

APPROVED 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, May 16, 2018 at 6:00 p.m., in Room K301N 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 6:00 p.m.

2.0 ROLL CALL

Present: Jennifer Haase, Chairperson  
Frank Cusumano, Vice Chairperson  
Katherine Lorenzo, Secretary  
Roseanne DiMaria, Treasurer  
Kristi Dean, Trustee  
Joseph DeSantis, Trustee  
Vincent Viviano, Trustee (arrived late)

Absent: None

Also present: James Sawyer, President  
Elizabeth Argiri, Vice President, Business  
Sharon Kowal, Executive Administrative Assistant to the President  
Jill Thomas-Little, Vice President, Student Services  
Jeffrey A. Steele, Associate General Counsel  
William Tammone, Provost/Vice President, Learning Unit  
Casandra Ulbrich, Vice President, College Advancement & Community Relations  
Denise Williams, Vice President, Human Resources  
Michael Zimmerman, Chief Information Officer

3.0 APPROVAL OF AGENDA

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

Motion carried.

4.0 AUDIENCE PARTICIPATION

Garry Watts, president of AFSCME Local 128 stated that he would like to address the comments made by Mr. Zimmerman at the April Board of Trustees Meeting:

- Mr. Zimmerman stated "we could perform these services in-house while there is somebody onsite, a single shift...faculty and students, typically tend to use these systems off hours, between the hours of 5 p.m. and 6 a.m."

Mr. Watts said that Mr. Zimmerman is the person who did away with the midnight position a few years ago, because in his words “there is no need.” The midnight person could have been the person trained to handle overnight issues.

- Mr. Zimmerman said “...Today, between himself, Mr. LaBonty, and Mr. Lafferty trying to find someone who is willing to pick up a phone at 2 a.m.”

Mr. Watts stated that there is an on-call list in IT, the list is not used. The after-hours company calls Steve Yuenger, who doesn’t call the people on the call list. Therefore, the lack of action falls on Mr. Yuenger not the IT technical staff. Additionally, the IT employees on the call list were told by Mr. Zimmerman, in front of two union representatives, make an effort to answer the phone when you are on call, but if you can’t that’s okay, we’ll call the alternate person. You don’t have to answer the phone during sleeping hours between 11 p.m. and 6 a.m. but check your messages at 6 a.m. So to say “find someone willing to pick up a phone at 2 a.m.” is of his own making.

He wants the Board of Trustees to be clear that the members of AFSCME 128 are willing to assist whenever the needs arise, but no current IT employees have been sent to training for SQL database administration or requested to come in at two in the morning.

#### 5.0 REVIEW OF AGENDA ITEMS AND MATERIAL

Trustee Cusumano pointed out that the Public Notice indicates the information session is to be held at 7:30 p.m. Dr. Sawyer apologized for the error.

#### 6.0 ISSUE AND UPDATES

Dr. Sawyer made a few comments:

Everyone is invited to Kavan’s after tonight’s meeting.

Commencements were held Friday night. There were approximately 570 students that walked across the stage.

The fire academy graduation was on Monday and the police academy graduation was on Tuesday.

Update on the potential MSU physician’s assistant program - yesterday we gave a tour of UC I, II, III to the new director of the PA program and another associate dean from MSU. We are continuing to work with MSU as they vet out a process to try to determine where to house their physician’s assistant program.

Last week Dr. Sawyer participated on a panel discussion with Governor Snyder, County Executive Hackel and Jeff Simek, General Manager of RCO Industries. They came together to talk specifically about the Marshall Plan. The Marshall Plan is an initiative led by Governor Snyder to promote technical education, skilled trades and IT education. He was there to comment on how the College views the Marshall Plan as well as on our relationship and partnership with RCO. Approximately a hundred people attended - thirty from the outside and the remainder were RCO employees.

Macomb is providing the venue for the June 7 gubernatorial debate. If a trustee is interested in attending let us know and we can get tickets for you.

Enrollment for spring/summer is flat; credit hour – down .01 percent and head count - down 1.9 percent.

The contracts for the non-exempt administrators are on the agenda tonight.

The 15 Mile property restoration is underway. It is later than originally anticipated but work is continuing and near completion. The inspection/analysis has been completed. The power lines were removed because they were not in a good location. We made one accommodation – they offered to leave a layer of aggregate making it easier for us to maintain the property.

#### 6.1 Millage Update

Dr. Sawyer said our greatest success last week was our millage campaign. Many people at the College participated but he particularly wanted to recognize Dr. Ulbrich for her work leading that effort. She provided the primary strategy; she was our main person leading that effort throughout the process.

Dr. Ulbrich provided a post-election analysis.

Overall results:

Advertising results:

- 107,254 hits on landing page.
- People in Macomb County saw 25 million impressions of all our advertising.
- Facebook advertising was very good with our strongest demographics - females and males aged 65 and older - which tells us the messaging and targeting, was right on point. The click rates on the websites we were on doubled between the last week before the election to our first week of advertising.

Election results:

- Yes votes: 34,735 – 52.6 percent of the vote
- No votes: 31,307 – 47.4 percent of the vote

- Overall turnout: 10.6 percent
- Total number of votes cast: 66,199 -- 49,600 were absentee ballots.
- Day of election votes cast: 16,442 – three times the number of votes were by absentee ballot.
- Of the 338 precincts in Macomb County:
  - 229 or 68 percent voted a majority yes.
  - 104 or 31 percent voted a majority no
  - 5 were tied

## 6.2 Introduce Jeff Steele

Dr. Sawyer introduced Jeff Steele. Mr. Steele was hired at the College 2 ½ years ago. He will be acting as our General Counsel going forward for the near future.

Mr. Steele provided his background. He graduated from college and law school near the top of his class. In college, he was on the debate and hockey teams. In law school, he was involved with moot court and the Law Review. He started his career at the Michigan Court of Appeals, which gave him a good exposure to various areas of law. He was then hired by Judge Griffin, who is now with the 6<sup>th</sup> Circuit, to be his personal law clerk. Two years later, he started his private practice career where he was primarily labor and employment. He continued his career at Brady Hathaway and then Clark Hill. He was in private practice approximately twenty years. He represented the College several times during his private career on various issues from accommodations to major lawsuits. He was also adjunct for a school group at Clark Hill. He has done a lot of work with school districts throughout the area.

Mr. Steele is glad to be here and hopes to continue to serve the College and act as a guide and someone who the Board can ask questions about legal issues.

Trustee Cusumano asked if there has to be a resolution to move Mr. Steele from Associate General Counsel to General Counsel. Dr. Sawyer said with the approval of the NBU contracts, we will be extending Mr. Steele's contract but he will retain his title as Associate General Counsel. We are going to take the next few months to evaluate our legal needs going forward.

## 6.3 Initial 2018-2019 General Budget

Ms. Argiri gave an overview of the initial 2018-2019 general budget. She said we are pleased with how the budget turned out especially given the passage of the millage.

- The budget is balanced with total revenue of \$138.8 million and total projected expenditures of \$138.6 million.
- Revenues projected to increase about \$3.2 million.

- State appropriations is indicated as no change because the appropriations still have not been passed into law. Our position has generally been not to include any increase until we are certain as to what that may be.
- Tuition and Fees - we projected a decline of approximately \$720,000. That is projecting a two percent decline in enrollment for the coming year and the tuition rate remaining flat.
- Property Taxes is the largest share of increase in revenue - \$3.8 million. The taxable value has not been certified by the equalization department but they have given us a tentative certification so we are fairly certain that the value is fairly accurate. The increase includes the restoration of the .056 mills that we had lost due to Headlee rollback that includes \$1.5 million. The remaining amount of the increase is due to the increase in taxable values in the County of 4.3 percent. Which is primarily due to construction, improvements in housing sales and market value. Due to the timing of the election, we were fortunate in that we were not subject to another Headlee rollback. Two days before the election Ms. Argiri received the tentative certification from the equalization department, that indicated not only the taxable value but that the College would be subject to another millage reduction fraction. At that point she immediately contacted the County – the equalization department and the financial officer at the time -- to assess whether the yet to be approved levy would be subject to a rollback. They had to take that to the State level and the State determined that given the timing and due to our ballot language that the operating millage will not be subject to a rollback this year. This is the first time since 2000 this levy will be levied at the voter approved amount.
- Other Revenues – a few minor changes.
- Expenditures – the increase in expenditures of \$3.2 million is due to wages and benefits. Full-time and part-time wages have increased due to two things:
  - 1) based on contractual increases as well as projected wage increases, yet to be determined but appropriate to encumber those funds recognizing there will be an expense associated with that.
  - 2) increases to the fringe benefits -- MSPERS contributions and FICA.Offsetting that overall increase in wages and benefits is the increase in the vacancy calculation savings rate, which we introduced, and implemented last year. Also in the wage and benefit increase we have incorporated a net reduction of two full-time positions.
- Other expenditures - there is an increase of \$385,000 for upcoming expenditures. We have earmarked \$125,000 for enrollment management initiatives and \$200,000 for student success initiatives.

All of those changes result in a balanced budget with revenues exceeding expenditures by \$227,000. The budget also incorporates organizational changes – those changes are in the department details.

Trustee Cusumano asked what the savings are when filling positions with a lower pay rate. Ms. Argiri stated that is part of the overall savings for wages, but there are quite a few changes throughout the year so she does not have that number today. She could get it but it would take her some time.

Trustee Cusumano asked if the Board is required by either statute or bylaws to vote on this by June 30. Dr. Sawyer said yes, we need to have a budget in place. Trustee Cusumano asked what the deadline is because there are figures in here that seem to project wage increases that haven't been voted on yet and it seems we are putting the cart before the horse. Does law that we vote on this require it. Ms. Argiri said yes. We have always brought the budget to the Board in May because the departments need the budgets to be in place to begin planning and preparing for summer semester and operations that are set to begin July 1. By having it implemented it gives them time to place the orders, which take a lot of time. She added that this is just an encumbrance of funds. The funding is in general institutional, just recognizing that there is an expense and it is not definitive.

Ms. Argiri continued that once the tentative agreements are signed, Ms. Williams will hand them off to the budget office and we will work those changes into the budget. We look at every position in the 105 departments of the College to factor in those changes based upon the results of the TA. Dr. Sawyer added that from a practical perspective, we would like to have a TA as soon as possible, but the contract would have to go to the Board in June so it is better to encumber the funds.

Trustee Cusumano asked if we could use the numbers from the prior year and then amend the budget. Dr. Sawyer said that Ms. Argiri is encumbering funds with the expectation of the guidance we have from the Board, but it is not set in stone, and almost certainly, there has to be an adjustment at budget revision time. Trustee Haase stated that she thinks it is wise to have that flexibility in there. Trustee Cusumano asked if the restoration from the millage is in the budget. Ms. Argiri stated that it is.

#### 6.4 IT Update

Mr. Mike Zimmerman, CIO, provided an update on the IT Modernization Plan, IT security and CIT purchase authorizations.

Trustee Lorenzo asked if the security awareness program is a tutorial. Mr. Zimmerman said the program is a series of 5 to 7 minute video snippets of information with follow up questions to see how much a person has retained. Trustee Lorenzo asked if that is something the Board could have access to. Mr. Zimmerman said yes and he will send them the link. Trustees will have to log-in using their Macomb.edu login and password because that is how it validates the user.

7.0 EXECUTIVE SESSION

MOTION by DiMaria supported by Viviano to move into Closed Session to discuss labor negotiations.

ROLL CALL VOTE:

Ayes: Cusumano, Dean, DeSantis, DiMaria, Lorenzo, Viviano, Haase

Nays:

Absent:

RECESS

The meeting recessed at 6:45 p.m.

RECONVENE

The meeting reconvened at 7:17 p.m.

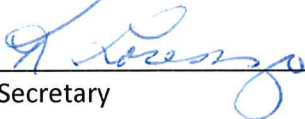
8.0 ADJOURNMENT

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

Motion carried.

The meeting adjourned at 7:17 p.m.

COMMUNITY COLLEGE DISTRICT OF THE COUNTY OF MACOMB BOARD OF TRUSTEES

  
Secretary