

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, March 20, 2019 at 5:30 p.m., in K307, of the John Lewis Student Community Center, South Campus, 14500 Twelve Mile Road, Warren, Michigan.

1.0 CALL TO ORDER

The meeting was called to order by Chairperson Lorenzo at 5:38 p.m.

2.0 ROLL CALL

Present: Katherine Lorenzo, Chairperson  
Frank Cusumano, Vice Chairperson  
Kristi Dean, Secretary  
Roseanne DiMaria, Treasurer  
Joan Flynn, Trustee  
Shelley Vitale, Trustee

Absent: Vincent Viviano, Trustee

Also present: James Sawyer, President  
Elizabeth Argiri, Vice President, Business  
Sharon Kowal, Executive Administrative Assistant to the President  
James Matheney, Chief of College Police  
Deborah Mende, Director, President's Office  
Jeffrey Steele, General Counsel, Office of General Counsel  
William Tammone, Provost/Vice President, Learning Unit  
Jill Thomas-Little, Vice President, Student Services  
Casandra Ulbrich, Vice President, College Advancement & Community Relations  
Denise Williams, Vice President, Human Resources

3.0 APPROVAL OF AGENDA

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

Motion carried.

4.0 AUDIENCE PARTICIPATION

None.

5.0 REVIEW OF AGENDA ITEMS AND MATERIAL

Trustee Cusumano asked who Twenty-First Century Media is. This is in reference to Agenda Item 11.5 (Architectural Services for the Skilled Trades Center) and the college's request for proposal being advertised by them.

Mr. Bill Simonson, Director of Administrative Services, said that Twenty-First Century Media is a one-stop shop for placing advertising in newspapers like *The Macomb Daily* and *The Oakland Press*.

Trustee Cusumano asked what the renovation at the Center will be like. Mr. Simonson stated for the most part it is going to be a total gut with some structural changes to better utilize the space. Trustee Cusumano asked if it had been determined if ground up construction would be better for the long term versus constant renovations. Mr. Simonson stated that the Facilities Condition Index does address that and ground up replacement value costs would far exceed renovation costs.

Trustee Cusumano asked about the placement services for Conference Services (Agenda Item 10.1 – Update on Media Buying and Placement Services) and if the college tracks our competitiveness with conference centers, banquet halls, etc. in the area. Ms. Argiri stated that we do. The purpose of the media buying is to place more advertisements and use the internet to reach potential external clients and inform them the college has conference facilities available.

Trustee Cusumano asked Ms. Argiri if her area handled Conference Services. Ms. Argiri said yes, for the most part, the University Center reports to the Learning Unit but we work together as much as possible.

Trustee Cusumano asked if they had been able to track and trend the numbers or set any goals of what we are going to try to attain with this increased exposure. Ms. Argiri said the goal is to exceed the budgeted revenue that was established for the college. We want to track the metrics in terms of what type of additional interest we are generating as we roll out the advertising. We have been doing some internal advertising and using Google Analytics to try to track where the clicks are happening and how people are coming to us. We are trying to tap into an area of expertise that we do not have, to gain additional interest and increase our conference service revenue. We will be watching the metrics and if it does not work as we hope then we will have to reevaluate what our next plans will be.

Trustee Cusumano said in the second paragraph of Agenda Item 10.1 (Update on Media Buying and Placement Services) the write up says “over the top television” what does that mean. Dr. Ulbrich responded that means over the amount that had been budgeted. We looked at various accounts in Marketing and realized at the end of the fiscal year we will have left over funds. We want to take those left over funds and move them into the advertising budget.

Trustee Flynn said on Item 11.4 (Center Campus B Building Renovation Bids and Proposed Budget) she sees that we took the lowest bidder and realizes those are probably the rules. However, Macomb County residents passed the millage and the businesses in the County pay taxes too, so when there is a couple thousand-dollar difference between the lowest bid and a bid from a Macomb County business she thinks those businesses should be considered. Ms. Argiri said we follow the board’s purchasing policy, which is low bid. If the Board of Trustees wants us to revisit the purchasing policy to add the location as a component of the policy, the board would have to decide. However, it could be a challenge for us because if you give preference to those local businesses that may not give us enough quality service. There could also be financial impact for not using the lowest bid.

Trustee Flynn asked who picks the bids. Do they make sure the company is qualified? Ms. Argiri said we would not disqualify anyone unless they did not meet the bid specifications or if we have prior experience with a particular contractor and they did not provide quality, acceptable service for the college. Trustee Flynn said so you only take the lowest bid. Mr. Steele said correct unless there is some reason to believe that bid would not do the job or if the bidder is not trustworthy, reliable, or good at what they do.

Trustee Lorenzo asked Trustee Flynn if she is saying only Macomb County businesses should be hired. Trustee Flynn said no, but if there is a bid with only a couple thousand dollars difference, she thinks it should be given to a Macomb County business. Trustee Lorenzo said she sees where she is coming from, but thinks it is a balance of the money and the kind of work the bidder does. Ms. Argiri said it depends on if the bidder meets the bid specifications in the request for proposal. Trustee Cusumano added that with all things considered equal, the lowest bidder should receive the work. Trustee Cusumano said to Trustee Flynn that he understands her concern and that it is a valid concern. He said we have to look at everything that is involved, for example if we are paying increased rates by giving preferential treatment to local vendors versus the lowest bidder. Trustee Flynn said she disagrees, she thinks it should stay in Macomb County.

Trustee Flynn asked where Hobbs + Black is located. Ms. Argiri said they are located in Ann Arbor. She continued that the college has had a working relationship with Hobbs + Black since 2010. They were the lowest bid and we have been satisfied with their service.

Dr. Sawyer's Comments:

- Need to request closed session for a brief update on labor negotiations.
- In response to Trustee Cusumano's question about the timing of the approval of the minutes from the Special Meeting: Mr. Steele said the minutes are not what executes or makes official the vote of the board. The vote of the board becomes official once that vote is taken. The minutes memorialize that. The fact that the minutes are not here to approve right now does not in any way invade the ability of Trustee Vitale to operate as a trustee tonight.
- Vet Tech Program: Last week the Vet Tech Program had an accreditation visit and performed very well. The official results will not be available for about 9 months but the unofficial results are phenomenal. They had no major deficiencies. The audit chair had never seen that in any of his 130 accreditation visits. The other auditor had only seen it once and that was at Macomb. Also of note, is the average vet tech program licensure pass rate is 74 percent and Macomb's is 94 percent.
- Center for Advanced Automotive Technology (CAAT): Last week we learned that we have received a \$1.1 million grant from the National Science Foundation to continue our work on the CAAT. We started the Center in 2010; built off the original NSF Grant we received in 2005. Hats off to our team, we are very proud of them. We have been doing this for 13 years and the fact that the NSF continues to value this work is impressive.

- MCC Foundation, Naples Trip: Last weekend was our seventh trip to Naples with the Foundation and it was very successful. We had sponsorships from Walsh College and Lake Michigan Credit Union that helped offset our expenses. We had about 40 people attend the reception and 35 attend the parade. It was a great opportunity to meet new potential donors while reestablishing connections with people we see on an annual basis and feel strongly about the college. We also have many retirees who live in the area as well.
- Hobbs + Black: We are recommending Hobbs + Black to be the architects for the Skilled Trades and Advanced Tech Center. They were the lowest bid and we are satisfied with the work they have been doing with us over the last several years.
- Center Campus B Building Renovation: We touched upon the B building renovation at last month's meeting during the presentation on the renovation plan. To recap, B building was built in 1968. It is out of date from a mechanical and structural perspective. It is rated at 50 percent on the Facilities Condition Index, which is very poor. The renovation is scheduled for August 2019 through May 2020.
- Enrollment Update: Winter credit hours were down 3.6 percent from last year. We did better than the 6 percent decline we had forecasted.
- Property Discussion: We have proceeded with an appraisal on the Wayne State Macomb Education Center on Hall Road. Barbara Rossmann at Henry Ford Hospital and Mike DeVault at the ISD have been notified that the board is interested in selling the property we have discussed. No further action has been made on the 15 Mile and Hayes Rd property at this time.
- Holger Ekanger, Workforce and Continuing Education Director, Engineering and Advanced Technology: Mr. Ekanger is leaving Macomb to be Vice President of Workforce Readiness at Jamestown Community College in New York. We wish Mr. Ekanger the best. He has been at the college for 18 years, did a phenomenal job, and will be missed.
- Trustee Flynn Orientation: March 1 was Trustee Flynn's orientation. We appreciate Trustee Flynn's questions and thoughtfulness. If you have more questions please contact us. Ms. Kowal will be in touch with Trustee Vitale to schedule her orientation.
- Center Campus Tour: Scheduled for Tuesday, April 2, 2019 from 4 to 7 p.m. You will receive additional details early next week.

Trustee Cusumano asked what the fiscal impact is from the 3.6 percent decline in credit hours. Dr. Sawyer said it is roughly \$400,000 per percentage point. In the budget, we forecasted a 6 percent decline and are currently 2.4 percent under budget. Dr. Sawyer said we are forecasting a 3 percent decline for next year as well.

## 6.0 ISSUE AND UPDATES

### 1. Introduction of Leadership Team

The college's newest trustee, Shelley Vitale, was sworn-in this afternoon at 4:30 p.m. This is her first meeting. Each member of the leadership team introduced themselves and provided some brief background information.

## 2. Board Policy Review

Mr. Steele reviewed the board policy of College Rules and Regulations. He said he will take a closer look at the policy in the future but wanted to address some of the more urgently needed changes.

### I. Alcoholic Beverages

B. Possession – clarified “open container of alcoholic beverages” in the vehicle of occupancy.

### VI. Drugs – specified “under the influence of marijuana on campus” and a general statement of “any other drugs.”

Trustee Flynn asked how the police handle a situation involving marijuana. Mr. Steele said there is a policy prohibiting it so if the Police were to catch somebody using it or being under the influence of marijuana, they could refer that person to Student Services and it could be a disciplinary action as a violation of our rules and regulations. Chief Matheny added that generally the police handle marijuana the same way they do alcohol violations.

### XVII. Smoking and Use of Tobacco – updated to include marijuana, vaping and electronic cigarettes.

### XVIII. Weapons – added that no person other than a “certified” law enforcement officer may have a weapon.

Additional updates and language cleanup was made.

Trustee Lorenzo pointed out a typographical error in XVII. Smoking and Use of Tobacco - “produces” should be “products”.

Trustee Cusumano asked if there is a provision somewhere in the policy that indicates that individuals could be removed from campus for violating any of these rules and regulations. Mr. Steele indicated that is contained in this policy under XX. B. Enforcement of Rules and Regulations. He does not think there is anything that states specifically someone can be removed, but College Police have that authority.

The board agreed, with the correction of the one typographical error, to add the policy to the April 17, 2019 agenda for a first reading.

## 3. Tentative Agreement with Macomb County Community College Operational Personnel Association (MCCCOPA)

Ms. Williams stated we have a tentative agreement with the Macomb County Community College Operational Personnel Association (MCCCOPA). Their current agreement expires March 31, 2019. She stayed within the board guidelines and negotiations were a collaborative effort.

- A) Two levels were added to the wage grid – to be more competitive in retaining skilled trades employees
- B) Changed shift premium – reduced from 10 percent to 5 percent
- C) Language clarification of an employee’s probationary period

- D) Removal of language about safety and health committee because the college is moving toward an institutional-wide safety person
- E) Termination provisions and time limits for return to work bidding rights with leaves for health reasons

#### 4. Tuition Discussion

The tuition recommendation will be on the April 17, 2019 board agenda. Dr. Sawyer and Ms. Argiri presented background information on how they determined their recommendation. Additionally, this is an opportunity to answer any questions before the formal recommendation in April.

##### Questions:

Trustee Flynn asked why the college does not add in fees instead of raising tuition. Dr. Sawyer responded that it has to do with transparency. Many schools do that and hide the true cost of attending there. It is a board decision, but he thinks it is best to be transparent with what we expect students to pay. Trustee Flynn asked if there was anything in the millage about raising tuition. Dr. Sawyer said no and that the college did not raise tuition last year.

Trustee Cusumano asked why the budget has been increasing when there has been a 25 percent reduction in students, what was the highest budget we have had. Ms. Argiri said the highest budget was about \$139 million. However, remember for a year we included the MPSERS UAAL funding or the funding for the state captured funding for the unfunded portion of the pension. We ran it through the general fund one year. The State sent us the money but it immediately came back out so it artificially inflated the budget for that year. To be transparent to the taxpayers we decided it was not the best way to present that information. Trustee Cusumano said that was more than four or five years ago. Ms. Argiri said no; it was about four or five years ago. Trustee Cusumano said his question was why is the budget going up. He suspects it is because our expenses are going up because of our increase in compensation to our collective bargaining units. Ms. Argiri said she has to build the budget around the collective bargaining agreements approved by the Board of Trustees. Roughly, 70 percent of our general fund is spent on wages and benefits. Dr. Sawyer said there are other expenses as well; we buy a lot of items and services.

Trustee Cusumano asked what the current level of full time faculty is. Dr. Sawyer said they are teaching 52 percent of the sections. Trustee Cusumano said it is still around 220. Ms. Williams confirmed that is correct. Trustee Cusumano said that number has not declined commensurate with our loss of enrollment. Dr. Sawyer confirmed. Trustee Cusumano said can we leverage the use of adjunct faculty. Dr. Sawyer said yes, adjuncts are teaching fewer sections. Trustee Cusumano asked about administrators, he knows a few have been cut. Dr. Sawyer said we have reallocated positions but we have not cut 20 percent of our administrators. Ms. Argiri added that we did cut 15 NBU (non-bargaining unit) administrators starting in 2009.

Trustee Cusumano said we have to anticipate a continued decline in headcount. Therefore, we either raise revenue or cut expenses, by cutting programs or staffing. According to the enrollment reports online, students who are enrolling are taking less credit hours and one less class adds up

to a lot in our business model. Dr. Sawyer said two things about that, one, if we start cutting programs we can expect to lose a lot more enrollment. Students come here because of the programs we have. If we eliminate programs, we are losing the students in the program and we are losing them in the other classes they take as well. It perpetuates a downward spiral; we need to be cognizant of that if we make those decisions. Secondly, we have to ask ourselves is it unreasonable to have increases in tuition to cover the costs of inflation. Look at all of the other higher education institutions, our increases are certainly in line, if not lower. Is that in anyway unfair or unrealistic? He would argue that it is not and it is very legitimate to implement modest increases. The reality is we want to make sure we continue to have an outstanding institution and we cannot just cut our way to be there. We have made many cuts and people have sacrificed during the lean years. Yes, without a doubt, we have modest increases currently in our collective bargaining agreements but those are fair too. It is a fair expectation to properly compensate college employees. We need to remember we are the lowest cost college per FYES.

Trustee Lorenzo said if she understands correctly that our low-income students will be the least impacted because Pell Grants cover their tuition. Dr. Sawyer said correct because the Federal financial aid is paying the additional tuition.

Ms. Argiri added for the benefit of the new trustees that the college's enrollment has been counter cyclical. When the economy is doing well, we tend to see an enrollment decline.

Trustee Vitale asked how we project an enrollment decline. Ms. Argiri stated that our Institutional Research Dept. takes an initial look at the economy and high school graduation rates and come up with a projection. She will look at that projection with Dr. Sawyer, Ms. Thomas-Little and the Registrar's Office and they make a determination as to where we think it will be. We thought this one would be a 6 percent decline. We may expect to see declines until the economy has a downturn. Enrollment at community colleges is related to unemployment rates and the health of the economy. Dr. Sawyer said that is a national trend, it is not unique to Macomb or Michigan.

Trustee Vitale asked when the college last increased tuition. Dr. Sawyer said we did not increase tuition in 2018/2019 but we did in 2017/2018. Trustee Vitale asked the reason for not increasing the tuition in 2018/2019. Dr. Sawyer said the main reason was because we were seeking the millage and we did not want to seem "greedy" and impact our ability to pass the millage. Part of the millage also included the restoration of the Headlee rollback, which brought us additional revenue beyond the existing millage at that time.

Trustee Vitale asked which area of the college is responsible for looking into new revenue. Dr. Sawyer said there is no one person at the college who has that responsibility; it is a part of everyone's job. For example, the NSF grant CAAT just received, CAAT is in the Learning Unit but they could not do that without the assistance of the Grants Office, which is in the Business Unit. Another example is cultural affairs; those are the shows at the Cultural Center and the Macomb Center. That falls under the College Advancement and Community Relations area –as well as the Foundation. Then there is the conference services area that reports to the Business Office.

Trustee Vitale asked if the trend on that always happens as a gradual thing, there does not seem to be a rush to find new revenue sources. Dr. Sawyer said he thinks that we always try and we have done a good job at that for years so you are not going to see big differential growth.

Trustee Cusumano said we charge a \$5 facility/technology fee per credit and a \$50 registration fee. The point is it does cost more money. There are three legs to the stool, there are efforts to increase profits but still you increase expenses, and we vote on contracts that have modest increases but as Dr. Sawyer indicated, the revenue has to come from somewhere and it increasingly falls on the students.

Trustee Cusumano said his concern is that students are taking one less class and extending the length of time for completion or student success. That is something we have to consider as the policy making board that we are - whether that is important to us.

Trustee Lorenzo stated that it is a concern when students take one less class, but we cannot assume that it is because of cost. They do not have the time; they have other obligations with work and family.

Trustee Vitale said that small increments are acceptable to most people, because of increases in tuition and programs; the big jumps are what cause people problems.

#### 5. Strategic Planning

Kevin David, portfolio executive leader and Justin Norris, senior optimization executive from CampusWorks provided an overview of the steps/process to Strategic Plan 2025.

The Board is a part of the process and will need to meet three times. Trustee Cusumano asked General Counsel if that is in violation of the Open Meetings Act. Mr. Steele said the board would not be able to conduct any deliberations, voting or consensus building but the board can all be in the same place for functions that are non-deliberative.

The Board agreed to meet on days separate from board meeting days, early in the week and starting at 3 p.m.

#### 7.0 Closed Session

MOTION by Cusumano supported by DiMaria to move into Closed Session for the purposes of discussing labor negotiations.

ROLL CALL VOTE:

Ayes: Cusumano, DiMaria, Dean, Flynn, Vitale, Lorenzo

Nays:

Absent: Viviano

RECESS

The meeting recessed at 7:20 p.m.

RECONVENE

The meeting reconvened at 8:00 p.m.



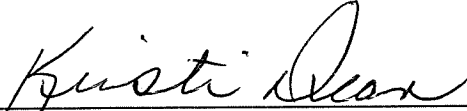
8.0 ADJOURNMENT

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

Motion carried.

The meeting adjourned at 8:02 p.m.

COMMUNITY COLLEGE DISTRICT OF THE COUNTY OF MACOMB BOARD OF TRUSTEES

  
Secretary