

MINUTES OF REGULAR MEETING OF THE BOARD OF TRUSTEES
OF THE COMMUNITY COLLEGE DISTRICT OF THE COUNTY OF MACOMB

A regular meeting of the Board of Trustees of the Community College District of the County of Macomb was held Tuesday, October 15, 2013 at 7:30 p.m., in Lecture Hall B of the Professional Development Center, University Center, Center Campus, 44575 Garfield Road, Clinton Township, Michigan.

1.0 CALL TO ORDER

The meeting was called to order by Chairperson Kelly at 8:25 p.m. Trustee Bonkowski was appointed Acting Secretary.

2.0 ROLL CALL

Present: James F. Kelly, Chairperson
Christine Bonkowski, Vice Chairperson
Roseanne DiMaria, Treasurer
Frank Cusumano, Trustee
Joseph DeSantis, Trustee
Nancy Falcone, Trustee

Absent Connie Bolanowski, Secretary (excused)

Also present: James Jacobs, President
Patricia Martz, Secretary to the President
Hunter L. Wendt, General Counsel/Executive
Director of College Police

3.0 APPROVAL OF AGENDA

MOTION by Cusumano, supported by DiMaria, to approve the agenda as presented.

Motion carried.

4.0 APPROVAL OF MINUTES

4.1 Information Session, September 17, 2013

4.2 Executive Session, September 17, 2013

4.3 Regular Meeting, September 17, 2013

MOTION by Cusumano, supported by Bonkowski, to approve the minutes of the September 17, 2013 Information Session, Executive Session, and Regular Meeting as presented.

Motion carried.

5.0 BOARD OF TRUSTEES REPORTS/PROPOSALS

5.1 Posting of "Electronic Packages" Except for Closed Session Items

MOTION by Falcone, supported by DiMaria, to table agenda item 5.1 for a period of no longer than three months.

Trustee DeSantis requested that a separate roll call vote be taken for each of these items.

ROLL CALL VOTE:

Ayes: Falcone, DiMaria, Bonkowski, DeSantis, Kelly

Nays: Cusumano

Absent: Bolanowski

Motion carried.

5.2 Providing Caps and Gowns for Commencement

MOTION by Falcone, supported by DiMaria, to table agenda item 5.2 for a period of no longer than three months.

ROLL CALL VOTE:

Ayes: Falcone, DiMaria, Bonkowski, Kelly

Nays: DeSantis, Cusumano

Absent: Bolanowski

Motion carried.

5.3 Consider Amending the Bylaws of the Board of Trustees, 1.9, ORDER OF BUSINESS AND PROCEDURES, by Placing Audience Participation After Financial Reports

MOTION by Cusumano, supported by DeSantis, to amend the Bylaws of the Board of Trustees, 1.9, Order of Business and Procedures, by placing "Audience Participation" after the "Financial Reports" agenda item.

DISCUSSION: Trustee Cusumano commented he would like to reiterate the statement he made at the information session that the reason for his motion is to allow for audience input or comments prior to the Board voting on agenda items, including personnel reports.

5.0 BOARD OF TRUSTEES REPORTS/PROPOSALS (Continued)

5.3 Consider Amending the Bylaws of the Board of Trustees, 1.9, ORDER OF BUSINESS AND PROCEDURES, by Placing Audience Participation After Financial Reports (Continued)

ROLL CALL VOTE:

Ayes: Cusumano, DeSantis

Nays: Falcone, DiMaria, Bonkowski, Kelly

Absent: Bolanowski

Motion failed.

6.0 PRESIDENT'S REPORTS

None

7.0 FINANCIAL REPORTS

7.1 Financial Statements – September 30, 2013

7.2 Investment Report – September 29, 2013

MOTION by Cusumano, supported by Falcone, to receive and file the financial statements for the three months ended September 30, 2013, and the investment report of securities held as of September 29, 2013.

ALL IN FAVOR:

Ayes: Cusumano, Falcone, Bonkowski, DeSantis, Falcone, Kelly

Nays: None

Absent: Bolanowski

Motion carried.

7.0 FINANCIAL REPORTS (Continued)

7.3 Single Audit Report – Year Ended June 30, 2013

MOTION by Cusumano, supported by DiMaria, to receive and file the Single Audit Report for the year ended June 30, 2013.

DISCUSSION: Trustee Cusumano referred to page 9, "Schedule of Findings and Questioned Costs" and inquired about the categories identified as "Material Weakness" and "Significant Deficiency." He stated that while he knows none have been reported for the college, he would like to be provided with more information on what this means and with examples of what would trigger those categories to be marked "Yes" under both the "Financial Statement" and "Federal Award" sections.

Paul Edwards of Plante & Moran, the audit partner on the college's general purpose financial statements and single audit report, provided a response. He explained that the first section on that page deals specifically with the audit they conduct on the college's basic financial statements, and a material weakness is what they consider a significant concern related to the internal controls that could lead to a possible material misstatement in the college's overall financial statements. He stated that an example of that might be a situation where there are significant cash accounts that need to be reconciled on a timely basis to help confirm that all transactions are being recorded timely and accumulating into the financial statements. If those bank reconciliations were not conducted timely and adjustments were identified to the financial statements as a result of the audit, that could be an example of a material weakness. An example of a significant deficiency could be a situation where the bank reconciliations are being done timely and accurately, but there are not appropriate levels of review associated with those reconciliations. In that situation, if they felt it warranted the attention of the governing body of the organization, it would fall into the classification of a significant deficiency.

In the Federal Awards section where they refer to material weaknesses and significant deficiencies, the auditors are specifically looking at compliance deficiencies associated with specific requirements under each of the individual grants that are being tested and the internal control structure associated with that. An example of that would be if they identified a problem with one of the grants. He stated that a common finding with student financial aid is failure to complete Title 4 refunds to students on a timely basis. If they were to come across a scenario where the Title 4 refunds were not being done in a timely manner, and potentially not being done correctly, and it resulted in a significant misstatement of the grant, this could fall into the material weakness category. Using that same example, if the appropriate levels of review were not done on the Title 4 refunds but they had no specific findings, that would potentially fall into the significant deficiency classification. Trustee Cusumano thanked him for his explanation.

ROLL CALL VOTE:

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

Nays: None

Absent: Bolanowski

Motion carried.

8.0 PERSONNEL REPORTS

8.1 Personnel Action – Appointment

MOTION by DeSantis, supported by Falcone, to approve the appointment of Theresa Catalano-Reinhardt, Instructor of Philosophy to full-time status.

DISCUSSION: Trustee Cusumano asked how many full-time faculty are in the Philosophy Department. Kathy Grenda, Dean of Arts & Sciences, responded that if the appointment of Ms. Reinhardt is approved at tonight's meeting, there would be a total of three.

ROLL CALL VOTE:

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

Nays: None

Absent: Bolanowski

Motion carried.

9.0 AUDIENCE PARTICIPATION

None

10.0 REPORTS OF ADMINISTRATION – INFORMATION ITEMS

10.1 Annual Grant Closeout Report to the Board of Trustees for Fiscal Year 2012/2013

MOTION by Bonkowski, supported by Cusumano, to receive and file the annual grant closeout report for fiscal year 2012/2013.

Motion carried.

11.0 REPORTS OF ADMINISTRATION – ACTION ITEMS

11.1 Donations

MOTION by Bonkowski, supported by Cusumano, to accept the donations as presented and acknowledged by the Administration.

Motion carried.

11.0 REPORTS OF ADMINISTRATION – ACTION ITEMS (Continued)

11.2 Change Orders

None

11.3 Authorization for Purchases

None

11.4 Appointed of Auditors

MOTION by DeSantis, supported by DiMaria, to appoint the firm of Plante & Moran to perform the auditing services for Macomb Community College for fiscal years 2013/2014 through 2014/2015 with an option for additional year for the General College Audit, the Foundation and the Federal Single Audit as presented.

ROLL CALL VOTE:

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

Nays: None

Absent: Bolanowski

Motion carried.

11.5 Board Resolution – Best Practices Regarding Public Act 60

MOTION by Falcone, supported by DiMaria, to adopt the Resolution Regarding Best Practices Regarding Public Act 60 of 2013 signed by the Governor on June 13, 2013.

ROLL CALL VOTE:

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

Nays: None

Absent: Bolanowski

Motion carried.

11.0 REPORTS OF ADMINISTRATION – ACTION ITEMS (Continued)

11.6 Approval of Grant Submission to Michigan Council for Arts and Cultural Affairs

MOTION by Falcone, supported by DiMaria, to approve the submission of a grant proposal to the Michigan Council for Arts and Cultural Affairs for up to \$10,000 to support programs.

ROLL CALL VOTE:

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

Nays: None

Absent: Bolanowski

Motion carried.

12.0 POLICY ACTIONS

None

13.0 ADJOURNMENT

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

Motion carried.

The meeting adjourned at 8:44 p.m.

COMMUNITY COLLEGE DISTRICT OF THE COUNTY OF MACOMB
BOARD OF TRUSTEES

Acting Secretary