

MINUTES OF THE INFORMATION SESSION OF THE BOARD OF TRUSTEES
OF THE COMMUNITY COLLEGE DISTRICT OF THE COUNTY OF MACOMB

An open information session of the Board of Trustees of the Community College District of the County of Macomb was held Tuesday, November 20, 2012, at 6:00 p.m., in Room K315 of the John Lewis Student Community Center, South Campus, 14500 Twelve Mile Road, Warren, Michigan, pursuant to notice.

1.0 CALL TO ORDER

The meeting was called to order by Chairperson Kelly at 6:23 p.m.

2.0 ROLL CALL

Present: James F. Kelly, Chairperson
Christine Bonkowski, Vice Chairperson
Connie Bolanowski, Secretary
Nancy Falcone, Treasurer
Frank Cusumano, Trustee
Roseanne DiMaria, Trustee

Absent: Joseph DeSantis, Trustee (excused)

Also present: James Jacobs, President
Elizabeth Argiri, Vice President for Business
Jill M. Little, Vice President, Student Services
Patricia Martz, Secretary to the President
Gerri Lynn Pavone, Executive Director, Research
and Planning
James Sawyer, Provost/Vice President, Learning Unit
Casandra Ulbrich, Vice President, College Advancement and
Community Relations
Hunter L. Wendt, General Counsel
Denise Williams, Vice President for Human Resources

3.0 APPROVAL OF AGENDA

MOTION by Falcone, supported by Bolanowski, to approve the agenda as presented.

Motion carried.

4.0 AUDIENCE PARTICIPATION

Patrick Clark, Senior Sales Executive of Fairmont Sign Company, one of the companies who bid on the proposal to replace the LED message center display systems in the college's three roadside signs, addressed the Board. He stated that his company was the lowest bidder and felt that his company met the specifications of the proposal. He asked the Board to evaluate the reason his company was not recommended for this purchase and provided a written and verbal explanation. Trustee Kelly thanked him for his presentation and indicated that the Board will take his comments into consideration and discuss it further during the information session.

5.0 REVIEW OF AGENDA ITEMS AND MATERIAL

The Board agreed to add the sign issue to the agenda as 6.4 under Issues and Updates.

6.0 ISSUES AND UPDATES

Dr. Jacobs invited the Trustees to four upcoming events: The State of County Address by County Executive Mark Hackel on December 5th at the Macomb Center; The New Macomb County event on December 12th at the Lorenzo Cultural Center, funded through a grant from Kresge to look at demographic and economic changes in Macomb County; the Annual Economic Forecast on January 16th; and the Martin Luther King, Jr. Day dinner event on January 21st.

6.1 Bond Proposal Review and Next Steps

Dr. Jacobs distributed an analysis of the election results and there was a discussion on possible reasons why the bond proposal was unsuccessful, including the number of state proposals that were on the ballot and an overestimation of voter turnout. He stated that while the voters did not support the technology and bond renovations, they still value the college and its programs. We need to respect the decision of the voters and determine next steps.

Dr. Jacobs stated that the Discover.Connect.Advance tagline will serve as the organizing principles for a discussion with the Board on how to respond to the technology needs of the college. In terms of "Discover," he noted that the college's programs work very effectively for the County and that the college is well respected. Further, Macomb is the second lowest in terms of millage rates compared to other community colleges and the third lowest in terms of expenditures. He distributed a survey on tuition and fees conducted by the Michigan Community College Business Officers Association, which indicates that Macomb is below the average in terms of fees and tuition charged compared to the other 27 community colleges. In addition, Macomb's tuition is based on credit hours and not contact hours, and with an average of 220,000 credit hours, charging by contact hours would generate approximately 20% additional revenue. Dr. Jacobs indicated that there will be further discussion on this chart at the December board meeting.

There are a few potential paths to take. Dr. Jacobs stated the college could curtail technology and renovation plans, except for emergencies, and draw from the operating reserve fund if it becomes necessary. Another option would be to defer most of the college's technology and renovation plans, and in 2014, place a bond proposal on the ballot in the August primary, not the general election in November. A third option would be to scale back on renovations and technology and ask the Board to approve a modest technology fee of approximately \$5-\$10 per credit hour, generating \$2 -\$5 million per year. We could leverage that money with college operating reserve funds and/or the "set aside" funds and possibly secure funding for renovations and technology while the interests rates are low. This would meet the needs of the college and would not overly burden the students. Thus, the college would be respecting the vote of the community by not pursuing another bond proposal.

Dr. Jacobs stated that at the December board meeting we will move from "Discover" to "Connect." The revised budget for the period of January 1 to June 30, 2013 will be presented in December with a scaled down revised renovation plan, eliminating 85% of

what was planned. He noted that Barton Malow has been notified that their services will not be needed in the next year. He also noted there is a \$1 million reduction in the revised budget and administration will continue to focus on further cost reduction measures. There will also be a discussion on how potential revenue can be generated by some of the strategies discussed previously, as well as a discussion on a marketing strategy to increase enrollment. Trustee Bonkowski commented that we need to determine a breaking point since increased enrollment can sometimes result in increased costs to the college. Dr. Jacobs commented that we are committed to student success and will also be looking at retention. There was also a discussion on recruitment of out-of-county students.

He further stated that the college will seek modest tuition increases and implement certain fees, while still remaining reasonable as to costs and fees compared to the other colleges. The Board will also receive information on the cost and fees of the four-year institutions at the December meeting.

Trustee Cusumano inquired as to whether there is a prioritized list concerning the renovations for each facility. Dr. Jacobs responded that he will be providing to the Board the original list along with the reduced renovation list. Trustee Cusumano commented that Macomb County residents have sustained a 25% decline in median household income and we should consider the economic reality of this region, not comparing the costs of other community colleges. He also noted that in his conversations with taxpayers, they feel they are already being overtaxed and not supportive of the bond proposal. Trustee Kelly commented that while it is helpful to have this type of information on other colleges, he agrees that it is important to remember the community which the college serves. Trustee Kelly also stated that he will have questions concerning the implementation of fees and the potential for a drop-off in students. Dr. Jacobs responded that all of this will be discussed at the meeting in December.

6.2 Smoking Policy

Dr. Jacobs informed the Trustees that since the implementation of the tobacco free policy on November 15th, there have been no issues or complaints to date.

6.3 Holiday Break and Martin Luther King Day

Dr. Jacobs informed the Trustees that a decision was made to close the college December 26th – 28th. This is consistent with the other community colleges that close during that time, and very few four-year institutions are open. In addition, there are no classes being held during that time. A survey was conducted last year on the amount of students serviced in the financial aid, counseling and registration areas during this period of time which showed there was very little traffic.

He also announced that the college will again be closed on January 21st for Martin Luther King Day and will be a day of service of volunteer activities, with over 500 students signed up to participate. For these two holiday closures, certain staff from Campus Police and the facilities and maintenance area are required to work and those individuals will be given leave time for the hours they worked during that period of time.

6.4 Roadside Signage LED Message Center Replacement

In response to the Fairmont Signs appeal to the Board, Ms. Argiri indicated that while Fairmont met the pixel specification in the RFP, the company did not bid a sign that met the physical panel size requirements of the RFP. Fairmont bid a panel dimension of 4'-2 3/8" x 12'-7 3/16" for the Hall Road / Garfield sign and 3'-4 5/16" x 12'-7 3/16" for the Garfield and 12 Mile Road signs. The bid was 39.23" and 33.06" smaller than the RFP specifications, respectively. Chairman Kelly asked if the college were to accept a smaller panel size if the RFP would have to be re-bid so that all potential vendors had the opportunity to bid on a smaller panel size. Ms. Argiri agreed that Chairman Kelly was correct.

7.0 EXECUTIVE SESSION

MOTION by Bonkowski, supported by Bolanowski, to move into executive session.

ROLL CALL VOTE:

Ayes: Bonkowski, Bolanowski, Cusumano, DiMaria, Falcone, Kelly

Nays: None

Absent: DeSantis

Motion carried.

RECESS

The meeting recessed at 7:24 p.m.

RECONVENE

The meeting reconvened at 7:40 p.m.

Motion carried.

8.0 ADJOURNMENT

MOTION by Bonkowski, supported by Falcone, to adjourn the meeting.

The meeting adjourned at 7:40 p.m.

COMMUNITY COLLEGE DISTRICT OF THE COUNTY OF MACOMB
BOARD OF TRUSTEES

Secretary