An open information session of the Board of Trustees of the Community College District of the County of Macomb was held Tuesday, February 18, 2014 at 6:00 p.m., in Room 125 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 6:28 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 Elizabeth Argiri, Vice President, 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/Senior Vice President, Learning Unit Casandra Ulbrich, Vice President, College Advancement and Community Relations Hunter L. Wendt, General Counsel/Executive Director of College Police Denise Williams, Vice President, Human Resources

3.0 APPROVAL OF AGENDA

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

Motion carried.
4.0 AUDIENCE PARTICIPATION

None

5.0 REVIEW OF AGENDA ITEMS AND MATERIAL

None

6.0 ISSUES AND UPDATES

Trustee DeSantis inquired about the status of the Achieving the Dream initiative. Dr. Sawyer responded that the program is doing very well. He further stated that one of the major initiatives was the implementation of a mandatory College Success Skills course (CSSK) for students who placed in development education in reading, math and English, and there was a very good persistence rate—approximately 71%, compared to 47% for those who didn’t take the CSSK course.

Trustee DeSantis then referred to the college’s last college accreditation and the issue that was brought to the college’s attention as to a lack of diversity. He then commented that he believes there is a lack of diversity within President’s Council. Dr. Jacobs responded that the data will show that there is a significant number of minorities among the staff at the college. He further stated that while the administration is aware of the diversity issue, the college must choose candidates who are the most qualified. Trustee Cusumano stated he would like to be provided with a report in terms of full-time faculty and whether or not the community is being represented demographically. Ms. Williams stated that when recruiting for positions, Human Resources reaches out to diverse populations. She also stated that she would provide the data requested.

Ms. Pavone also advised that the accreditation team will look at not only student diversity but will also document diversity within the college’s staff. She further stated that it is important for the college to show whether a shift, even gradual, has taken place, since the last accreditation. Trustee Bonkowski inquired whether the demographics of the County are taken into consideration. Ms. Pavone responded affirmatively and stated that a team is putting the information together to show there has been a gradual shift.

Dr. Jacobs provided the following updates to the Trustees:

- Over 350 students, faculty and staff volunteered in the community as part of the Martin Luther King Day celebration in January
- Over 500 high school students have applied for Early College, which is a significant growth in the last three years
- The Goldman Sachs program for small businesses will begin March 28, with the lead instructor being a Macomb faculty member
• A hearing is scheduled this week in Lansing with the Joint Capital Outlay Committee regarding the college’s proposed request for $4.5 million for renovation funds for South Campus, C building

6.1 Boardbook
There was a discussion regarding the transition to using electronic board packets and a time frame to eliminate the need for hard copies.

6.2 Update on Michigan Coalition for Advanced Manufacturing Grant (funded by the Trade Adjustment Assistance Community College and Career Training grant program)
Dr. Jacobs stated that there are two positions relating to the $24.9 million TAACCCT grant which are on the regular meeting agenda for Board approval tonight, and that Dr. Sawyer and Ms. Pavone will be providing an update on this grant.

Dr. Sawyer informed the Trustees that this is advanced notice that several items will be brought to them for approval in the next few months relating to equipment and staffing for the Michigan Coalition for Advanced Manufacturing (M-CAM) funded by this grant. He stated that the process has been started to create the statements of work and request for proposals (RFPs) for equipment and installation. Macomb is leading a consortium of eight community colleges in Michigan, and responsible for coordinating the activities for all of the colleges. Macomb’s portion of the grant is $9.6 million. Macomb will offer training to local employers and this is a great opportunity for the college since we will be purchasing close to $1 million dollars in equipment for MTEC. In regard to the training, the college will be focusing on four areas based on an extensive research project across the state and with local employers. Those areas are: (1) CNC machining; (2) welding/fabrication; (3) multi-skilled technician (mechatronics); and (4) production operations. That process has begun. Some of the equipment the college will be purchasing will be robots, conveyors, laser trackers, and a coordinated measuring machine. The college will be able to use all of this equipment moving forward over the years.

Ms. Pavone stated that another item that will be coming to the Board for approval next month is a contract for a third party evaluator, which is required by the Department of Labor. The third party evaluator will be responsible for documenting the program’s implementation, conducting an impact study, and developing a database that will allow us to track, evaluate and report on the grant so the college can provide the Department of Labor with all the data they are looking for in conjunction with this project. Ms. Pavone further stated that this is a very high priority for the Department of Labor and they will require the third party evaluator to work together with Macomb and the other participating colleges. The third party evaluator will also be required to be involved in weekly calls, focus groups, webinars, meetings with the college’s project leadership team, interviews with students that are in the programs, and conferences held by the Department of Labor, in addition to many
other requirements. This will require a significant amount of staff and resources by the third party evaluator to meet the demands of the Department of Labor. There are stringent reporting requirements so the Department of Labor will allow up to 10% of the $24.9 million dollar grant award to be expended for a third party evaluator.

Trustee DeSantis inquired as to who will be coordinating the grant. Ms. Pavone responded that the two individuals listed on the agenda for Board approval this evening will coordinate the grant. Trustee DeSantis further inquired if there will be an audit on the grant. Ms. Argiri responded that each year the college is required by federal law to have a single audit and that this particular grant would be part of that audit. Macomb is the lead on this grant, so the $24.9 million total grant award would be audited by Plante & Moran, including Macomb’s administration of the other community colleges in the consortium.

Ms. Pavone stated that there are two components to the $9.6 million dollars. There is the budget that goes to administering the grant which includes the third party evaluator for the entire consortium and the portion that directly pays for the project at Macomb. In response to Trustee DeSantis’ inquiry about whether the college could use more help with this grant, Ms. Argiri responded that Macomb’s $9.6 million dollar portion of the $24.9 million dollar grant includes money for purchasing equipment and for funding positions, which is all being addressed. Trustee Cusumano inquired as to who will make the decision on the third party evaluator contract bids. Ms. Pavone responded that there is currently a team of people evaluating the proposals in response to the RFP, which includes herself, the director of institutional research, and the director of grant support services. The recommendation of the team will then be submitted to the vice president of business. Trustee DeSantis asked if this will involve any travel. Ms. Pavone responded that it will include some travel for the third party evaluator but not for Macomb staff. There were questions regarding the fee for the third party evaluator and Ms. Pavone clarified that the Department of Labor allows an award up to 10% of the total grant awarded.

6.3 **Tuition**

Dr. Jacobs stated that the matter of tuition has been placed on the agenda for an initial discussion. He reminded the Board that in January 2013 they approved administration’s recommendation to take a long-term approach to tuition and evaluate matters over a series of time which included adjusting the tuition rate 3–5% annually. The Governor indicated that there will be a slight increase in the amount of funds community colleges will receive and that increase is dependent on tuition increases not exceeding 3.2%. Dr. Jacobs informed the Trustees that the college intends to honor that, so administration will recommend a 3%
increase. He further brought to the Board’s attention that the out-of-county and out-of-state tuition rates are lower than many of the other community colleges in Michigan. He stated that the administration is considering raising the out-of-county and out-of-state tuition by more than the 3.2%, but would like feedback from the Board. He asked Ms. Argiri to review a survey conducted by the Michigan Community College Business Officers Association which shows the tuition comparison for the 28 Michigan community colleges. Ms. Argiri stated there are many factors that are considered when evaluating tuition rates, one of which is how Macomb compares to the average. Historically Macomb has been either at or slightly below the state average. She then referred to the section entitled “adjusting out-of-district and out-of-state rates to be consistent with the state average” and stated that the administration has been reviewing the comparisons. Given the current rates, Macomb’s in-district rate is 5.6% below the state average, however, the out-of-county rate is 12.4% below the state average, and the out-of-state rate is 19.8% below the state average. When looking back over a 13-year period at how this misalignment may have occurred, there were times when tuition was raised on a percentage basis, where all of the tuition categories were adjusted by the same percentage, and times when tuition was raised by a flat rate. She continued to review the document explaining what the amounts would be for the out-of-county and out-of-state rates using the 5.6% below average rate as the baseline to adjust those rates bringing them in line with the in-district rates. Adjusting those rates would generate approximately $700,000 in revenue based on current credit hour levels. As another point of information, Ms. Argiri advised as to what a 3% increase in all of the tuition rates would be based on the current rates: $92 for in-district; $140 for out-of-district; and $181 for out-of-state. Ms. Argiri also pointed out that Macomb’s tuition rate is 79% below the average rate of four-year universities in southeast Michigan.

Trustee Cusumano directed a question to Ms. Argiri regarding Macomb’s tuition rate being 11% higher than Oakland Community College’s tuition rate, including fees and costs. Ms. Argiri responded that it may be true as to in-district rates but not out-of-district rates. She further added that Oakland Community College has a property tax base that is more than double the size of Macomb’s. He further inquired if the college is revenue positive and how much gross revenue would be generated by a 3% tuition increase. Ms. Argiri responded that for the current fiscal year the answer is yes, but stated that the college is just beginning the budget process for the upcoming fiscal year and there are still many unknown factors at this time, including the impact of the collective bargaining contracts, personnel changes and health care savings. She further explained that state aid has not been finalized and that the administration is still looking at enrollment trends for the coming year. Ms. Argiri stated that, assuming a flat enrollment, a 3% increase would generate approximately $1.5 million in revenue. He also inquired if an analysis has been done on the impact on the budget
regarding the step and pay increases for college employees. Ms. Argiri stated that the administration looked at that in a very general sense, and with a 3% increase, not factoring in any adjustments for out-of-county and out-of-state rates, it would be near a break-even point, with revenues exceeding expenses by approximately $300,000. Ms. Argiri stated that she could provide a better estimate at the next board meeting. Ms. Williams noted that included in the write-ups to the Board on the collective bargaining contracts are the estimated costs for the three-year periods of those contracts.

Dr. Jacobs stated that what he wanted to bring to the Board’s attention at this meeting is the discrepancy between the in-district and out-of-district rates. Trustee DeSantis commented that since we are getting more out-of-county people attending Macomb and the fact that we have been doing more advertising outside of the county, the out-of-district adjustment would make sense. Ms. Falcone noted that she is in favor of pursuing the adjustment.

Trustee Cusumano commented that he thinks it is necessary to hold a study session on this matter prior to making a decision at the next board meeting and requested that the Board hold a special meeting to accomplish that. Trustee DeSantis was supportive of his request. Dr. Jacobs stated that this was the purpose of placing the matter of tuition on the information session agenda this evening. Trustee Kelly referred to Trustee Cusumano’s request for a special meeting and Trustee DeSantis’ support of that request and inquired if the other Trustees were in favor of that request. The other Trustees were not in favor of holding a special meeting.

Trustee Kelly summarized that administration is recommending a 3% general tuition increase, given direction from the Board in January 2013. He further summarized that administration has made the Board aware at tonight’s meeting that the out-of-county, out-of-state tuition rates were misaligned compared to other community colleges and the Board may want to address that at some point. Trustee Kelly stated that the misalignment issue can be addressed at a future meeting.

6.4 Enrollment
Dr. Jacobs distributed an enrollment report listing the headcount and credit hours for all Michigan community colleges. He pointed out that Macomb is down in enrollment slightly more than the predicted 3% (-4.1% in credit hours and -4.2% in headcount), however, most of the colleges have experienced a significantly higher decline. Dr. Jacobs stated that he believes this has less to do with cost of tuition and more to do with other factors as it is affecting all colleges regardless of their tuition rate. He stated that one matter of concern is the projected decline in the K12 school district population throughout the state in the next ten years. He also pointed out that we need to address the issue of retaining students. Trustee DeSantis commented that he believes the college should put more emphasis on tech prep.
6.5 Strategic Planning Measurements
Dr. Jacobs informed the Trustees that due to lack of time, this matter will be presented at a future board meeting.

6.6 College Provision of Caps and Gowns
Trustee Cusumano stated that he believes it is important to encourage students to participate in graduation and important for family members to be exposed to the college, which may include middle and high schools students. He further stated that it is his opinion that this would be a wise investment by the college to cover the cap and gown expense for students.

6.7 Posting of Board Material
There was no discussion on this agenda item.

7.0 EXECUTIVE SESSION

It was determined that there was no need to hold an executive session.

8.0 ADJOURNMENT

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

The meeting adjourned at 8:18 p.m.

COMMUNITY COLLEGE DISTRICT OF THE COUNTY OF MACOMB
BOARD OF TRUSTEES

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Acting Secretary