

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 18, 2015 at 6:00 p.m., in Room 109 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 6:30 p.m.

2.0 ROLL CALL

Present: James F. Kelly, Chairperson
Vincent Viviano, Vice Chairperson
Jennifer Haase, Secretary
Frank Cusumano, Trustee

Absent: Joseph DeSantis, Trustee (excused)
Roseanne DiMaria, Treasurer (excused)
Elizabeth Lucido, Trustee (excused)

Also present: James Jacobs, President
Elizabeth Argiri, Vice President for Business
Sharon Kowal, Executive Administrative Assistant to the President
Jill Thomas-Little, Vice President, Student Services
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, College Police
Denise Williams, Vice President, Human Resources

3.0 APPROVAL OF AGENDA

MOTION by Haase, supported by Kelly, to approve the agenda as presented.

ALL IN FAVOR:

Ayes: Kelly, Haase, Cusumano, Viviano, Lucido

Nays: None

Absent: DiMaria, DeSantis, Lucido

Motion carried.

4.0 AUDIENCE PARTICIPATION

None.

5.0 REVIEW OF AGENDA ITEMS AND MATERIAL

Trustee Cusumano asked about the full-time faculty new hires, what is the full-time faculty count and were any jobs shed? Ms. Williams stated the count is approximately 235. Dr. Sawyer stated that the three faculty positions are all replacements for retirees and no jobs were shed.

Trustee Cusumano asked how has Mr. Yuenger's position changed and if this is a new position? Ms. Argiri responded that his original position was new four years ago and since then the complexities of the Information Technology area have grown enormously. This position is of a highly technical nature and requires complete confidentiality because it has full access to all IT systems and accounts. This position is also the lead forensic investigator for the College's systems when issues must be investigated. An additional responsibility is serving in the role of the College's Chief IT Security Officer. Other responsibilities include working on the development and management of a computer security incident response team and, when necessary, conducting electronic discovery and digital forensic investigations. This position is also charged with the implementation of the SANS 20 Critical Security Control Service. This position needs to be elevated in order to address the College's risk at this time. Ms. Argiri stated this is a new position and reports directly to Mr. Michael Zimmerman. Dr. Jacobs added because of the nature of the business conducted through electronic means it is essential to have a staff member who represents the administration of the College.

Dr. Jacobs advised the board that the faculty new hires have already been working by attending the Faculty Academy Day.

Trustee Cusumano indicated that he had previously voiced his concern about the College's declining enrollment and FYES, but has not seen a commensurate reduction in workforce. Dr. Jacobs said, in terms of the contract, if sections are canceled, reductions will take place among the part-time faculty first. Trustee Cusumano stated he understood that but his analysis of the

numbers in the Five Year Capital Outlay show there has been no change in the amount of part-time faculty. Ms. Williams stated that the Human Resources department maintains a list of active part-time faculty. If, according to their contract, they do not teach for three solid years they are dropped from the active list.

Dr. Sawyer stated he would rather see the College at a 50/50 split with the full-time faculty as opposed to the current 55. He continued that the ratio is driven by financial concerns and enrollment trends. As enrollments ebb and flow, adjustments are made using adjunct faculty and the number of sections they teach. Dr. Sawyer stated that the number to look at, in regards to adjunct faculty, is the number of sections they teach. Due to the changes in health care laws, the amount of time an adjunct can teach has been impacted, resulting in the need to hire additional adjunct faculty. That is why the total available adjunct faculty number is not really relevant; it is more about how many sections they are teaching.

Ms. Williams commented that the biggest part of the negotiations, with adjunct faculty, was to put in limits on the amount of credit hours worked in order to stay within the ACA allowance. Ms. Argiri stated that when enrollment peaked in 2010, the demand for additional faculty was filled by hiring adjunct faculty and that the full-time faculty number has been constant and aligns with the College's enrollment. She continued that as enrollment goes up or down the variable cost will change regarding the adjunct faculty. Ms. Argiri stated that from a budget perspective the number of faculty has been 240 for the past ten years. Dr. Sawyer stated there are between 700 and 800 adjunct faculty teaching in a term and there are 1,200 to 1,300 available adjuncts on the active list, in case they are needed.

Trustee Cusumano stated it is his understanding because of the roll call that took place his vote is necessary in order to have a majority. Trustee Kelly stated that is correct.

Trustee Cusumano stated that he looked into the 2013 Form 990 filed with the IRS and it shows \$19,287,000 in investments or assets for the Foundation with interest somewhere in the range of \$600,000. Trustee Cusumano asked about the funds and why the full amount of interest or income is not being transferred over to the College. Trustee Viviano asked if it was legal to move monies from the Foundation for the budget. Ms. Argiri stated the Foundation has a distribution policy which provides for a 4 percent distribution back to the College for scholarships and programs. She further stated that the interest, realized and unrealized gains are recorded in the Foundation and that the 4 percent distribution can be made from temporarily restricted and unrestricted net assets.

Trustee Kelly asked if the 4 percent includes restricted assets. Ms. Argiri said the 4 percent is based on the net assets of the Foundation, but endowments that are established to exist in perpetuity, the College could never transfer the corpus of the donation back to the College for scholarship awards. Trustee Cusumano asked when that policy was enacted and was it a policy decided by the board. Ms. Argiri responded it was a policy established when the Foundation was established in 1999 as a policy of the Foundation. Trustee Cusumano read from the articles of incorporation of the Foundation and questioned whether the money being acknowledged on this particular agenda item is going to be transferred into the Innovation Fund? Trustee Kelly reiterated whether that is within the scope of the Foundation, whether that meets the educational purposes. Dr. Ulbrich stated donors designate where they want their funds to go.

If the donor doesn't designate a specific fund, their donation will generally go to the Greatest Needs Fund. The Greatest Needs Fund supports the activities of the College.

Trustee Cusumano stated then there is some type of a firewall if someone is making a donation to the College for educational purposes versus money going to the Innovation Fund. Dr. Ulbrich stated that funds go to wherever the donor designates. Trustee Viviano asked if any of the funds go to athletics. Dr. Ulbrich said sometimes as a result of an athlete volunteering, the College might support the program they volunteer for. Trustee Cusumano questioned if there is an intake sheet or an interview process whereby the person making the donation makes an indication where the donation should be applied or if checks are received in general. Dr. Ulbrich stated on occasion a check is received but generally when checks are received it is because of a solicitation and the donor indicates where they want their money to be deposited.

Dr. Jacobs added that Cooper Standard had recently given the College \$50,000 to use for a Veterans program. Cooper Standard wants the money to go only for transportation, books; things that will help the veterans obtain their education. Dr. Ulbrich advised that a fund will be setup and there will be an agreement and the money will be spent pursuant to the terms of the agreement.

Trustee Cusumano stated the reason he is sensitive to this issue is because he voted against the transfer of funds for the Innovation Fund. He also questioned why the companies receiving awards are not required to keep production and packaging jobs here? Dr. Jacobs responded that the reality is that this fund supports businesses so they can grow in this community. One piece of their growth strategy is to conduct business outside of Macomb County and inside of other countries. It is not inconsistent for the College to support these businesses as they grow because they are going to create jobs for Macomb students. They grow and expand because they go to China and other places. There is no determination in the fund which says the money has to be spent in Macomb County. The fund is a regional fund, it services a region. Trustee Cusumano commented that was another reason he voted no on it. Dr. Jacobs stated, in this case, if they don't hire Macomb students or give them an economic opportunity they don't receive the money. Dr. Ulbrich added they have to meet certain milestones. They get small amounts of money for every milestone that they meet. Mr. Wendt stated the larger grants require a paid internship for Macomb Community College students. Trustee Cusumano asked if it was a single internship. Trustee Kelly added that at this point, there is a single internship.

Dr. Jacobs stated that there is a correction to a statement Trustee Cusumano made in the June 16, 2015 Regular Meeting Minutes. Trustee Cusumano said that the increase cost for the Risk Management Authority last year was 5 percent. Actually it was 1.05 percent. Mr. Wendt said the minutes are correct but what Trustee Cusumano said was in error.

Trustee Cusumano stated that he looked at both numbers and asked if the minutes from both years were looked at. Mr. Wendt stated the year 2014 was. Trustee Cusumano asked if the one from the year before was looked at. Ms. Argiri stated the year before was a little higher. Trustee Cusumano said that is the one he was talking about. Ms. Argiri said that the year before was higher because cyber security breach coverage was being added to the policy and the reason for the increase was explained in 2013. Trustee Cusumano apologized for the error.

6.0 ISSUES AND UPDATES

Dr. Jacobs stated that Critter Control was on South Campus last weekend and trapped and relocated 32 squirrels.

Dr. Jacobs stated he was invited by Cooper Standard, along with a couple college staff and General Slocum from SANG to the Veterans 200 NASCAR race at MIS. Cooper Standard donated \$50,000 to the Veterans Program. While at MIS, Dr. Jacobs spoke on the radio to 300,000 people about community colleges.

Dr. Jacobs stated the renovations at Center Campus F and South Campus C are on target and will be ready for the winter 2016 semester. The IT department has been moved to the first floor of the MAC building.

Dr. Jacobs reported that the College notified Clinton Township about incorrect water bills. The Township erroneously changed the billing address and turned off the water meter. As a result of this error the College will have to pay higher water bills for use from 2010 to 2014. However, a settlement has been negotiated with the Township. The College will pay at 2010 water rates and will save about \$80,000.

Dr. Jacobs stated that Trustees Kelly, Cusumano, and Lucido attended the MCCA meeting in July. The meeting was beneficial in learning what other colleges are doing.

6.1 Lansing Update

Dr. Jacobs stated that a new committee has been formed on performance funding. In the past, community colleges have received monies from the Legislature and signed by the Governor in amounts which are debated by the Legislature. Now a portion of that amount will be given for specific accountability of community colleges. The formula has not been developed yet. A Performance Funding Task Force has been created by the Legislature which includes members of the House, Senate and four community college representatives. Dr. Jacobs will be the representative for the CCA classification for large community colleges. The goal of the Legislature is to have this report by January 15, 2016. A performance funding formula will be developed that will distribute 3 to 4 million dollars and the amount will likely grow as the legislature delves more into performance funding.

6.2 Board Retreat

Dr. Jacobs stated the Board Retreat is on September 15, 2015 at South Campus starting at 5:30 p.m. Dr. Jacobs stated he will prepare an opening statement about the direction of the College. He requested if board members have any questions, to provide them to him beforehand, and he will integrate the answers into his presentation.

6.3 Macomb Opinion Survey (MOS)

Dr. Jacobs handed out the Macomb Opinion Survey and requested Ms. Pavone to present the results. Ms. Pavone stated the Survey was conducted in February, 2015 and is administered every three years. Ms. Pavone stated that the purpose of the MOS is to try to understand the attitudes, views, and opinions of the community members that the College is here to serve.

The Survey is a random sample survey administered to approximately 400 Macomb County residents ages 18 and older. This is the 44th time the survey has been conducted. The Survey provides insight into citizen's views into many different topics such as the local economy, finances, family, and sometimes specific issues that are of interest to the administration. The handout is the analysis of the report with all of the data collected. Dr. Jacobs requested the board to review the Survey and to bring any questions they may have to the Retreat. Trustee Cusumano asked if the Survey could be done more often than every three years and if it was expensive. Ms. Pavone responded that the Survey is typically conducted on a three year interval, but the interval would be shorter if there was something key the College wanted to find out from the community. Ms. Pavone stated the cost is around \$15,000.

6.4 Planning Survey

Dr. Jacobs requested Ms. Pavone to provide an overview of the Planning Survey. Ms. Pavone stated this survey is targeted at community leaders in many different categories, the board included, as well as people who have a connection to and know something about the College. Some of the questions in the survey mirror the questions on the MOS. The purpose is to see the difference in responses from a resident versus a leader in the community. Some of the questions are geared to reaffirm or validate the guiding principles and the vision statement of the College. The administration of the survey will be in September, 2015.

6.5 Tuition Reimbursement Program

Dr. Jacobs handed out the Tuition Reimbursement Program procedures. The Program was approved by the board in June and announced to the staff last week. Ms. Williams stated there have already been 10 to 12 applicants to the program. Dr. Jacobs stated this program has had a positive affect with the staff. Through this program the College will get a much more talented staff with better credentials. Trustee Cusumano asked if there is a requirement for the employee to stay at the College for a certain period of time. Ms. Williams stated, when there is a voluntary separation, an employee would have to repay any reimbursement the College had given them in the previous two years.

6.6 Upcoming Events

Dr. Jacobs called attention to some upcoming events. The Employee Picnic is on Saturday, August 29 at South Campus from 11:00 a.m. to 4:00 p.m. This is a great event organized by the employees. This event is geared towards families and children. Attendees are requested to bring food pantry donations. Contributions are made to the picnic and any leftover funds are donated to the Dreamkeepers Fund. An email will be sent to the board with additional information.

Dr. Jacobs urged the board to attend Comedies and Cocktails on Thursday, September 17 at 5:30 p.m. This is a major fundraising benefit for arts and cultural programming at Macomb Community College at the Macomb Center for the Performing Arts. There is a silent auction and a performance by The Second City from Chicago. The donation is \$150 per person.

Dr. Jacobs encouraged the board to attend the Retiree Breakfast to be held on Friday, September 18 from 9:00 to 11:00 a.m. at the University Center. There are a large number of retirees that maintain a presence with the College. With the help of the Foundation, the retirees have a newsletter and a webpage. Former Trustee Christine Bonkowski will be honored at the breakfast.

On Thursday, September 24 from 9:00 a.m. to 6:00 p.m. the Reading and Writing Studios are having an Open House. There will be a brief ceremony at 9:00 a.m. at the Center Campus Studio.

On October 14-17 the ACCT Congress in San Diego will take place. Dr. Jacobs and Trustee Cusumano will be attending.

On December 2 at 5:30 p.m., County Executive Mark Hackel will present the State of the County address at the Macomb Center for Performing Arts.

The fall commencement ceremony will be held on December 18 at 7:00 p.m. at the Macomb Center for Performing Arts.

7.0 EXECUTIVE SESSION

Chairman Kelly asked if an Executive Session needed to be held. There were an insufficient number of members present to hold a session.

8.0 ADJOURNMENT

MOTION by Viviano, supported by Haase, to adjourn the meeting.

The meeting adjourned at 7:23 p.m.

COMMUNITY COLLEGE DISTRICT OF THE COUNTY OF MACOMB
BOARD OF TRUSTEES

Secretary