in number of times these students enrolled in the courses:

Course Title	Number of Students	Range of Times Enrolled
Intermediate Algebra	34	4-8
Beginning Algebra	27	4-7
Finite Mathematics	14	4-7
Elements of Composition II	12	4-6
Calculus & Analytical GEOM I	10	4-6
Managerial Accounting	6	4-7
General Chemistry I Lecture	5	4-7
Principles of Economics	4	4-10

Further, of these 228 instances of students enrolled in the same course four or more times, we identified 112 instances in which the student withdrew from the course two or more times. One student withdrew from the same course eight times.

Generally, repetitive enrollment indicates a lack of academic progress and results in an inefficient use of resources. Because the tuition paid by students represents only 45% of the total costs of enrolling in a course, allowing students to repetitively enroll in the same courses may result in an inefficient use of State appropriations.

Also, the establishment of reasonable limitations on repetitive enrollments would provide the University with the opportunity to identify and counsel students who are not progressing satisfactorily.

**RECOMMENDATION**

We recommend that the University monitor repetitive course enrollments and evaluate the related use of resources.

## **AGENCY PRELIMINARY RESPONSE**

The University concurred with the recommendation and informed us that it will include this for consideration in its resources planning initiatives.

## **USE OF RESOURCES FOR THE INTERCOLLEGIATE ATHLETIC PROGRAM**

### **COMMENT**

**Background:** Section 808(1), Act 312, P.A. 1994, mandates that the Auditor General audit the intercollegiate athletic programs at public universities. The audit is required to include an examination of revenues and expenditures (Exhibits 4 and 5), internal controls, disclosures of outside income, and the athletic program mission. In addition, the audit is to report on the number of student athletes (Exhibit 6) and the number and amount of scholarships and other financial assistance provided to student athletes (Exhibit 7). Our report includes this information in the exhibits presented as supplemental information.

The mission and philosophy of the University's Department of Intercollegiate Athletics (DIA) is founded on the concept that athletic participation serves an important and integral role in fulfilling the University's educational mission. The principal goal of the intercollegiate athletic program at the University is "...to teach the lessons and values that can be learned through competitive athletics, both for the benefit of participating students and spectators."

The University is a Division II member of the National Collegiate Athletic Association (NCAA), the Great Lakes Intercollegiate Athletic Conference, and the Midwest Intercollegiate Football Conference.

Departments of the University, including DIA, are required to follow University policies, procedures, and related controls governing expenditure processing, travel reimbursement, purchasing, and payroll. Each sports program operates within a budget each year with general discretion as to spending authority, within the parameters of University policies.

University athletic programs are subject to routine audit coverage by external auditors. The University also engages external auditors to apply certain agreed-upon procedures to the accounting records and internal control structure of its DIA.

Exhibits 6 and 7 show participation and athletic aid for University sports programs for the 1994-95 and 1995-96 academic years. Athletic aid awards, which are not need-based, are awarded to student athletes at the discretion of the head coach of each sport. Once awarded, aid is controlled and monitored by the University's Financial Aid Office.

An effective university intercollegiate athletic program strives to ensure academic progress as well as athletic achievement for its student athletes, consistent with primary NCAA principles. The University's persistence rate (the number of student athletes who entered the University as first time full-time students in 1991-92 compared with the number of those students who continued to be enrolled in 1994-95) of 47%, as summarized by the NCAA, exceeded that of the overall student body of 43%.

Title IX of the Education Amendments of 1972 prohibits discrimination in sports programs. The Office of Civil Rights, U.S. Department of Education, uses a three-part test for general compliance with Title IX gender equity requirements. The University has six men's and six women's programs available for student athletes. The ratios of men to women for the entire student body, participating student-athletes, and athletic aid awarded for the 1995-96 academic year were:

	All Students	Participating Student-Athletes (see Exhibit 6)	Athletic Aid Awarded (see Exhibit 7)
Men	44%	75%	73%
Women	56%	25%	27%

Athletic coaches and other athletic administrative staff may receive income from sources outside of the University. The NCAA requires that athletic department staff annually disclose and request prior written approval from the University for all athletically related income and benefits from sources outside the University. The

University athletic staff had not reported any outside income for calendar years 1994 and 1995.

**Audit Objective:** To assess the effectiveness of the University's methods for monitoring the intercollegiate athletic program toward the program's achievement of its mission.

**Conclusion:** We concluded that the University's methods for monitoring the intercollegiate athletic program toward the program's achievement of its mission were generally effective. However, we identified reportable conditions related to internal controls over travel expenditures, NCAA squad lists, and academic support services for student athletes.

## **FINDING**

### **7. Travel Expenditure Controls**

The University did not have an effective internal control structure over the approval and processing of its DIA employees' travel expense vouchers.

As part of our review of the University's athletics program, we reviewed a sample of 50 travel expense vouchers submitted during our audit period. Our review disclosed the following exceptions:

- a. The University approved and processed travel expense vouchers that were not in accordance with the University's travel policies. Our follow-up disclosed related party transactions in which a University employee submitted receipts, including vehicle rental receipts for a personal vehicle to support the employee's travel expense vouchers. The University reimbursed the employee for the travel expenses submitted including the rental charges, mileage, gasoline, and maintenance expenses relating to the employee's personal vehicle. The University's Operations Manual procedure 2.3-1, Travel Policies and Regulations, states that travel by private automobile will be reimbursed at the established University rate. Therefore, the employee should have only received reimbursement for personal mileage at the established University rate. We determined that the additional cost of the rental vehicles over the cost for personal mileage was in excess of \$3,100. The University determined that the situation occurred as a result of the

- b. University not appropriately instructing the employee of the proper procedures to be followed and as a result of poor controls exhibited by the University. The University also determined that the cost of renting a similar vehicle from either the University's motor pool or from an outside rental agency would have been comparable to or in the excess of the total amount paid to the employee. Therefore, the University did not seek reimbursement from the employee.
  
- b. The University did not monitor outstanding travel advances and did not require submission of travel vouchers in a timely manner. An effective internal control structure requires a full accounting of outstanding travel advances and timely submission of travel vouchers. Also, as a condition of obtaining a travel advance, University employees agree, in writing, to submit a travel expense voucher and deposit unused money within two weeks of the termination of the travel. Our review of 20 travel vouchers identified 5 instances in which the travel vouchers were submitted 10 to 14 months after the travel had occurred. For 3 of these 5 trips, the University employee had received travel advances ranging from \$1,210 to \$3,310. The longer the period between the termination of travel and the submission of the travel expense voucher can mean the greater the risk of improper accounting of travel expenses, as well as an increased risk that funds may be misused.
  
- c. In addition to the exceptions in a. and b., we determined that, of the 50 travel expense vouchers reviewed, 2 vouchers were not properly approved, 1 voucher contained excess mileage charges, 1 voucher was incomplete, and the University was unable to locate 1 voucher with the supporting documentation.

Sound internal controls require a careful review of travel expenditures to ensure that all travel funds are expended in accordance with University policies.

Reimbursing employees for unapproved, inaccurate, or incomplete travel expense vouchers may result in payments to employees for unallowable costs or costs that the employee may not have incurred.

## **RECOMMENDATION**

We recommend that the University strengthen its internal control structure over the approval and processing of its DIA employees' travel expense vouchers.

## **AGENCY PRELIMINARY RESPONSE**

The University concurred with the recommendation.

## **FINDING**

### **8. NCAA Squad Lists**

The University did not have controls to help ensure the complete and accurate preparation of its squad lists.

The NCAA-required squad lists would facilitate the University management's ability to ensure that the University does not exceed the maximum number of full grants-in-aid\* authorized annually by the NCAA. Also, NCAA bylaw 15.5.9.1-2 requires the member institution's athletic director to maintain a squad list that identifies all squad members in each sport and their respective athletic and financial aid.

Act 312, P.A. 1994, requires the Office of the Auditor General to report the number of student athletes (Exhibit 6) and the number and amount of scholarships and other financial assistance provided to student athletes (Exhibit 7).

The University did not have procedures to address the preparation of the NCAA squad lists. This lack of procedures, along with personnel turnover, adversely affected the compilation and retention of student athlete information for the NCAA squad lists. As a result, the University could not provide us with complete squad lists for fiscal year 1994-95, and could not ensure the accuracy of the squad lists completed for both fiscal years 1995-96 and 1994-95.

The squad lists were incomplete for 4 of the 12 sports programs in fiscal year 1994-95. Also, the University had not included accurate athletic and financial aid information on any of the squad lists for both fiscal years 1995-96 and 1994-95.

\* See glossary on page 43 for definition.

After our review, the University indicated that it had taken steps that will help ensure complete and accurate reporting of squad lists.

### **RECOMMENDATION**

We recommend that the University establish controls to help ensure the complete and accurate preparation of its squad lists.

### **AGENCY PRELIMINARY RESPONSE**

The University concurred with the recommendation and informed us that it has taken corrective action.

### **FINDING**

#### **9. Academic Support Services for Student Athletes**

The University had not established an evaluation process to monitor the effectiveness of its academic support services offered to its student athletes.

According to DIA's mission and philosophy statement, "All participants in athletic programs are committed to the proposition that student athletes are students first, with a primary responsibility to the successful completion of their academic work at the University."

University policies and NCAA requirements provide a framework to help ensure the academic progress of all individual student athletes. The University offers academic support services in the form of tutoring and study halls. These support services are also intended to help ensure the academic success of student athletes. However, the University did not monitor the effectiveness of these academic support services.

While our analysis determined that, overall, student athletes have made satisfactory academic progress, we identified a number of student athletes who were academically at-risk. For two sports programs, 18 (20%) of 90 and 17 (32%) of 53 of the eligible student athletes, respectively, maintained an overall grade point average (GPA) below a 2.00 for the 1995-96 academic year. Also, for these two sports programs, 9 (10%) of 90 and 11 (20%) of 53 of the eligible student

athletes, respectively, maintained an overall GPA below a 1.70 for the 1995-96 academic year. The University's minimum GPA that a student is required to have without being placed on academic probation is 1.70.

An evaluation process would assist the University's management in monitoring its academic support services to determine ways to improve the effectiveness of the services offered.

### **RECOMMENDATION**

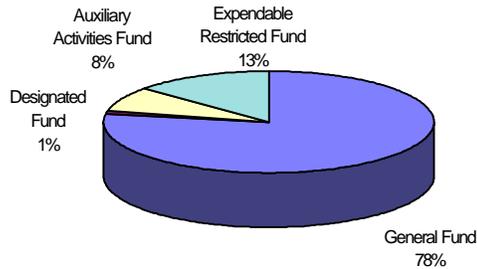
We recommend that the University establish an evaluation process to monitor the effectiveness of its academic support services offered to its student athletes.

### **AGENCY PRELIMINARY RESPONSE**

The University concurred with the recommendation. The University stated that it is committed to its athletic mission and philosophy statement and has taken steps to establish an evaluation process that will better monitor the academic support services offered.

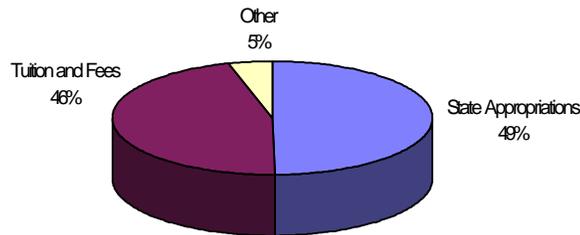
## SUPPLEMENTAL INFORMATION

**SAGINAW VALLEY STATE UNIVERSITY**  
**Current and General Fund Revenues**  
**For Fiscal Year 1995-96**



**Current Fund Revenues by Fund**

REVENUES	<u>Amount</u>
General Fund	\$37,157,498
Designated Fund	548,277
Auxiliary Activities Fund	3,831,029
Expendable Restricted Fund	6,470,953
<b>TOTAL REVENUES</b>	<b><u><u>\$48,007,757</u></u></b>

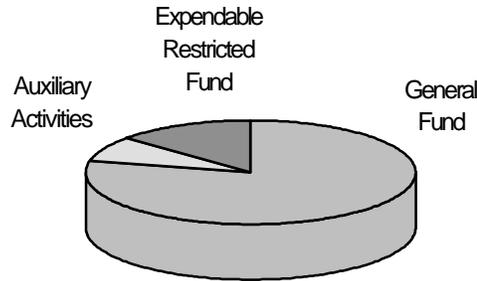


**General Fund Revenues by Source**

REVENUES	<u>Amount</u>
State Appropriations	\$18,489,873
Tuition and Fees	16,969,072
Other	1,698,553
<b>TOTAL REVENUES</b>	<b><u><u>\$37,157,498</u></u></b>

Source: Saginaw Valley State University audited financial statements.

SAGINAW VALLEY STATE UNIVERSITY  
Current and General Fund Expenditures and Transfers  
For Fiscal Year 1995-96

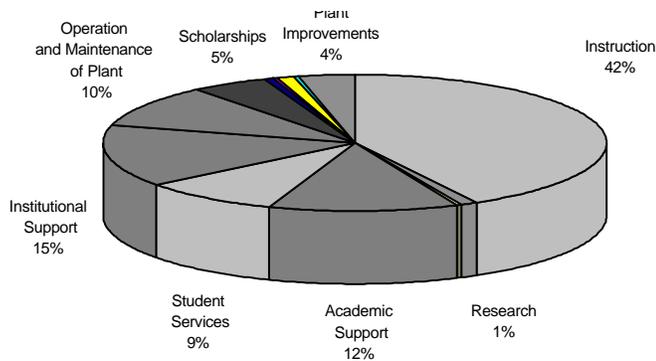


Current Fund Expenditures and Transfers by Fund

	<u>Amount</u>
EXPENDITURES AND TRANSFERS	
General Fund	\$37,113,203
Designated Fund	(10,419)
Auxiliary Activities Fund	3,698,751
Expendable Restricted Fund	6,470,953
	<u>6,470,953</u>
TOTAL REVENUES	<u><u>\$47,272,488</u></u>

*This exhibit continued on next page.*

**SAGINAW VALLEY STATE UNIVERSITY**  
Current and General Fund Expenditures and Transfers  
**For Fiscal Year 1995-96**



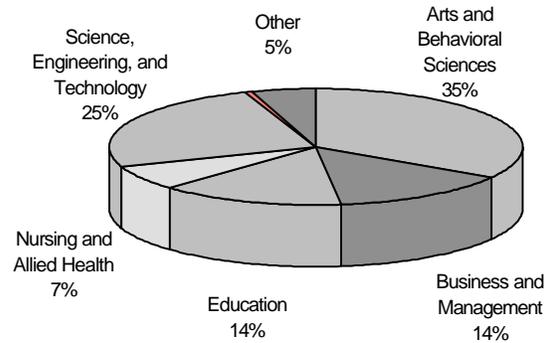
**General Fund Expenditures and Transfers**

	<u>Amount</u>
<b>EXPENDITURES AND TRANSFERS</b>	
Instruction	\$15,555,542
Research	471,379
Public Service	31,668 *
Academic Support	4,569,116
Student Services	3,289,244
Institutional Support	5,502,937
Operation and Maintenance of Plant	3,719,813
Scholarships	1,798,710
Research Excellence Fund	228,607 *
Student Aid Programs	124,690 *
Debt Service	395,230 *
Compensated Absences	106,000 *
Plant Improvements	1,320,267
<b>TOTAL EXPENDITURES AND TRANSFERS</b>	<u><u>\$37,113,223</u></u>

\* Not identified in the chart because of its small percentage of the total expenditures and transfers.

Source: Saginaw Valley State University audited financial statements.

SAGINAW VALLEY STATE UNIVERSITY  
General Fund Instruction Expenditures and Transfers by College  
For Fiscal Year 1995-96



College	Amount
Arts and Behavioral Sciences	\$5,291,530
Business and Management	2,178,305
Education	2,250,481
Nursing and Allied Health	1,071,474
Science, Engineering, and Technology	3,899,855
Off Campus Operations	72,249 *
Other	<u>791,648</u>
 General Fund Instruction	 <u><u>\$15,555,542</u></u>

\* Not identified in the chart because of its small percentage of the total expenditures and transfers.

Source: Saginaw Valley State University audited financial statements.

SAGINAW VALLEY STATE UNIVERSITY  
Intercollegiate Athletic Program  
Statement of Revenues and Expenditures  
Fiscal Year Ended June 30, 1996

	<u>Football</u>	<u>Basketball</u>	<u>Other Sports</u>	<u>Nonprogram Specific</u>	<u>Total</u>
<b>OPERATING REVENUES</b>					
General Fund Support	\$487,804	\$307,993	\$288,856	\$ 262,294	\$ 1,346,947
Departmental Income	4,328	14,762	91,039	53,924	164,053
Departmental Transfer In	501	14,947	34,837	74,276	124,561
SVSU Foundation	23,658	3,895	45,561	40,381	113,495
TV Guarantees				6,457	6,457
Ticket Sales	12,237	3,866			16,103
Total Operating Revenue	<u>\$528,528</u>	<u>\$345,463</u>	<u>\$460,293</u>	<u>\$ 437,332</u>	<u>\$ 1,771,616</u>
<b>OPERATING EXPENDITURES</b>					
Coaches' Salaries	\$141,781	\$ 86,180	\$ 56,575	\$	\$ 284,536
Other Salaries	1,580	3,940	1,315	176,328	183,163
Fringe Benefits	38,928	19,060	9,665	46,812	114,465
Awards	1,763	1,451	6,563	385	10,162
Financial Aid	240,621	133,959	129,316		503,896
Food Services	24,129	2,877	2,346	4,210	33,562
Game Management - Referees	2,210	8,557	7,701	528	18,996
Insurances				39,779	39,779
Uniforms		4,094	9,279		13,373
General Administration	9,554	4,989	16,317	17,438	48,298
Memberships	40	260	600	8,730	9,630
Miscellaneous	34,549	21,608	80,234	124,274	260,665
Publications	613	1,370	1,530	10,801	14,314
Telephone	800			16,872	17,672
Travel	29,325	44,760	138,771	12,353	225,209
Total Operating Expenditures	<u>\$525,893</u>	<u>\$ 333,105</u>	<u>\$460,212</u>	<u>\$ 458,510</u>	<u>\$ 1,777,720</u>
Excess of Revenues					
Over (Under) Expenditures	<u>\$ 2,635</u>	<u>\$ 12,358</u>	<u>\$ 81</u>	<u>\$ (21,178)</u>	<u>\$ (6,104)</u>

Source: Fiscal year 1995-96 Agreed Upon Procedures - Report of Independent Accountants.

SAGINAW VALLEY STATE UNIVERSITY  
Intercollegiate Athletic Program  
Statement of Revenues and Expenditures  
Fiscal Year Ended June 30, 1995

	<u>Football</u>	<u>Basketball</u>	<u>Other Sports</u>	<u>Nonprogram Specific</u>	<u>Total</u>
<b>OPERATING REVENUES</b>					
General Fund Support	\$439,072	\$288,887	\$291,191	\$ 265,062	\$ 1,284,212
Departmental Income	3,630	10,030	74,900	44,117	132,677
Departmental Transfer In		12,466	23,602	77,560	113,628
SVSU Foundation	8,315	6,787	30,824	51,099	97,025
TV Guarantees				7,329	7,329
Ticket Sales	10,583	3,562			14,145
Total Operating Revenue	<u>\$461,600</u>	<u>\$321,732</u>	<u>\$420,517</u>	<u>\$ 445,167</u>	<u>\$ 1,649,016</u>
<b>OPERATING EXPENDITURES</b>					
Coaches' Salaries	\$141,632	\$ 86,370	\$ 57,118	\$	\$ 285,120
Other Salaries	1,758	3,338	1,345	178,150	184,590
Fringe Benefits	34,824	17,179	7,708	24,351	84,061
Awards	1,569	932	8,629	293	11,423
Financial Aid	193,808	120,137	110,637	15,608	440,190
Food Services	22,143	3,588	3,313	2,791	31,834
Game Management - Referees	2,105	7,425	4,505	475	14,510
Insurances				41,826	41,826
Uniforms	4,128	11,946	27,959	10,109	54,142
General Administration	10,178	1,583	9,761	25,500	47,022
Memberships		75	335	8,905	9,315
Miscellaneous	26,763	11,353	54,344	141,493	233,953
Publications	922	741	2,023	19,837	23,524
Telephone	788		76	10,760	11,625
Travel	22,845	50,445	132,167	9,269	214,726
Total Operating Expenditures	<u>463,463</u>	<u>\$315,112</u>	<u>419,918</u>	<u>\$ 489,367</u>	<u>\$ 1,687,859</u>
Excess of Revenues Over (Under) Expenditures	<u>\$ (1,863)</u>	<u>\$ 6,620</u>	<u>\$ 599</u>	<u>\$ (44,200)</u>	<u>\$ (38,843)</u>

Source: Saginaw Valley State University's detail budget status report and monthly management reports.

SAGINAW VALLEY STATE UNIVERSITY  
Number of Student Athletes  
For Academic Years

Program	1995-96		1994-95	
	Number of Student Athletes Involved in Program	Number of Student Athletes Receiving Athletic Aid	Number of Student Athletes Involved in Program	Number of Student Athletes Receiving Athletic Aid
<b>MEN</b>				
Baseball	42	14	33	14
Basketball	18	15	14	13
Football	107	71	100	78
Golf	14	5	11	6
Soccer	20		Varsity Sport Recognition Granted in FY 1995-96	
Track/Cross Country	50	14	41	14
<b>Total Men's Program</b>	<b>251</b>	<b>119</b>	<b>199</b>	<b>125</b>
<b>WOMEN</b>				
Basketball	13	13	13	13
Soccer	13		Varsity Sport Recognition Granted in FY 1995-96	
Softball	15	11	17	15
Tennis	8	7	9	8
Track/Cross Country	23	8	23	12
Volleyball	12	10	12	11
<b>Total Women's Program</b>	<b>84</b>	<b>49</b>	<b>74</b>	<b>59</b>
<b>Total Sports Program</b>	<b>335</b>	<b>168</b>	<b>273</b>	<b>184</b>

NOTE: Exhibit does not include men's bowling, which is a club sport.

Scholarships were awarded to individuals competing in men's bowling.

Sources: 1995-96: NCAA squad lists.

1994-95: Office of the Registrar's athletic eligibility list and DIA budgeted athletic assistance lists.

SAGINAW VALLEY STATE UNIVERSITY  
Amount of Athletic Aid Awarded  
For Academic Years

Program	1995-96			1994-95	
	Amount of Athletic Aid	Other Aid	Number of Partial Tenders Awarded	Amount of Athletic Aid	Number of Partial Tenders Awarded
<b>MEN</b>					
Baseball	\$ 13,570	\$ 4,520	14	\$ 10,500	14
Basketball	70,538	3,732	15	58,244	13
Football	240,621	16,459	71	193,808	78
Golf	7,175	2,047	5	3,000	6
Soccer		Varsity Sport Recognition Granted in FY 1995-96			
Track/Cross Country	22,000	1,400	14	21,000	14
<b>Total in Men's Programs</b>	<b>\$ 353,904</b>	<b>\$ 28,158</b>	<b>119</b>	<b>\$ 286,552</b>	<b>125</b>
<b>WOMEN</b>					
Basketball	\$ 63,421	\$ 1,750	13	\$ 61,893	13
Soccer		Varsity Sport Recognition Granted in FY 1995-96			
Softball	18,824	1,200	11	17,853	15
Tennis	7,400	500	7	7,750	8
Track/Cross Country	15,566	2,700	8	19,203	12
Volleyball	24,151	250	10	22,031	11
<b>Total in Women's Programs</b>	<b>\$ 129,362</b>	<b>\$ 6,400</b>	<b>49</b>	<b>\$ 128,730</b>	<b>59</b>
<b>Total in all Sports Programs</b>	<b>\$ 483,266</b>	<b>\$ 34,558</b>	<b>168</b>	<b>\$ 415,282</b>	<b>184</b>

NOTES: Exhibit does not include other aid for fiscal year 1994-95 because of the problem identified in Finding 8.

Exhibit does not include men's bowling, which is a club sport.  
Scholarships were awarded to individuals competing in men's bowling.

There were no full tenders awarded for the two years ended June 30, 1996.

Sources: 1995-96: NCAA squad lists and University general ledger.  
1994-95: DIA budgeted athletic assistance lists and University general ledger.

## Glossary of Acronyms and Terms

academic progress	The progression toward completion of course work required for a degree.
ACT	American Collegiate Test of the American College Testing Board.
athletic aid	Financial aid, other than institutional financial aid, in the form of athletic scholarships or grant-in-aid awarded by each sports program to eligible student athletes.
class occupancy rate	The number of students enrolled in a class as a percentage of the maximum class size.
classroom utilization rate	The percentage of time that general purpose classrooms are utilized for class sessions.
DIA	The University's Department of Intercollegiate Athletics.
effectiveness	Program success in achieving mission and goals.
efficiency	Achieving the most outputs and outcomes practical for the amount of resources applied or minimizing the amount of resources required to attain a certain level of outputs or outcomes.
FTIC	first time in college.
full grant-in-aid	A full grant-in-aid is financial aid that consists of tuition and fees, room and board, and required course-related books.
GPA	grade point average.

<b>internal control structure</b>	The management control environment, management information system, and control policies and procedures established by management to provide reasonable assurance that goals are met; that resources are used in compliance with laws and regulations; and that valid and reliable performance related information is obtained and reported.
<b>material condition</b>	A serious reportable condition which could impair the ability of management to operate a program in an effective and efficient manner and/or could adversely affect the opinion of an interested person concerning the effectiveness and efficiency of the program.
<b>mission</b>	The agency's main purpose or the reason the agency was established.
<b>National Collegiate Athletic Association (NCAA)</b>	National governing body that regulates intercollegiate athletics of member institutions.
<b>NCA</b>	North Central Association of Colleges and Secondary Schools.
<b>outcomes</b>	The actual impacts of the program. Outcomes should positively impact the purpose for which the program was established.
<b>performance audit</b>	An economy and efficiency audit or a program audit, is designed to provide an independent assessment of the performance of a governmental entity, program, activity, or function to improve public accountability and to facilitate decision making by parties responsible for overseeing or initiating corrective action.

**reportable condition**

A matter coming to the auditor's attention that, in his/her judgment, should be communicated because it represents either an opportunity for improvement or a significant deficiency in management's ability to operate a program in an effective and efficient manner.

**SVC**

Saginaw Valley College (later renamed as Saginaw Valley State University).