

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, August 19, 2014 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 6:35 p.m.

2.0 ROLL CALL

Present: James F. Kelly, Chairperson  
Connie Bolanowski, Secretary  
Frank Cusumano, Trustee  
Joseph DeSantis, Trustee  
Nancy Falcone, Trustee

Absent: Christine Bonkowski, Vice Chairperson (excused)  
Roseanne DiMaria, Treasurer (excused)

Also present: James Jacobs, President  
Elizabeth Argiri, Vice President, Business  
Jill M. Little, Vice President, Student Services  
Patricia Martz, Secretary to the President  
James Sawyer, Provost/Senior Vice President, Learning Unit  
Casandra Ulbrich, Vice President, College Advancement  
and Community Relations  
Hunter L. Wendt, General Counsel/Executive  
Director, College Police  
Denise Williams, Vice President, Human Resources  
William Simonson, Director of Administrative Services

3.0 APPROVAL OF AGENDA

MOTION by Falcone, supported by Bolanowski, 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

### 6.1 Flood Damage at South Campus

Dr. Jacobs reported on the flood damage which occurred at South Campus in July indicating that ten buildings were affected as well as loss of some College Police vehicles. He stated that many of the college staff worked diligently in the recovery efforts to keep everything running smoothly during that busy week of registration. Center Campus did not incur any flood damage.

### 6.2 Fall Semester

It was reported that the Fall 2014 semester classes will begin on August 25 and enrollment figures are good.

### 6.3 Innovation Fund

Dr. Jacobs referred to regular meeting agenda item 11.4 regarding the transfer of funds to create an Innovation Fund for a vote by the Board. He stated that while the economy has improved in Macomb County, one significant issue is that it will never reach the employment and growth levels experienced in the past, so it is important to focus on economic development and employment in the County. Dr. Jacobs further stated that the college has done a great job with customized training and working with business and industry as well as offering programs for entrepreneurial development. A Center for Innovation and Entrepreneurship would centralize these efforts, including the Goldman Sachs 10,000 Small Businesses initiative, and an exciting new development with the Innovation Fund.

Dr. Ulbrich then presented a video regarding the Lorain Community College Innovation Center. She also distributed a document with information on the proposed Center for Innovation and Entrepreneurship for Macomb Community College which would open in Fall 2014 at Center Campus. She explained that there will be a series of activities, including business support centers, a partnership for transfer courses with transfer institutions, credit/non-credit education, mentors and advisors, a community stakeholder partnership. The intention is to serve the diverse needs of businesses in the community, inspire students to think about entrepreneurship and how to innovate and launch business ventures in the community, and positively contribute to the community's economic development. Students who want to start their own business will have access to mentors and advisors. This places the college in a position where we are able to support new entrepreneurs who would be seeking to start a business with some form of start-up capital. Dr. Ulbrich stated that the Innovation Fund will be modeled after Lorain Community College in Ohio, and they will provide consultation to set up the Fund with Macomb. The Innovation Fund they have developed has received over 5,000 inquiries, accepted 600 applications, and there were 99 grant awards to 83 companies for a total amount of \$5.7 million. In addition, over 150 internships were provided to students and 314 jobs were created. One of the central aspects of providing money to companies is so that they

will hire the students. An organization was created called the Innovation Fund of America which invests money to help entrepreneurs prove their concepts and teaches start-up companies what they need to know from an investor perspective. Macomb will participate in this organization if the Board chooses to accept this proposal.

Dr. Jacobs reminded the Board that the Innovation Fund was discussed at a previous board meeting, but administration wanted to wait for a donor before bringing it to them for approval. He explained that Macomb now has a donor who is asking the college to match their \$1 million dollar contribution. In conclusion, Dr. Jacobs explained that it seems appropriate to make this announcement at the 60<sup>th</sup> anniversary celebration on September 16<sup>th</sup>.

Trustee Kelly inquired as to whether the \$2 million dollars will include funds for staffing and other expenses so that this would not be an ongoing expense to the college. Dr. Ulbrich responded that the expenses would fall under the Center for Innovation and Entrepreneurship so a small amount of funding would be devoted to a few part-time staff to do the work. She added that much of the Innovation Fund work will be handled by a committee of entrepreneurs and experts who will essentially work with businesses and decide who will be the recipients of these funds, so the cost to the college would be minimal. The initial investment starts the fund with grants of \$25,000. Awards of \$100,000 will be made, but those would be paid back or the college would take an equity position. Ms. Ulbrich noted that she has been in contact with a number of funders who were in favor of an Innovation Fund but did not want to be the first investor, so now that the college has a commitment from the first contributor, there should be more donors willing to give.

Trustee Cusumano asked if the committee which will be established will decide who is awarded grants or loans. Dr. Ulbrich responded that Lorain County Community College will serve as Macomb's advisors to the Innovation Fund of America and Macomb will follow their model. A staff member will oversee the day-to-day operations but the committee will consist of successful entrepreneurs and people who have been in the business community for many years with the ability to recognize who has the potential to grow or expand. They will make their recommendations to the college. Dr. Jacobs stated that this will be a very selective process and the college may only fund one or two companies per year. He further explained that these are funds which have been set aside by the college in one of the strategic reserve funds and will not come from the college's operating budget. Dr. Ulbrich informed the Trustees that the committee members will not only be making recommendations, but the expectation is that they will also serve as mentors for these companies. She also stated that the Lorain County Community College Innovation Fund companies raised \$61 million in add-on funding as returns on their investments, and this created more jobs and more economic development, which is the intent of the Innovation Fund. Trustee Cusumano asked for an explanation regarding the \$61 million add-on funding. Dr. Ulbrich stated that possible examples could include a company receiving a grant to work on a product or additional capital for their

business, but it is all based on the fact that they were able to get that initial investment which helped them get to the next level. Trustee Cusumano inquired if any policies and procedures have been established. Dr. Ulbrich responded that Lorain County Community College will be helping Macomb develop policies and procedures. The basic premise of the Innovation Fund is two-fold. There are grants in the amount of \$25,000 which will be for start-up companies, which they do not have to pay back. Then there are emerging companies already established who can receive up to \$100,000 that they will have to match one for one, which is not a grant but a loan or an equity stake in the company. Within the first three years they can pay the loan back and they are free and clear. Within three to six years the Innovation Fund can request the payment back or request an equity stake. After six years, if the company has not been successful and we have not requested a payment or equity stake, they are free and clear. Within those six years, the college has a right to either request payment or equity.

Trustee Kelly inquired if Lorain County Community College has any information on the economic impact. Dr. Ulbrich responded that Lorain County Community College has been able to demonstrate a significant impact on what they are doing. Dr. Jacobs stated that in addition to job growth, these companies are paying property tax which is additional revenue for the college. Further, the companies must agree to stay in the region as long as they receive the funds. The purpose is to create economic activity in the community. Trustee Kelly commented that he believes this is a good idea for the college and would be in agreement with administration's recommendation.

#### 6.4 DACA

Dr. Jacobs referred to a memorandum sent to the Board from Mr. Wendt and Ms. Little regarding undocumented immigrants and the college's residency policy. He stated that under the college's current policy, undocumented immigrants must pay tuition as out-of-state/foreign students. Currently, the policy states in part: "Students who are United States citizens or foreign students entitled to reside permanently in the United States who reside in Macomb County as of the start of registration for the term desired, or own real property in Macomb County (must provide current property tax information) will be charged in-district resident rates." Dr. Jacobs informed the Trustees that the college has been approached by a group known as the Michigan Dreamers on behalf of undocumented immigrants requesting that the college change its residency and tuition policies. Mr. Wendt stated that under federal law, individuals who are not citizens are unable to receive financial aid. Mr. Wendt referred back to the memorandum in which three questions were posed to the Trustees: (1) should the college continue its current residency policy and tuition rates and charge the out-of-state/foreign tuition rate as to all undocumented immigrants; or (2) change its residency policy and tuition rates making Deferred Action for Childhood Arrivals (DACA) students eligible for either in-district

tuition or out-of-district tuition depending upon actual residency; or (3) change its residency policy and tuition rates for all undocumented immigrants making them eligible for in-district tuition or out-of-district tuition depending upon actual residency. Trustee Kelly commented that he would be in favor of option two or three. Trustee Bolanowski commented that she would be in favor of keeping the policy as it is with no changes. Trustee Falcone stated that she is in favor of revising the policy. Mr. Wendt explained that this is a Board decision but administration wanted to obtain their thoughts in order to bring forth a proposal for revising the policy. It was noted that there may be approximately 150 DACA students at the college.

There was a discussion regarding the policy of other colleges, some of which require a certain length of time of residency and high school graduation within the county. Mr. Wendt noted that Macomb's application includes a question about United States citizenship and asks for an explanation if the student is not a United States citizen, which he stated could deter a prospective student from enrolling. Trustee Cusumano stated that he would be in favor of keeping the tuition structure the same and not ask the question about citizenship. Administration will draft a proposed policy for discussion and approval at the next meeting.

#### 6.5 Construction Policy

Dr. Jacobs informed the Trustees that on July 30 and 31 the Union of Bricklayers and Allied Craftworkers established a picket line at South Campus in relation to the construction work for the new entrance and crosswalk. At a subsequent meeting between the college and union leadership, the unions requested that the Board of Trustees consider a revision to its current college policy and agree to pay prevailing wage to the trades on all construction work. Currently, the board policy requires the college to pay prevailing wage on the construction of new buildings, major additions and state-funded capital outlay projects. Dr. Jacobs stated that this is being brought forth to the Board for discussion on whether they want to have the policy revised. He proposed a resolution which would make a distinction between projects that are managed by construction managers and projects that are managed directly by the college. He explained that this does not mean non-union contractors cannot bid on work but it would mean they must pay prevailing wage if they are awarded the bid. He noted that 70% of the college's contractors doing construction work that is now managed by our construction management firm are paying prevailing wage. Ms. Argiri stated that there would be a difference in cost of approximately 30%, or a rough estimate of \$600,000 over the next two years of renovation projects. If the Board chooses to revise its policy, it would be effective for new project work. This would not be effective retroactively for any project currently underway and contracts that have already been awarded. The current policy speaks to new construction and major additions, so an entirely new policy would be drafted for the Board's review.

Trustee Cusumano inquired as to what would be considered a major addition and who would make that decision. Ms. Argiri stated that the college has not had many projects fall under that criteria, but in the past it would have been the construction manager's and administration's interpretation of a project and whether it met that category. Trustee Cusumano inquired as to how the \$600,000 figure was calculated over the two year period. Ms. Argiri stated that Administration looked at prior authorization received from the Board of Trustees and the total estimated construction cost for 2015/2016. Then the total construction costs were reduced by an estimate as to the projects which would be managed internally and an additional 30% factor was applied to work that may be done by a non-prevailing wage contractor. Ms. Argiri further explained that the approximate difference of \$600,000 over two years was estimated, assuming all other things are equal, such as no increase or decrease in construction costs during that time. This calculation also assumes that all non-union work is done in a non-prevailing wage scenario. Trustee Cusumano inquired about the source of the funding of the \$600,000 figure. Ms. Argiri responded that this is through capital projects funding. Trustee Cusumano asked if the college is seeing a significant difference between non-unionized labor and the construction trades paying prevailing wage. Trustee Falcone responded that the difference, regardless of whether employees would be represented by a union or not, is that they would be able to be paid prevailing wage.

Trustee Kelly stated that he would be in favor of revising the policy. Trustee DeSantis inquired about the percentage that Barton Malow receives. Ms. Argiri responded that Barton Malow receives a flat fee based on the work, not a percentage. Mr. Simonson added that they break it out in their proposal on an hourly basis and that the college has a contract with Barton Malow for the next three years. Trustee DeSantis inquired if the flat fee was going to be lower. Mr. Simonson stated that the bidding process has been the same and will continue to be the same. Trustee DeSantis then inquired how a prevailing wage is determined for every specific job on projects. Mr. Simonson stated that he receives the information from the State of Michigan every six months. Dr. Jacobs stated that administration will bring the proposed revisions to the policy to the Board for approval at a future board meeting.

#### 6.6 Title IX Policy

There was a discussion regarding Title IX federal legislation having changed with an emphasis now being placed upon a broadened definition of sex discrimination, including sexual misconduct, which encompasses a range of behaviors which could create a hostile environment. While the college already has various policies in place relating to these matters, it is now being required under Title IX to have a specific policy and procedure for reporting, investigating and resolving complaints of sexual misconduct as well as a selection of a coordinator. Mr. Wendt stated that in reviewing the legislation, this proposed policy covers all the necessary and required provisions of the legislation. Mr. Wendt further stated that Dr. Ulbrich will be the Title IX coordinator, along with two designated deputy coordinators. This is a policy which codifies what the college has always done in terms of investigating and deciding complaints. The significant issue is the requirement that the college must now provide training and exposure to

the law to all faculty, staff and students. The educational component of this law will be the major change in the way the college presently operates. Mr. Wendt stated that if a complaint is made, the first filter will be Dr. Ulbrich who will assign it to the appropriate deputy coordinator for investigation.

Trustee Cusumano inquired if there are hearings or any implications for due process. Mr. Wendt responded that there can be hearings and appeals and representation is allowed. Trustee Cusumano referred to section 4.9 where it states "no hearing will be conducted." Mr. Wendt responded that they are entitled to a hearing through the process but there is no hearing on the appeal. Mr. Wendt explained that the word "investigation" is used in the policy instead of "hearing." Trustee Cusumano questioned the policy as drafted which he claimed does not provide for a hearing for an accused individual. Mr. Wendt responded that the accused individual is entitled to an investigation and entitled to make their case to the investigator. Trustee Cusumano suggested that the policy should state that an individual, upon request, is entitled to a public hearing. Mr. Wendt responded that the way investigations are conducted preserves confidentiality for the person bringing the complaint and provides protection for the person accused, affording them their due process rights throughout. Dr. Ulbrich stated that the investigators will go through training on how to conduct a Title IX investigation. Mr. Wendt further stated that this is to provide a hostile free environment so that individuals will feel empowered to come forward with complaints. Trustee Cusumano inquired if the matters are automatically turned over to law enforcement. Mr. Wendt responded that if the complaint is of a criminal nature, the decision to pursue a criminal complaint is up to the individual. Mr. Wendt concluded by stating that this is the right thing to do to protect the students.

(L. Argiri, J. Little, J. Sawyer, C. Ulbrich and W. Simonson left the meeting)

## 7.0 EXECUTIVE SESSION

MOTION by Cusumano, supported by Falcone, to move into executive session.

ROLL CALL VOTE:

Ayes: Cusumano, Falcone, Bolanowski, Kelly

Nays: DeSantis

Absent: Bonkowski, DiMaria

Motion failed.

(The information session was reconvened)

Trustee Cusumano inquired about the NBU instructor position listed under regular meeting agenda item 8.1. Ms. Williams explained that it is a temporary specially funded position and the instructor would be teaching only non-credit classes. Dr. Jacobs noted that the salary will be paid from grant funds for a two-year commitment unless the grant is extended. Trustee Cusumano further inquired whether Mr. Kovalchuck would maintain his adjunct faculty status with the college. Ms. Williams responded that if he chooses to go back as an adjunct faculty member, he would not lose his seniority from the point of step.

Trustee Cusumano then inquired whether Diane Roose, the candidate for the position of associate dean of health sciences, is currently working at two colleges and whether there were any internal applicants for this position. Ms. Williams responded that Diane Roose is working concurrently at two colleges. Ms. Williams further stated that she would have to get back with Trustee Cusumano as to whether there were any internal applicants. She explained that a selection committee reviewed the applications and sent the list of qualified applicants to Human Resources. Individuals were then selected and interviewed and a recommendation was made to the Provost and President Jacobs.

Trustee Cusumano inquired about regular meeting agenda item 11.3A in regard to the TAACCCT grant. Dr. Jacobs responded that technical assistance is needed for the part of the grant that supplies the labor market information. He further stated that the selection and recommendation of Corporation for a Skilled Workforce (CSW) was a decision made by the consortium of eight community colleges. Trustee Cusumano inquired about a lower bidder. Dr. Jacobs stated that the reason the committee selected the higher bid with CSW is because CSW included in their proposal an additional set of work only that group put forth.

## 8.0 ADJOURNMENT

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

The meeting adjourned at 8:10 p.m.

COMMUNITY COLLEGE DISTRICT OF THE COUNTY OF MACOMB  
BOARD OF TRUSTEES

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Secretary