

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, February 19, 2020 at 6:00 p.m., in Room 109 of the University Center, Professional Development Center, Center Campus, 44575 Garfield Road, Clinton Township, Michigan.

1.0 CALL TO ORDER

The meeting was called to order by Chairperson Lorenzo at 6:04 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
Vincent Viviano, Trustee (arrived 6:07 p.m.)

Absent: None

Also present: James Sawyer, President
Elizabeth Argiri, Vice President, Business
Kevin Chandler, Vice President, College Advancement & Community Relations
Sharon Kowal, Assistant to the President
Narine Mirijanian, Dean, Health and Public Service
Deborah Mende, Director, Office of the President
Donald Ritzenhein, Provost/Vice President, Learning Unit
Jeffrey Steele, General Counsel, Office of General Counsel
Denise Williams, Vice President, Human Resources
Guest: Dorine Lawrence-Hughes, Michigan ACE mentee

3.0 APPROVAL OF AGENDA

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

Motion carried.

4.0 AUDIENCE PARTICIPATION

None.

5.0 REVIEW OF AGENDA ITEMS AND MATERIAL

Trustee Cusumano asked what the bidding process was for the \$2 million plus for the parking lot reconstruction bids. Mr. Bill Simonson, Director, Administrative Services, said the Request for Proposals were publicly advertised. The sealed bids were received on January 23, 2020 and opened electronically in a public setting with a few vendors on site.

Dr. Sawyer's Updates:

Dr. Ritzenhein is participating in the MI ACE Senior-Level Leadership Shadow program and Dr. Dorine Lawrence-Hughes is his mentee. Dr. Ritzenhein introduced Dr. Hughes. Dr. Hughes is the assistant dean at the University of Michigan for undergraduate education at the LSA, Literature, Science and the Arts College. Dr. Hughes comes with a tremendous academic background, as well as, in administration and leadership. It has been a great pleasure having her participate in many meetings. She has been part of the strategic planning sessions and has contributed greatly to those. Dr. Hughes has returned for the second semester of the year long effort and wanted to see the activities of the board and the unique manner we handle business. She is inviting him to the University of Michigan later this semester where he will have the chance to meet some of the key faculty who are involved in transfer discussions and issues. He is looking forward to that and appreciate her contacts there.

Enrollment: As of this morning, credit hours are down .9 percent, which is better than we had forecast.

Association of Community College Trustees, National Legislative Summit, Wash. DC, Feb. 9–11, 2020:

Attended by: J. Sawyer, F. Cusumano, K. Dean, J. Flynn, N. McKee

Dr. Sawyer said it was a very informative conference. He appreciated the trustees attending. When we met with our legislators their presence added value and strength and it showed the board's connection to the community.

At the summit, they met with:

- Congressman Levin and his staff
- Congressman Mitchell and his staff
- Senator Stabenow's staff, Dr. Sawyer and Trustee Flynn spoke briefly with Senator Stabenow
- Senator Gary Peters (briefly)

Dr. Sawyer said the focus of our discussions were on the short-term PELL (getting PELL funding for programs that are 150 contact hours), authorization of PELL in general, and anything related to workforce training and support.

Policy 2020 Brookings Event with Janet Yellen: Wednesday, February 26, 6-7:30 p.m. at the Lorenzo Cultural Center. Please let Ms. Kowal know if you would like to attend.

James Jacobs Civic Engagement Project presents Shoshana Zuboff Event: Monday, March 30, at 6:30 p.m. at the Macomb Center for the Performing Arts. Please let Ms. Kowal know if you would like to attend.

Martin Luther King Jr. Celebration: Dr. Sawyer said unfortunately, because of the bad weather on that Saturday, the program portion of the day was canceled. Some of the sites did close on Saturday, but Focus: HOPE was open so Dr. Sawyer and about 20 staff volunteered there and had a good day. Macomb volunteers were at sites on Monday as well. We had 160 volunteers where typically we have 300 volunteers. The weather was a key contributor for the smaller number of participants.

Michigan Community College Association Leadership Academy: Dr. Sawyer presented at the first session of this year's MCCA Leadership Academy on the topic of changing and adapting to meet current and projected talent and workforce issues. We have two staff members participating in the academy, Dr. Marie Pritchett, Dean of Arts and Sciences and Ms. Audrey Takacs, Director of Marketing.

Center Campus Land Deal: Dr. Sawyer stated that we anticipate the board's approval of Agenda Item 11.5 the resolution and certificate required by the State of Michigan on the conveyance of property and an amendment to a lease needed to complete the sale of property to the Macomb Intermediate School District. Once Chairperson Lorenzo and Trustee Dean sign the required documents they will be returned to the State for approval by the Secretary of State and the Governor thus completing the process.

Public Service Institute: Dr. Sawyer said *The Macomb Daily* did run a rather thorough article about the situation. It is a very unfortunate situation; one we wish the college did not have to deal with, but we addressed it thoroughly and with expediency. Overall *The Macomb Daily's* coverage was fair. There have been a couple of news stations who have reached out to us but, to date we have not seen any stories. Ms. Jeanne Nicol, Director, Public Relations, has done a first-class job of staying on top of the situation, providing feedback to the news agencies and serving as our spokesperson.

6.0 ISSUE AND UPDATES

1. Lobbyist

Dr. Sawyer said after meeting with three different agencies, he and Ms. Nicole McKee, Director of Government Relations, have selected GCSI to be our lobbyist firm. GCSI has solid experience with community colleges, higher education and several other clients. They currently represent Macomb County and Washtenaw Community College, who are happy with them. Dr. Sawyer reminded the board that 18 of the 28 community colleges have multi-client lobbyists.

2. Addresses at Center Campus

Dr. Sawyer said that Ms. Argiri has been working with Clinton Township establishing and finalizing addresses at center campus. We have been hearing for quite some time about the difficulty people have locating the University Center. There are a lot of events there and people who are not familiar with the college are sometimes late because they cannot find the facility. The work Ms. Argiri has done with the Township will allow people to enter GPS coordinates or addresses into their cell phones and obtain more accurate directions.

3. Pending Lawsuit (Sports and Expo Center)

Dr. Sawyer apprised the board of a pending lawsuit from an individual who attended an event at the Sports and Expo Center and tripped over a device that is referred to as a "yellow jacket". Yellow jackets are bright yellow devices whose purpose is to cover electrical cords that are laying across the floor. Dr. Sawyer said we believe the suit lacks merit because of governmental immunity and the yellow jackets were in the open, obvious and not unreasonably dangerous. The lawsuit also claims the college violated the Freedom of Information Act because we did not provide the video of the fall. We believe this allegation also lacks merit because the plaintiff did not request the video, the claim is time barred and the video did not exist at the time it was requested because we periodically overwrite them. The case is in the very early stages. We will keep the board updated.

4. Billable Hours Proposal

Ms. Argiri said the concept of charging by contact hour was introduced at the March 20, 2019 board meeting during the tuition recommendation discussion as an option for revenue enhancement for the future. We discussed charging either by contact hour or differential tuition and determined charging by contact hour is the better approach.

High Level Points from Presentation:

- Billable hours – better aligns the college’s costs with the student’s costs
- Using the term “billable” - it represents capped contact hours or putting a limit on the contact hours charged to students, ensuring degree programs maintain affordability

Billable hours are the number of hours a student is expected to be either in class or in another “instructional” setting such as a lab or clinical setting in a typical week for a full semester course:

- Courses range from .5 to 18 billable hours
- 86% of courses will have no increase in cost
- Occupational programs have the highest number of contact hours – there will be an increase in cost
- Calculated as the lesser of contact hours or capped at contact hours - credit hours plus three
- We used credit hours plus three because the calculation captures the majority (13.3%) of the courses with excess contact hours, and capping it ensures programs are not cost prohibitive
- There will be no impact on faculty pay. This is simply how we charge students tuition.
- Ms. Argiri went through cost comparisons on several courses and degrees. She also showed comparisons of current and proposed costs with our peers and in-district and out-of-district rates.
- Degree comparison to our peers: (In-District/Out-of-District)
 - Business Administration: Current ranking would stay the same
 - Culinary: Current ranking is the lowest / with change, move up to second lowest
 - Liberal Arts: Currently the second lowest / with change, remain the second lowest
 - Nursing: Current ranking in the middle / with change, remain within middle
 - Out-of-District ranking now is second lowest / with change, move to the middle

Trustee Flynn asked how many out-of-district students we have? Ms. Argiri said from a dollar perspective about 15 percent.

- Thirty-five percent of all our students are receiving financial aid.
 - Seventy percent of our financial aid students receive a PELL award
 - The average award for PELL students is \$2,802 per semester and \$5,600 annually

Trustee Cusumano asked if the college charges any fees. Ms. Argiri said yes, our course fees include fees for equipment, supplies and excess contact hours. When she did this analysis and projected what the proposed costs would be, she reduced contact hours to reduce that excess contact hour fee. For the community colleges that are still charging by credit hour, they are charging excess contact hour fees in their course fees.

Trustee Cusumano said if the board approves this change, will students still be charged lab fees? Ms. Argiri said students will be charged for supplies and equipment but not the excess contact hour fee. Dr. Sawyer added that currently the biggest proportion of course fees is the excess contact hour fee.

Ms. Argiri said we have the following course fees: registration fee, student service fee and a facilities and technology fee. Trustee Flynn asked what fees are included with liberal arts classes? Ms. Argiri said for example there is typically a course fee if a student enrolls in an art class and the college provides the art supplies. Dr. Sawyer said some of the science classes, chemistry, and biology use materials too.

Ms. Argiri said for the proposed degree costs, she has taken into consideration the fact that we would eliminate the course fee for excess contact hours.

Ms. Argiri stated that in terms of the overall fiscal impact, the better alignment of instructional costs with tuition, results in a projected increase of \$2 million in revenue. She is still analyzing the impact on course fees. If the board approves this recommendation, we will further refine the projection and make sure that the course fees charged to students are at an adequate level.

If board approves recommendation:

- No tuition increase for the next academic year – 2020-2021. The only thing that would change is the way we charge tuition – charging on billable hours instead of credit hours.
- For the fall 2021 semester and going forward, administration will likely recommend modest increases in tuition rates as has been done in the past.
- Administration will also recommend the board modify the technology and facilities fee to an assessment on billable hours rather than credit hours to be consistent with how we are billing our students.

Next steps:

- At March 18 board meeting, agenda item requesting approval of:
 - Charging tuition on a billable hour basis, instead of credit hours
 - Recommend no increase in tuition rates for the upcoming academic year
 - Recommend a revision of the technology and facilities fee
- After March 18 board meeting:
 - College would begin to raise awareness to students
 - Form a work team to begin implementation for fall 2020

Reminder: Ms. Argiri said administration presented the yearlong registration and payment plan to the board in December 2017, the payment plan has been implemented and we continue to make progress on the yearlong registration. As we prepare for that to go live, future recommendations for tuition rates will be made to the board in February of each year, instead of March, as we have done in the past.

Trustee Dean asked how the change would be implemented. Ms. Argiri said our work team would update each section to reflect the fact that we are charging on a billable hour instead of a credit hour. We will revise the course fees as well. The technology for our system can handle it, but it will be our job to put together the work team that can implement it without any issues for our students. The biggest challenge we face is raising awareness to our students. Especially for students who are in mid-program, we may need to spend more time explaining how the change is going to impact their costs in the second year.

Trustee Cusumano asked if phasing in the change was explored to give students time to adjust. Ms. Argiri said we did not consider that. Trustee Cusumano said he thought we had not moved in this direction before because of simplicity. Dr. Sawyer responded that it can be said that it was simpler not to do anything. Dr. Sawyer stated that we have looked at this quite a bit over many years. We made several significant changes to our course fee structure to embed costs there because of our unwillingness, or, at the time, the lack of desire to shift to this way of charging. Trustee Cusumano said he would be willing to support a phase-in. Trustee Vitale said she could not imagine a phase-in even being possible. Ms. Argiri said if we phased-in the change, every year we would have to make the adjustment and it would be labor intensive. The other impact is communicating this to students for three more years. She said it would likely cause confusion and there would be additional marketing costs. Dr. Sawyer said we are comfortable making the recommendation not to change the tuition rate, but if we investigate a multi-year phase-in, which would be very complex and undesirable, we would have to revisit the tuition decision as well.

Trustee Cusumano said this change would generate a \$2 million revenue stream in addition to the \$2 million a year from the millage restoration. Ms. Argiri said the \$2 million from the millage was only for the first year. The increases we receive now are for inflation. If this recommendation goes to the March meeting, the board will receive documentation of our forecasted revenue and expenditures. Ms. Argiri has taken a very early look at the forecasts with the information she was able to receive from the county and our expected property tax increase is about \$600,000 this year.

Trustee Cusumano said the pluses to the change are the additional revenue and fees, and the downside would be an increase in student costs; shifting the burden onto those students. Dr. Sawyer said, students who are receiving the services would experience the increase, opposed to the costs being shared amongst all the students. Ms. Argiri said in the past every student paid for a tuition increase, with this recommendation the change is how we charge students for what they are getting in return, the time they spend in classroom, at clinicals and with faculty. Trustee Cusumano said by placing a cap aren't we still subsidizing certain ones more than others. Dr. Sawyer said that is in fact the case, but that is where we do have to recognize that we get state aid and property taxes, so tuition does not carry the full burden of all our programs. That is particularly predominant in our health care programs. Creating a health care professional is a vital community mission for us, and that is where the property tax and state aid offset that for the college. But yes, there is still a shortfall in certain programs.

Trustee Vitale said the change does not affect general education students. Dr. Sawyer said it affects the science courses, but it will not affect English or math.

Trustee Cusumano asked how we measure affordability. Ms. Argiri said we have always looked at what is the overall impact to the student. Dr. Sawyer said during the 10+ years he has been involved in the discussion around tuition rates, we have always held ourselves accountable to try to be as inexpensive as possible. He thinks from a value perspective we are untouchable. If we weren't holding ourselves accountable for affordability, we could charge 50 percent more than we are charging today and we would still be a tremendous value. We have never entertained that discussion because it goes against our principle of trying to be affordable.

Trustee Cusumano said our student head count is declining, are we rightsizing or do we continue to maintain staff and facilities for when the rain comes again. Dr. Sawyer said we make adjustments on a regular basis and assess our areas of greatest need. We allocate faculty where they are needed. We don't always fill vacancies; we assess if we need this position and reallocate if necessary. At the same time, we are looking at doing things differently, so we can improve.

A majority of the trustees are in favor of the recommendation.

5. Dental Program

Dr. Ritzenhein and Dr. Mirijanian presented the recommendation for the Dental Science Program:

High Level Overview of Presentation:

- The Dental Program has two paths: Dental Hygiene and Dental Assistant
- Long-Term Occupation Projections out to 2026 -- approximately 7% for both
- In 2018 the hourly rate in the Detroit Metro area for a hygienist was \$31.28 and \$17.00 for assistants
- Projected job growth rate out to 2026 in Michigan -- about 20% for both
- Both occupations are in high demand
- Baker College closing dental programs in winter 2020 and 2021
- When Baker closed, Macomb County no longer had a program for dental hygiene or dental assistant
- When students achieve their clinical experience, they can provide dental services to patients from the community. Currently Baker students serve over 3,000 patients per year. The patients are low income, do not pay or pay a nominal fee and some charges may be billed to Medicare and Medicaid.
- Only a limited number of facilities in the region available for low income citizens to get dental care
- Positioning the dental hygiene program in the south end of the county, we would help a community that is underserved in terms of dental care.

Dr. Ritzenhein introduced Dr. Mirijanian.

- Dr. Mirijanian began by saying that the current dental facilities available to low income residents have two to three chairs accommodating four to six patients a day. Our program would be able to accommodate 36 patients.
- Dental Hygiene – 2-year associate degree program, complex, rigorous, very robust
 - National and State licensure
 - Must be a graduate of an accredited program
 - Advanced degree opportunities
 - 36 students in each cohort
 - Selective admission program
- Dental Assistant – certificate
 - 42 credits for certificate
 - Depending on how faculty plans curriculum, student could complete in a semester or a semester and a half
 - General education requirements are limited, for accreditation only English and math placement required
 - No prerequisites
- Staff required, as dictated by the accrediting body:
 - Administrator
 - Three full time faculty
 - 18 adjunct faculty (primarily in the clinic)
 - Office Manager
 - Administrative Assistant and part-time admin assistant
- Desired class size – 36 students per year, 72 students collectively in an active program
- Need a 12,000 sq. ft. facility:
 - 20 dental chairs
 - Laboratory
 - X-ray rooms
 - Sterilization area
 - Computer classroom
- Location:
 - Demographically south campus is the preferred location
 - The space would be shared by both programs, dental hygiene in the morning and dental assistant program in the evening

Finances (Dr. Ritzenhein)

- Startup costs:
 - equipment, furniture, software, accreditation fee: \$1,721,965
 - Renovation of site: TBD (depending on location)

- Annual revenue: Tuition, dental assistant certificate, clinic revenue, state aid: \$1,020,985
- Expenses: Staffing, supplies, operational expenses, accreditation fees: \$68,929
- Total expenses: \$1,310,846
- Projected loss of \$289,861

Student program costs (based on billable hours):

- Dental Hygiene: \$13, 128.50
- Dental Assistant: \$9,587.00

Timeline:

- April 2020 - Notify curriculum committee
- June 2020 - Start accreditation process and HLC new program application
- Fall 2021 - New hygiene students in pre-requisites, new dental assistants in professional classes
- Fall 2022 - First class of hygiene students would be admitted and start their program

Dr. Ritzenhein concluded the presentation saying the program is in high demand, there is a community need, it is feasible with strong leadership, reasonable costs and a realistic timeline.

Trustee Vitale asked about potential sites for the program. Dr. Ritzenhein said we have a couple of possibilities at south campus. There are staff members currently working in those locations who would be affected so we are reluctant to share the layout and describe the facilities. Clearly, we will have to do that at some point.

Trustee Cusumano suggested looking into a facility that exists that would be less expensive to renovate. He asked why Oakland Community College can charge 60 percent less than we anticipate charging, why don't we hire them to do it for us. He also asked what the working life of the equipment is.

Dr. Sawyer said OCC was helpful during our analysis of offering a dental program and he discussed a partnership with OCC's chancellor, but as we thought it through, we concluded it was not a good long-term solution for our community. OCC's dental hygiene program is located at their Highland Lakes campus on the far west side of Oakland County. They currently have students from Macomb County, but they see very few of our residents for dental services. We ultimately felt the best decision for the college was to have our own dental program.

Dr. Mirijanian said the depreciation value for dental equipment, in the span of ten years, is about 17 percent. Furthermore, if we buy used equipment there is no warranty, and maintenance costs would consistently increase. The wear and tear on equipment in an education facility is much higher than an actual clinic, therefore it is advised to buy new equipment so that it can remain under maintenance and warranty contracts.

Trustee Cusumano asked if taking over the Baker facility would be more cost effective? Dr. Sawyer said we did consider that but the facility is not in a good location, it is much larger than we need, the roof needs to be replaced and it would be another building that we would have to maintain that is not contiguous to our existing properties.

Trustee Cusumano asked if the location of the program was chosen based on the demographic of the southern end of the county being more impoverished versus elsewhere. Dr. Ritzenhein said the average income is lower in the southern end of the county.

Chairperson Lorenzo said she is certain that her and the other trustees will be asked for the justification of our program costing \$7,000 more than OCC's. How would we answer that? Ms. Argiri said OCC receives over \$75 million in property tax revenue compared to Macomb's \$38 million. Dr. Sawyer said that question will come up and remember we have conscientiously arrived at that figure to make sure our in-district tuition is lower than OCC's out-of-district tuition. It is an expensive program. When these students graduate, they will have a high wage job, so it is still a good value.

The full board supported the recommendation for the dental science programs.

7.0 Closed Session

It was determined that there was no need to go into closed session.

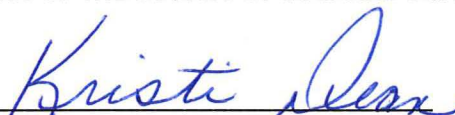
8.0 ADJOURNMENT

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

Motion carried.

The meeting adjourned at 7:40 p.m.

COMMUNITY COLLEGE DISTRICT OF THE COUNTY OF MACOMB BOARD OF TRUSTEES


Secretary