

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 on Tuesday, October 21, 2014 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 7:40 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, College Police

3.0 APPROVAL OF AGENDA

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

Motion carried.

4.0 APPROVAL OF MINUTES

4.1 Information Session, August 19, 2014

4.2 Regular Meeting, August 19, 2014

4.3 Special Meeting, August 26, 2014

MOTION by DiMaria, supported by Falcone, to approve the minutes of the August 19, 2014 Information Session and Regular Meeting; and the minutes of the August 26, 2014 Special Meeting, as read.

ALL IN FAVOR:

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

Nays: None

Absent: Bolanowski

Motion carried.

5.0 BOARD OF TRUSTEES REPORTS/PROPOSALS

5.1 Reports by Board Members

Trustee Cusumano commented that at the MCCA annual conference in Traverse City in July a suggestion was made that it would be advisable for all community colleges to arrange a trustee orientation for new trustees. He suggested that this matter be placed on the agenda at a future board meeting for further discussion and exploration.

Trustee Kelly responded that in the past new trustees were contacted by the College President and the Board Chair to schedule an orientation. Trustee Kelly noted that he did contact Trustee Cusumano when he was first elected as a Trustee to schedule an orientation with him but did not receive a response. Trustee Cusumano inquired as to what is included in the trustee orientation. Trustee Kelly responded that he will discuss the details of the orientation with him at another time rather than take the time to do so at this meeting.

5.2 Maritime Academy

Trustee Cusumano stated that this agenda item is related to his proposal for exploration of a Maritime Academy program in conjunction with the Northwestern University Maritime Academy. He stated that the jobs for training in the global shipping employment fields and also the Great Lakes shipping pay an average starting wage for a graduating cadet of \$120,000 per year according to the information on the website. He referred to the presentation by Dr. Sawyer at a previous board meeting in which it was shown that the wages were significantly less than that but still in the range of over \$60,000. He further stated that he believes the college should pursue this matter for the students and Macomb County residents in order to make those job opportunities available to them. He acknowledged that the administration has recommended against pursuing this matter, however, he is making a motion to pursue a Maritime Academy baccalaureate program at the college to be voted on by the Board.

Due to lack of support, motion failed.

Trustee Kelly commented that, as Trustee Cusumano knows from the presentation that was provided by the administration at a previous information session, for these programs to be successful they need to be accredited by the federal government, which is limited to one institute per state and Michigan already has one. In addition, there is no demand for jobs in this sector, and it would cost the college millions of dollars to obtain a ship and create a pier, all for a credential that would be meaningless because it would not be accredited by the federal government and students would not be eligible for financial aid. He concluded his comments by stating that there is no sound reason to propose or support this as the administration's thorough research has shown.

POINT OF ORDER: Trustee Cusumano stated that the motion failed and he fails to see the reason to editorialize on the failure of the motion.

Trustee Kelly thanked his colleagues for having the foresight not to support this proposal.

5.0 BOARD OF TRUSTEES REPORTS/PROPOSALS (Continued)

5.3 Culinary Arts

Trustee Cusumano stated that this agenda item is related to his proposal for exploration of a Culinary Arts baccalaureate program at the college. He stated that as a Culinary Arts program has already been established, it is his belief that this would be the next logical sequence in that chain of events. He further stated that Schoolcraft College is establishing a bachelor's program in Culinary Arts and it is his position that if Macomb Community College will be left behind if it does not move forward with a baccalaureate program in that field. Trustee Cusumano referred to the presentation by the administration at a previous board meeting at which time the administration recommended against pursuing a baccalaureate program. He questioned why the college even has a Culinary Arts program if the program is a financial loss. He stated that it is disingenuous that administration believes a Maritime Academy program would be imprudent and not a good approach.

Trustee Falcone inquired if there was a statute of limitations as to how many times a proposal can be made even after discussion and research. Mr. Wendt responded that what happened previously on this issue was that a request was made by Trustee Cusumano at an information session to investigate the issue. Dr. Sawyer conducted an investigation and presented the findings and recommendation at a subsequent information session, but there was no consensus of the Board to proceed and no vote was taken. Mr. Wendt further stated that Trustee Cusumano requested the matter be placed on the agenda for consideration and a vote.

Due to lack of support, the motion failed.

Trustee Kelly stated that the reason the Culinary Arts program exists is because it fulfills a community need. He further stated that the research showed that there is no community need for a baccalaureate program and there is no demand for such training. In addition, the college would either have to spend millions of dollars to expand its facilities or cut back on a program that is fulfilling a need. Trustee Kelly again thanked his colleagues for having the foresight not to support this proposal.

6.0 PRESIDENT'S REPORTS

6.1 President's Report

Dr. Jacobs stated that the college operates under three important principals, one of them being transparency in collaborating with many different organizations and people. Second, the college has a clear concept of continuous improvement and the administration appreciates comments and change. Third, what links the two together is the use of data in conjunction with our activities and desire for improvement. Dr. Jacobs further stated that data is shared within the organization and the administration recognizes there can be different interpretations of that data, but the evidence speaks for itself. He stated that he would like to share some data publicly this evening for the reason that he believes there has been some unfortunate mischaracterizations of data.

6.0 PRESIDENT'S REPORTS (Continued)

Dr. Jacobs distributed information regarding degree completion time for Macomb graduates. Dr. Jacobs stated that it has been asserted on different occasions in public that the completion rate is nearly six years, which is erroneous. He explained that this is data that which was compiled based on a summary of Macomb graduates of the last three academic years which indicates an average of 3.92 years. The second document which contains information that the Trustees have seen before but it has been updated to 2013. A memo was provided to the Board in February regarding this subject. Dr. Jacobs further stated that students have been fairly consistent with the average number of credit hours they take per semester. In fact in the last three years internal data shows no change, remaining at 8.9 credit hours. If the student is taking 8.9 credit hours each semester, it gives them a total of 18 to 19 credit hours per year and it would take three to four years to graduate at that rate.

Dr. Jacobs stated that he does not understand the reason anyone would dispute what the college's internal data shows and assert that there are other facts that the college somehow missed. The Board is a collective body and it is important for the Board to understand the institution and how it functions, and there is a potential for change. There are some good issues before the Board this evening which, if approved, will have a positive impact in the community and that is where our focus should be.

POINT OF PERSONAL PRIVILEGE: Trustee DeSantis inquired as to the reason this data was not shared at the information session at which time the president had the opportunity to discuss those figures. He stated that there is no need for a lecture on transparency since this information was withheld during the information session.

Trustee Kelly responded that one of the reasons that this was brought up at the public meeting is because this issue of completion rates has been discussed repeatedly at the information session and the information has been provided at those meetings in written form for several months. Further, erroneous information continues to appear on social media so it needed to be discussed in public.

POINT OF PERSONAL PRIVILEGE: Trustee Cusumano stated that he specifically asked at the information session what data set was being used for completion rates and that was not given to him and questioned the transparency. He further claimed that a transparency proposal was brought before the Board and was voted down by the majority. Trustee Kelly responded that Trustee Cusumano was provided with an answer to his question on what data set was used.

7.0 FINANCIAL REPORTS

7.1 Financial Statements

7.1A Financial Statements - August 31, 2014

MOTION by Falcone, supported by DiMaria, to receive and file the financial statements for the two months ended August 31, 2014.

ALL IN FAVOR:

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

Nays: None

Absent: Bolanowski

Motion carried.

7.1B Financial Statements - September 30, 2014

MOTION by Falcone, supported by DiMaria, to receive and file the financial statements for the three months ended September 30, 2014.

ALL IN FAVOR:

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

Nays: None

Absent: Bolanowski

Motion carried.

7.2A Investment Report - August 31, 2014

MOTION by DiMaria, supported by Falcone, to receive and file the investment report of securities held as of August 31, 2014.

ROLL CALL VOTE:

Ayes: DiMaria, Falcone, Bonkowski, DeSantis, Kelly

Nays: Cusumano

Absent: Bolanowski

Motion carried.

7.0 FINANCIAL REPORTS (Continued)

7.2B Investment Report - September 28, 2014

MOTION by DiMaria, supported by Falcone, to receive and file the investment report of securities held as of September 28, 2014.

ROLL CALL VOTE:

Ayes: DiMaria, Falcone, Bonkowski, DeSantis, Kelly

Nays: Cusumano

Absent: Bolanowski

Motion carried.

Trustee Cusumano stated that he voted no on both Investment Reports based on the discussion that took place at the information session regarding the Fannie Mae and Freddie Mac booking of the investments.

7.3 Financial Reports & Analyses

7.3A Audited Financial Report for the Year Ended June 30, 2014

MOTION by DiMaria, supported by Falcone, to receive and file the Macomb Community College Financial Report 2013-2014.

DISCUSSION: Trustee DeSantis asked Trustee DiMaria if she had met with the auditors and if she felt that everything is in order. Trustee DiMaria responded in the affirmative to both questions. Trustee DeSantis further inquired about the auditing procedure of checks and balances and checking of minutes to make sure they correspond with the expenditures. Ms. Argiri stated that the auditors review all the minutes from the preceding year as part of their audit and that they have asked her for support on some of the expenditures they have tested. She further stated that she will defer to Paul Edwards to speak on the procedure as to the auditing of minutes.

Mr. Edwards responded that as part of the audit process they do look at board minutes to determine that expenditures were approved. Trustee DeSantis asked that in the event the auditors would discover changes that were made when looking at the minutes would that be something they would flag. Mr. Edwards stated that it would be raised in the letter they issue to the Board at the end of the audit.

ROLL CALL VOTE:

Ayes: DiMaria, Falcone, Bonkowski, Kelly

Nays: DeSantis, Cusumano

Absent: Bolanowski

Motion carried.

7.0 FINANCIAL REPORTS (Continued)

7.3B Macomb Community College Foundation Audited Financial Report 2013-2014

MOTION by DiMaria, supported by Falcone, to receive and file the Macomb Community College Foundation Audited Financial Report 2013-2014.

ROLL CALL VOTE:

Ayes: DiMaria, Falcone, Cusumano, Bonkowski, Kelly

Nays: DeSantis

Absent: Bolanowski

Motion carried.

7.3C Single Audit Report – Year Ended June 30, 2014

MOTION by DiMaria, supported by Falcone, to receive and file the Single Audit Report for the year ended June 30, 2014.

ROLL CALL VOTE:

Ayes: DiMaria, Falcone, Bonkowski, Kelly

Nays: DeSantis, Cusumano

Absent: Bolanowski

Motion carried.

8.0 PERSONNEL REPORTS

8.1 Personnel Actions

MOTION by Falcone, supported by DeSantis, to approve the appointments of Terri Weakland, Project Director, Student Services, effective October 22, 2014; and Michelle Koss, Director of Counseling & Academic Advising, effective November 12, 2014.

ROLL CALL VOTE:

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

Nays: None

Absent: Bolanowski

Motion carried.

9.0 AUDIENCE PARTICIPATION

9.1 Audience Participation

John Sternicki, college employee, expressed his concerns regarding the changes in the health care options.

Gillian Talwar identified herself as an attorney and volunteer with the Michigan ACLU and a first generation immigrant, and stated that she would like to address the Board regarding the revised residency policy that will be voted on this evening. She stated that the ACLU supports fair access to education and tuition equality for undocumented students. As of 2010 there has been an estimated 29,000 undocumented young people in Michigan brought here as children and these children have gone to school here and their families pay taxes. They are being denied in-district tuition rates as well as federal financial aid and the opportunity to attend college. Nationwide, sixteen states have passed legislation permitting qualified undocumented students to pay in-district tuition at public universities and colleges. She further stated that a number of universities and community colleges in Michigan have amended their residency policy to allow certain undocumented students to pay in-district tuition and hopes that Macomb Community College will show that it values its immigrant students by amending its policy as well.

Several individuals with the Michigan Dreamers, as well as other individuals then addressed the Board of Trustees to thank them for considering the proposed revisions to the residency policy in regard to undocumented immigrants.

10.0 REPORTS OF ADMINISTRATION – INFORMATION ITEMS

10.1 Annual Grant Closeout Report to the Board of Trustees Fiscal Year 2013/2014

MOTION by DiMaria, supported by Falcone, to receive and file the Annual Grant Closeout Report for Fiscal Year 2013/2014.

ALL IN FAVOR:

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

Nays: None

Absent: Bolanowski

Motion carried.

11.0 REPORTS OF ADMINISTRATION – ACTION ITEMS

11.1A Donation Reports – August 31, 2014/September 30, 2014

MOTION by DiMaria, supported by Falcone, to accept the donations as presented and acknowledged by the Administration.

DISCUSSION: Trustee DeSantis commented that he would like to see all donors listed on these reports, regardless of the amount of their donation, so that they can be acknowledged. He noted that all donors were listed in the reports in previous years. He also requested that in the future these donations are acknowledged with thanks. Trustee Kelly concurred that they should be accepted with thanks.

Motion carried.

11.2 Change Orders

None

11.3 Authorization for Purchases

11.3A COMPASS/ESL College Placement Tests

MOTION by Falcone, supported by DiMaria, to authorize the annual purchase of ACT COMPASS/ESL college placement tests in an amount not to exceed \$50,600 from ACT, Inc. of Iowa City, Iowa.

DISCUSSION: Trustee DeSantis inquired whether this is the same system the Board has been voting on for the past several years and if this is the same system that most of the high schools use. Ms. Little responded that ACT is the company and the product is COMPASS. ACT does the standardized tests that K12 student take for college placement, and the COMPASS is placement into English, math or reading at the college. She stated that the college used ASSET in the past and switched over to COMPASS.

ROLL CALL VOTE:

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

Nays: None

Absent: Bolanowski

Motion carried.

11.0 REPORTS OF ADMINISTRATION – ACTION ITEMS (Continued)

11.3 Authorization for Purchases (Continued)

11.3B Contract for Third Party Administrator for Health Care

MOTION by Falcone, supported by DiMaria, to authorize the administration to enter into a one-year contract with Blue Cross Blue Shield of Michigan subject to the approval of General Counsel, in an amount of \$61.16 per month per covered employee, and to authorize the administration to extend the contract, on an annual basis, for up to an additional two (2) years.

DISCUSSION: Trustee DeSantis inquired if the third party administrator is the same one the Board voted on in the past. Ms. Williams responded that last year the administration asked the Board to approve Automated Benefit Services (ABS) to manage the claims administration on a self-insured basis and this year the administration is recommending Blue Cross Blue Shield for a third party administration and remain on a self-insured basis for 2015. Trustee DeSantis inquired if this will be saving or costing the college money. Ms. Williams responded that Blue Cross Blue Shield's administrative fees are more than that of ABS; however, Blue Cross Blue Shield's negotiated discounts with their providers, which are what we pay for claims, are greater. So the savings in the claims cost in the self-funded program will outweigh the additional cost in administration and the college will now have access to the Blue Cross Blue Shield network of providers.

Trustee DeSantis inquired whether any other schools or corporations use this system at \$61.16 per employee per month to administer their plan? Ms. Williams responded that she has not done research on that but stated she believes it is likely that other schools are doing this.

ROLL CALL VOTE:

Ayes: Falcone, DiMaria, Bonkowski, Kelly

Nays: DeSantis, Cusumano

Absent: Bolanowski

Motion carried.

11.0 REPORTS OF ADMINISTRATION – ACTION ITEMS (Continued)

11.4 Publicly Funded Health Insurance Contribution Act – Election Regarding Benefits

MOTION by Falcone, supported by DiMaria, to elect to comply with Section 3 of Act No. 152 of the Public Acts of 2011.

ROLL CALL VOTE:

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

Nays: None

Absent: Bolanowski

Motion carried.

11.5 Resolution in Support of Membership with the Southeast Michigan Council of Governments (SEMCOG)

MOTION by DiMaria, supported by Falcone, to approve Macomb Community College joining as a member of the Southeast Michigan Council of Governments (SEMCOG) at an annual fee of \$5,301, and to adopt the resolution in support of that membership.

DISCUSSION: Trustee DeSantis inquired if Trustee Kelly was a former member of SEMCOG. Trustee Kelly responded that when the college was a member of SEMCOG in the past, the Board selected him as the delegate.

ROLL CALL VOTE:

Ayes: DiMaria, Falcone, Bonkowski, Cusumano, Kelly

Nays: DeSantis

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 DiMaria, supported by Falcone, to approve the submission of a grant proposal to the Michigan Council for Arts and Cultural Affairs for up to \$30,000 to support programs.

DISCUSSION: Trustee DeSantis inquired if this is the annual grant submission with an increase from \$25,000 to \$30,000. Dr. Ulbrich confirmed that this is the annual grant for which the college applies at the stated increase.

ROLL CALL VOTE:

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

Nays: None

Absent: Bolanowski

Motion carried.

12.0 POLICY ACTIONS

12.1 Construction and Renovation Policy (First Reading)

MOTION by Falcone, supported by DiMaria, to adopt as a first reading the Construction and Renovation Policy.

DISCUSSION: Trustee Cusumano stated that he has reviewed this matter and it is his understanding that adoption of this policy will cost the college approximately \$600,000 over the next several years for construction projects. Trustee Cusumano stated that he has discussed this with individuals in the construction industry and they relayed to him that it would be an increased cost of approximately 26%. He further stated that it was reported to him that a worker who is laying concrete and is paid at prevailing wage is earning \$38 per hour.

ROLL CALL VOTE:

Ayes: Falcone, DiMaria, Bonkowski, Kelly

Nays: Cusumano, DeSantis

Absent: Bolanowski

Motion carried.

12.0 POLICY ACTIONS (Continued)

12.2 Revised Residency Policy (First Reading)

MOTION by Falcone, supported by DiMaria, to adopt as a first reading the revised Residency Policy.

DISCUSSION: Trustee Cusumano directed a question to Gillian Talwar, the ACLU attorney, as to whether the ACLU has a position regarding dropping all out-of-district tuition to her knowledge. Trustee Kelly questioned the relevancy of Trustee Cusumano's inquiry and how that would relate to the revised residency policy. Trustee Cusumano withdrew his question and stated that he would speak with Ms. Talwar after the meeting.

ROLL CALL VOTE:

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

Nays: None

Absent: Bolanowski

Motion carried.

13.0 ADJOURNMENT

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

Motion carried.

The meeting adjourned at 8:37 p.m.

COMMUNITY COLLEGE DISTRICT OF THE COUNTY OF MACOMB
BOARD OF TRUSTEES

Acting Secretary