

APPROVED PROPOSED MINUTES OF 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 Wednesday, March 15, 2017 at 6:00 p.m., in Room 307 of the John Lewis Community Center, South Campus, 14500 Twelve Mile Road, Warren, Michigan.

1.0 CALL TO ORDER

The meeting was called to order by Chairperson Haase at 6:04 p.m.

2.0 ROLL CALL

Present: Jennifer Haase, Chairperson  
Frank Cusumano, Vice Chairperson – arrived at 6:25 p.m.  
Katherine Lorenzo, Secretary  
Roseanne DiMaria, Treasurer  
Kristi Dean, Trustee  
Vincent Viviano, Trustee – arrived at 6:50 p.m.

Absent: Joseph DeSantis, Trustee

Also present: James Jacobs, President  
Elizabeth Argiri, Vice President, 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 & Community Relations  
Hunter L. Wendt, General Counsel/Executive Director, College Police  
Denise Williams, Vice President, Human Resources

3.0 APPROVAL OF AGENDA

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

Motion carried.

4.0 AUDIENCE PARTICIPATION

None.

5.0 REVIEW OF AGENDA ITEMS AND MATERIAL

Trustee Lorenzo would like to nominate a faculty member for the ACCT Faculty Member Award. In order for her to do that and as part of the nomination process, she must provide a letter of support from the Board. The faculty member she is considering for nomination is a long-standing political science faculty who is loyal to the College, is a good union member and has introduced innovative programs and new curriculum. Trustee Lorenzo is willing to do the required work to prepare the nomination form. The trustees supported Trustee Lorenzo's request and will vote on

the nomination at the April meeting. Trustee Lorenzo will invite the faculty member to attend the meeting.

After his arrival, Trustee Cusumano said the contract for Rizzo Environmental was voted on in October [sic] and requests a review of the process.

Ms. Argiri said it was bid out and we really don't have a contract with Rizzo, we issued them a purchase order. Prior to Rizzo the purchase order was with Garbage Man. Rizzo bought Garbage Man so they haven't had to modify their pricing since the time of that changeover.

Ms. Argiri said she would go to the Purchasing Department to review and provide a report.

## 6.0 ISSUE AND UPDATES

Dr. Jacobs stated that April 11 is Institutional Development Day. All Board members are welcome to attend. A copy of the agenda and workshop descriptions was distributed.

Dr. Jacobs said there will be a reception for the community honoring him on June 8 – "hold the date" cards were distributed.

Dr. Jacobs said the College received a \$360,000 grant from the Wood Foundation. The grant will be utilized for one student selected from each of the County high schools to attend Macomb with an award in the amount of \$6,000 per year for two years. The superintendents will select the students and the grants will start in September. This is a nice award and the Foundation should be congratulated.

Dr. Jacobs said the women's and men's basketball teams have advanced to their NJCAA National Tournaments. The Women's Basketball team won the Region 12 – District H Championship and advances to the NJCAA National Tournament in Harrison, Arkansas. They play on Tuesday, March 21<sup>st</sup> at 10:00 a.m. against Monroe Community College (NY) at North Arkansas College. The Men's Basketball won the Region 12 – District 10 Championship and advances to the NJCAA National Tournament in Danville, Illinois. They play on Tuesday, March 21<sup>st</sup> at 3:00 p.m. against Niagara County (NY) at Danville Area Community College.

Dr. Jacobs distributed letters he signed from the American Council of Education (ACE) and the American Association of Community Colleges (AACC). The ACE and AACC wrote letters of support to President Trump from the institutions that would be in favor of Dreamers staying in the country. These letters support the decision made by the Board to end the focus of citizenship on applications. If the Board has any questions they can ask him at the April Board meeting.

6.1 Tour of South Campus G Building

Dr. Jacobs stated that if a Board member would like a tour of South Campus G Building to contact Ms. Kowal so she can arrange it. Next Monday at 10 a.m. is the opening of the Veterans and Military office. All Board members are welcome to attend. Trustee's Haase and Lorenzo plan on attending.

6.2 J. Sawyer Employment Contract

Dr. Jacobs asked if there were any questions or comments concerning the proposed contract with Dr. Sawyer. Trustee Lorenzo asked Dr. Sawyer his thoughts about the salary and annuity. Dr. Sawyer said he felt privileged to be selected as the next president and he decided early on to mimic a contract similar to President Jacobs's. In essence, it is simply structured and does not have a lot of caveats. From a salary perspective, he thought it was important for the Board to show fiscal responsibility since we are in a pretty difficult time. He thinks it is a fair contract and is the right thing to do. He likes the fact that the Board can send the message that his is a lower contract than the previous president. He thinks that it will be better received by the public, particularly as we embark on a millage campaign in a couple of years.

After he arrived, Trustee Cusumano was given a brief review of Dr. Sawyer's previous comments. Trustee Cusumano asked Dr. Sawyer his thoughts on the unlimited automobile expense with no cap or limit on that item. Dr. Sawyer said he thinks it is fair. As part of this process, he looked at the compensation packages for other community college presidents and a vehicle is pretty typical in the contracts. He said the unlimited cap is not something to be concerned about, he will spend within reason but in good taste.

Ms. Argiri added that the president has to keep track of the percent of allocation of personal use and business use. The personal use is reflected on their W2. The benefit of having the vehicle in in the contract is not having to track daily mileage as that becomes very cumbersome.

Trustee Cusumano asked Dr. Sawyer if he felt anything was not fair or appropriate in the contract. Dr. Sawyer said he thinks it is fair and as he shared earlier he thought the simplicity of President Jacobs's contract was good in terms of not having a lot of stipulations. Some of the presidents have housing allowances and other types of allowances built-in and he just felt that was unnecessary.

Trustee Lorenzo asked if he was okay with the amount of the annuity too. Dr. Sawyer responded yes, that it is a fair amount.

Trustee Cusumano stated that he anticipates doing an annual review and possibly making a motion for a bonus if Dr. Sawyer fulfills the expectations in student success and achievement and also increases credit hour numbers.

Dr. Sawyer said he welcomes an evaluation by the Board on an annual basis. He thinks that is important. He intends to have a relationship with the Board members from a standpoint where they can feel free to share feedback with him that he can in turn share with his colleagues and work with this institution and run it collaboratively as in the past. The responsibility of the president is to manage all of these different aspects. Because of the uniqueness of public education, a community college institution, to start chasing numbers for personal benefit is

not good for the students and not good for the community. We need to step back and look at what is good on a holistic basis. That is his primary responsibility. He thinks that is what the Board, as it reflects on his annual performance, is to ask overall, as an institution, how are we doing. A lot of the things we are putting in place are things that aren't going to pay dividends for a year or two or six. Our students take six years to graduate. There will be certain markers along the way but we have to pay attention to the long term, for the good of our students as opposed to chasing short-term goals. From terms of how we want to run the institution it does not align well with what we can do for the good of our students.

Dr. Jacobs stated he thought about that kind of bonus system with his own contract. The president is certainly responsible for achieving certain goals but there are lots of people involved in those goals. If we reward just one person - while others are doing the work - that sets off a very bad relationship internally. It is just not a good idea conceptually. The institution is a lot of people working together and to reward only the person at the top is not good for morale.

Trustee Haase said this isn't a stagnant salary and there is built-in to the contract the ability to change the salary. Mr. Wendt said yes, there is a cost of living with a minimum of one percent. Trustee Cusumano said that if through some innovative practice we are able to go up two or three percent in credit hours and we want to reward that effort and success we could amend this agreement. Mr. Wendt said the usual practice has been that upon annual review the contract would be extended for an additional year, it is a three year rolling contract. The appropriate time, if the Board decides it wants to increase the annual compensation, would be with the annual review.

Trustee Cusumano added this Board could vote to bonus Dr. Sawyer \$25,000 as an achievement compensation without actually increasing his annual pay by \$25,000. Mr. Wendt said the Board is free to adjust the salary. He thinks it is appropriate for the Board to evaluate the president annually and if he is doing a good job they will extend the contract at that time and if they wish to consider adjusting the base salary that is up to the Board collectively.

D. Williams provided an overview of the MCCOPA contract agreement. Trustee Dean congratulated her on doing a great job.

### 6.3 Tuition/Budget Proposal Process

Dr. Jacobs said the detailed discussion regarding the proposal for tuition will be held at the special board meeting on Wednesday, March 22. Before the meeting the Board will receive the proposal, as well as, the budget reductions which just occurred in the last two weeks.

Dr. Jacobs said if it is okay he will call each trustee individually for their questions and concerns to help structure the meeting. The tuition/budget will be the only item on the agenda.

Trustee Haase stated the meeting will be next Wednesday, March 22 at 6 p.m. at the University Center.

Trustee Haase said the meetings are noted to start at 6 p.m. But because of having dinner the meeting doesn't start at 6 p.m. and that doesn't leave enough time to discuss issues. By moving the dinner service to 5:30 p.m. then dinner can be over and the meeting can start at 6 p.m. Trustee Cusumano stated he would prefer to have a working meeting with dinner at 6 p.m. Trustee Dean said she preferred the 5:30 p.m. start and having more time to discuss issues. She asked Trustee Cusumano if he could try the 5:30 p.m. start one more time. Trustee Cusumano agreed.

Trustee Cusumano said in previous discussions there had been talk that expenses for purposes of payroll could be reduced by attrition through retirement. He is interested in feedback and information from administration in regards to that because he understands after talking to the chair of finance at the MISD that what is occurring, because of financial stressors, many people are not retiring as early as they used to, is that true? Has the attrition rate slowed? Are people staying longer in their positions? Ms. Williams, Vice President, Human Resources said she wasn't here in 2010, but looking at history it was major when MSPERS changed the pension and retirement. Ms. Argiri said MSPERS offered an increase in the multiplier to get people to retire. We had fifteen faculty retire that year and many administrators. After 2010 we began filling positions, so in comparison, we had less retirements during that time because we filled those positions at a lower tenure. Dr. Jacobs said we had about 70 people retire in 2010 and this year we have about 27.

Trustee Cusumano said he recalled President Jacobs directed the department heads to take one percent budget cuts last year, how much was there a reduction as a result of that and where were the cuts taken? Ms. Argiri said cuts were made throughout the institution. It could have included positions or other areas of the budget like postage and utilities. The savings was about \$1 million. But the cuts were not across the board. These were strategic decisions made by President Council members and their areas to come up with that target amount and it was not equal across every unit. We have been cutting for so many years that we can't say "across the board" anymore. We will have much more detailed information at the meeting next week.

Trustee Cusumano asked what is proposed for cuts this next budget year. Ms. Argiri said at the meeting next week she is prepared to go into much more detail about the budget. Thus far we have committed \$1.1 million to cut from the budget.

Dr. Jacobs said two things; 1) buyouts in the public sector is actually a way of exporting talent in general. He can understand if it is only done for revenue, but as a learning organization it is important to keep talent here; so that is not a good option and; second, most education institutions, when they do reductions, they do it "across the board" and are considered "equitable". We are doing this strategically. The basis of these reductions will be justified to the Board as student success. The most important thing we are going to keep doing is putting our resources behind what students need and what we think will make them successful. Thus at the same time we are doing these reductions, which include reduction in positions, we are also using money to encourage and expand certain things. This will be a challenge for Administration and for the Board because we are not simply cutting the budget. We are also putting revenue into other things and making those decisions on what to cut based on what is in the benefit of students. You will see more of that kind of action from us in the future.

7.0 EXECUTIVE SESSION

It was determined by Chairperson Haase that there was no need to move into executive session.

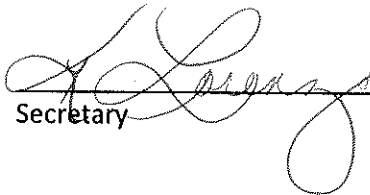
8.0 ADJOURNMENT

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

Motion carried.

The meeting adjourned at 7:06 p.m.

COMMUNITY COLLEGE DISTRICT OF THE COUNTY OF MACOMB BOARD OF TRUSTEES

  
Secretary