

APPROVED MINUTES OF REGULAR MEETING OF THE BOARD OF TRUSTEES OF THE COMMUNITY  
COLLEGE DISTRICT OF THE COUNTY OF MACOMB

A regular meeting of the Board of Trustees of the Community College District of the County of Macomb was held Wednesday, June 17, 2020 at 6:00 p.m., electronically through GoToMeeting due to the Covid-19 pandemic.

1.0 CALL TO ORDER

The meeting was called to order by Chairperson Lorenzo at 6:00 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

Absent: None

Also present: James Sawyer, President  
Sharon Kowal, Assistant to the President  
Jeffrey Steele, General Counsel

3.0 APPROVAL OF AGENDA

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

Discussion: Trustee Cusumano inquired about cancelling the July board meeting. Dr. Sawyer said there is a purchase item related to one of the renovation projects that needs to be approved before August, therefore we would like to hold the July meeting. Trustee Dean asked if the meeting will be held remotely. Dr. Sawyer responded that is still to be determined. The Governor's Executive Order on remote public meetings expires June 30. After that it becomes a question of whether a totally remote meeting is appropriate and what the Governor's guidance will be at that time.

ROLL CALL VOTE:

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

Nays:

Absent:

Motion carried.

4.0 APPROVAL OF MINUTES

4.1 Regular Meeting, May 20, 2020

MOTION by Flynn, supported by DiMaria, to approve the minutes of the May 20, 2020 regular meeting, as read.

ROLL CALL VOTE:

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

Nays:

Absent:

Motion carried.

5.0 BOARD OF TRUSTEES REPORTS/PROPOSALS

5.1 Board of Trustees Reports (verbal)

None.

5.2 Renewal of Memberships and Authorization for Dues in Trustee Organizations

MOTION by Cusumano, supported by Flynn, that the Board of Trustees extend the approval of the renewal of memberships in the state and national trustee organizations to which the College belongs and authorize attendance by Board members at educational conferences sponsored by these organizations through June 30, 2021. In addition, it is recommended that the Board approve the annual dues for membership in the Michigan Community College Association, the support of the Virtual Learning Network, and the support of the Center for Student Success, at a total cost of \$67,907.76.

DISCUSSION: Trustee Vitale asked if all the organizations we belong to are obligatory and why are the Virtual Learning Network and the Center for Student Success combined in the same agenda item? Dr. Sawyer said the Michigan Community College Association oversees both the Virtual Learning Network and the Center for Student Success.

ROLL CALL VOTE:

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

Nays:

Absent:

Motion carried.

5.3 Appointments – 2020/2021 MCCA Board of Directors

Chair Lorenzo stated that as Chair she serves as the board representative to the MCCA. In the past year, the alternate representative has been Trustee Flynn. Chair Lorenzo thanked Trustee Flynn for serving. Moving forward, Chair Lorenzo said, it would make sense to have the Vice Chair serve as the alternate to the MCCA. If the board does not have any objections, she will ask Trustee Cusumano if he would serve in that capacity. There were no objections and Trustee Cusumano accepted the nomination.

MOTION by Flynn, supported by Viviano, that the Board of Trustees designate one Board member as a representative (Chair Lorenzo) and one Board member as an alternate (Trustee Cusumano) for the Michigan Community College Association Board of Directors, effective July 1, 2020 through June 30, 2021.

ROLL CALL VOTE:

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

Nays:

Absent:

Motion carried.

5.4 Alterations to the 2020 Calendar of Meetings

MOTION by DiMaria, supported by Cusumano, that the Board of Trustees acknowledge the changes to the 2020 Calendar of Meetings; the cancellation of the June 17, 2020 information session; the change in the time and location of the June 17, 2020 regular meeting to 6:00 p.m. and held electronically.

ROLL CALL VOTE:

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

Nays:

Absent:

Motion carried.

6.0 PRESIDENT'S REPORT (verbal)

Thank the board for our second virtual meeting. Last month's meeting went smooth as is this one so far. He appreciates everyone adapting to the new protocol. In terms of future meetings, we will continue to follow the Governor's orders and update the board going forward.

No need for a closed session.

President's Report Continued

New Version of BoardBook: A new version of BoardBook has been released. The current version will be discontinued as of June 30, 2020 so we must adopt the new version. Ms. Kowal has been familiarizing herself with the new program and will contact each trustee to help you with the transition. Ms. Kowal is also working on keeping the new view as similar as possible to the old.

Introduction of Investment Advisors: We have invited our investment advisors to the meeting this evening and will meet them during Agenda Item 7.3.

Spring/Summer Term: The summer term began Monday, June 15 and it is going very well. The credit for that goes to our students, faculty and staff for adapting so well to our virtual learning environment.

Enrollment for Spring/Summer: Summer enrollment is down 7.6 percent and considering that we offered 19 percent less sections, that is fantastic. When we were looking at enrollment projections in March, our concern was that it could go down by 40 percent, therefore we are pleased with the 7.6 percent decrease.

Veteran-Friendly School Certification: The Michigan Veterans Affairs Agency has named Macomb as a gold-certified Veteran-Friendly School for the fifth consecutive year. We are proud of this award and recognize the outstanding work of the staff in our Veteran and Military Service Department do in taking care of our veterans and their needs. Helping our veterans be successful in their educational pursuits is an important role.

Center Campus Sinkhole: Several weeks ago, a sinkhole was discovered at center campus between G and K buildings. A civil engineering firm is at work to determine the root cause of the failure. We will apprise the board as we learn more.

Staff Return to Work Update: Most staff are working remotely. Besides Facilities and College Police there are a few essential staff on campus who need to physically be there to do their job. Dr. Sawyer's plan is to keep staff working remotely for now. If anyone does need to come to campus, a protocol is in place that they need to follow, which includes reviewing our Return to Work Playbook, going through our online training program and completing and passing a self-assessment health checklist.

Return Date for Students: There is no date for the return of students to campus. We have published that the campus is closed through Labor Day, but that date is subject to change. It was important that we posted that date for the students who may be considering registering for classes to be aware that they need to start that process now, either by phone or online. The CDC guidelines and the indications from Governor Whitmer regarding the six-foot social distancing, it is unlikely we are going to be able to open the campus as normal for quite some time. Be assured that we will continue to stay in tune with that and reevaluate as we go forward. In the meantime, we continue to work on the protocols for students to return to a safe environment on campus.

Trustee Dean said if it is posted that students are not going to return to campus during fall are you saying it is going to be remote? Dr. Sawyer said the announcement to students is that the fall term will start remotely for the first three weeks. That gives them assurance of what to expect. Faculty will be ready to offer their classes online. At that point, our intent, if possible, is to pivot to on ground classes in the areas that we can. Our first priority will be to return labs and hands on classes to campus. But we continue to hear about the social distancing guidelines and are skeptical that we will be able to open campus widely.

Trustee Dean asked how will students benefit if that doesn't happen or if the second wave of the Coronavirus doesn't happen are these students going to be hurt by that decision? Dr. Sawyer said the thought is that by making the decision early it is in the students' best interest, because they would know what to expect and could prepare accordingly. If we are fortunate enough to move to on ground classes after Labor Day and a second outbreak happens and we have to pivot back to online, those courses are already established online and our ability to adjust will be more seamless than it was this winter when we had to quickly react and make the changes on the spot.

Early College of Macomb: Dr. Sawyer said there is good news to report about Early College. This fall we are currently planning to have 278 new students start Early College. If we combine the 278 new students with our 270 12<sup>th</sup> graders and 209 13<sup>th</sup> graders we have set a record of 757 Early College students. Great news.

August 17 - Start of Fall Term: The Student Services areas are very busy helping students in Counseling and Advising to get them prepared and through the admissions funnel. All this work is being done remotely, it seems people have adjusted well to the remote process.

CARES Act Student Funding: Dr. Sawyer said the CARES Act Student Funding is money from the federal government provided to the college to give to students. We received \$4.8 million dollars to disburse to students. He is proud to say that to date we have distributed approximately \$3.5 million to almost 2,500 students. This is emergency aid funding intended to help students deal with any financial issues that impacted them as a result of the coronavirus. We were well positioned to handle this through our office of Student Options for Success (SOS). Our staff did a fantastic job of processing thousands of students through the system and the moment we were able to deploy the money to students, we did, it was better for them and an important goal for us. We are still helping students through the process and will continue to make the funds available to them until we disburse the entire \$4.8 million.

CARES Act Institutional Funding: The college also received \$4.8 million in CARES Act funding to help address costs that we incurred associated with the coronavirus. We are working through the regulations of how we can use the money, but they are still vague. We have some recommendations where we may be able to spend some of the money. We are not ready to execute that yet, but we will be doing that soon. We are engaging our audit firm as well to make sure they are comfortable with the decisions we are making.

Jeff Steele, General Counsel, Presentation: Dr. Sawyer said over the past year we have discussed our policies with a specific focus on Title IX. Mr. Steele has designed a plan to better collect and rewrite our policies into more of a coherent suite that is easier for the students and public to follow and for the college to maintain. He will also introduce two new policies, Whistleblower and Anti-Fraud. No board action is required tonight. Mr. Steele's presentation is an explanation of our process going forward and is an opportunity for you to comment or ask questions before we move ahead.

Mr. Steele's Presentation:

Mr. Steele said his goal tonight is to advise the board of changes that we plan to make to several of the existing board and administrative policies that relate to civil rights, anti-discrimination laws and to the rules and investigative/disciplinary processes that apply to our students. It has been his desire to do this for some time, but first he wanted to know what the Title IX regulations from the Department of Education were to be sure that everything would work together and to avoid having to redo policies after we put them in place.

Mr. Steele said our planned makeover is a three-part plan all to be done in sync with one another:

- 1) A complete update of the board's equity policies, basically our civil rights policies. These are board policies that go through the standard process of discussion at the information session, the first reading, second reading and adoption.
  - ❖ Reasons for suggested changes:
    - Some of the policies have been in place for many years, one was adopted in the 1970's
    - To update and refresh the policies to comport with changes in the law
    - The addition of a whistleblower policy and an anti-fraud policy to our existing policies
    - To broaden and clarify the complaint process. Including the identity of the person(s) an individual would go to if they are aggrieved or thinks there is a problem with one of our policies
- 2) Put into place a student code of conduct. People have been requesting this for a while and we are in a very small minority of colleges that do not have a student code of conduct.
  - ❖ Designed to be a student facing document
    - For students to understand the rules that apply to them
    - Clear statement of the resolution process for situations where a rule violation may have occurred
    - Proposing this be an administrative policy
- 3) Title IX grievance process – Make our process as consistent as possible with the new, very detailed regulations that have been issued.
  - Proposing this be an administrative process

Mr. Steele gave more specific information:

The first component is the updated board policies. The new policies he proposes to have in place are:

- Non-discrimination policy
- Anti-harassment policy
- Title IX policy (the board's Title IX policy would be a general Title IX statement indicating what Title IX is and that the institution is directed to comply with it. It will also identify our Title IX coordinator and refer people to the grievance process. He suggests the grievance process be separate. He will explain his reasons shortly)
- Sexual violence policy
- Statement or policy accommodating disabilities
- Whistleblower policy
- Anti-fraud policy
- A complaint process

All these policies will have a non-retaliation provision attached to them. Depending on how they are rolled out, either as individual policies or one policy, everything will be backed by an anti-retaliation policy. That policy states that a person who has exercised their rights or complained or participated in a hearing to deal with one of these policies will not be retaliated against.

The existing policies that will be replaced are the:

- Equal opportunity/affirmation action policy
- Unlawful harassment policy
- Administrative policy for Title IX
- Civil rights complaint procedure
- Student discipline policy, which is a board policy

Many of these policies have been in place for a long time, they could stand a refresh. There have been some changes in the law, and we can bolster best practices to improve these.

The second and third part of this three-tier process is the code of conduct and the Title IX grievance process. The code of conduct is designed to be a statement of rules that students look to and understand. His goal is to make this a complete and comprehensive statement of the rules, he wants it to be user-friendly and understandable to students. He also wants it to outline, not only the rules, but the resolution process and the possible outcomes. The overall goal is that the students understand the rules and the Dean of Students uses the code of conduct as the basis to proceed with potential discipline or a resolution. The students and administration alike understand what the process is for meting out discipline or determining if there is a violation.

Mr. Steele said the code of conduct will be posted online but it will be printable if an individual chooses to have a copy for themselves.

The final step in this plan is the Title IX grievance process. The Department of Education (DOE) has just come down with very detailed regulations regarding how the investigation and hearings must work. There are also detailed rules requiring us to set forth potential remedies, and specific processes on how a case can be dismissed, etc. Because of the detail in these rules, as well as the possibility they may change based on experience or revised regulation, he is suggesting this be an administrative policy.

The grievance process will also define harassment for Title IX purposes, it will have a complaint investigation procedure and it will have a hearing and appeal process, all of which he will try to design to be as consistent with the Title IX regulations as he can.

Mr. Steele is recommending that some of the policies be board policies and some administrative. The way he has structured this is the overall governing policies that are consistent with Article 1.6-2 in the Bylaws which states the board is "to develop institutional policies". Those are likely largely unchanging overall policies that govern this institution, that is why he proposes those be board policies. Then with respect to the code of conduct and the Title IX grievance process these are much more operational. They may evolve over time, they may be something that we need to refine as we go, and we understand our experience and learn from it. And consistent with 1.11 of the Bylaws where the administration is tasked to devise ways and means of executing institutional policies, adopted by the board, it makes sense to have these more procedural and operational policies be administrative policies. Because of the difficulty and nuances of these policies, we want to be nimble and the administration would have the ability to make changes quickly with respect to these operational type policies and there won't be a delay by the three-month process of board review to adoption.

Next steps:

- Complete the Title IX grievance process by the August 14 deadline set by the DOE. That is currently in process.
- Pending Litigation: The new regulations have been challenged on several fronts in several different jurisdictions, so the pending litigation may alter the time and what we do. This is another reason we suggest this be an administrative policy – as the laws change, we need to react quickly.
- Mr. Steele has to look at the new Bostock decision that was released Monday that said the word “sex” in the civil rights act means sexual orientation and gender identity and determine if we need to make changes to the Title IX policy or at least figure out how to write the policy and grievance process based on that new decision.
- Ideally the civil rights suite and the code of conduct will be issued around the time the Title IX grievance process is, so this is all consistent and operates together.

Mr. Steele said all administrative policies will be published and available for everybody to review. They will not be hidden or secret. It will be a college policy, but it allows us to react more quickly with the changes.

Trustee Dean asked if this is only for the whistleblower policy and only for students? Mr. Steele said the piece that is only for students and maybe visitors would be the code of conduct. The board policies that he talked about; anti-discrimination, anti-harassment, whistleblower, and anti-fraud, are institutional. Trustee Dean questioned if these policies would be all the same for students, faculty, administrators? Mr. Steele said yes.

Trustee Cusumano said that he has been talking about this for a couple of years and he is glad to see that General Counsel Steele, President Sawyer and his staff is taking it seriously. There are a lot of inconsistencies and choppiness in the policies as they are. He said the sexual orientation is dealt with, we have a very broad definition in our sexual harassment policy. He asked if the Title IX general policy incorporates some general language about due process? Because one of his concerns would be when the administration changed the policy, which was offensive to due process, notions that the board would want to be able to review that and possibly recommend that it be altered. He doesn't think it is going to be a problem. Overall, he thought the presentation was excellent, it hit on every single criticism he had of these policies and their inconsistencies. But his only concern is that we are the body making policy and some of those due process issues bleed into the way the institution interacts with students and the public. Mr. Steele responded that will certainly be part of your review and he will be happy to hear whatever feedback you may have. Mr. Steele said he envisions the policy to be the governing board policy which will require compliance with Title IX and the new DOE regulations would fall within that and be inclusive of complying with the law. The Title IX regulations are pretty weighted on due process so if we follow those, he believes we will meet the due process standard.

Chair Lorenzo commented to Mr. Steele that his plan is a well thought out process and much appreciated.



## 7.0 FINANCIAL REPORTS

### 7.1A Financial Statements – May 31, 2020

MOTION by DiMaria, supported by Viviano, to receive and file the financial statements for the eleven months ended May 31, 2020.

ROLL CALL VOTE:

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

Nays:

Absent:

Motion carried.

### 7.2A Investment Report – May 31, 2020

MOTION by Viviano, supported by DiMaria, to receive and file the investment report of securities held as of May 31, 2020.

ROLL CALL VOTE:

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

Nays:

Absent:

Motion carried.

### 7.3 Investment Advisor – Introduction and Update – (verbal)

Ms. Kathi Poindexter, Director of Finance and Investments, said at the December 19, 2019 board meeting, the board approved hiring Meeder Investment Management as the college's new investment advisor. She said that at that time we would invite Meeder to a board meeting so the trustees could meet them. Ms. Poindexter introduced Jason Headings, Senior Vice President and Director of Fixed Income and Mike Kloack, Senior Public Fund Advisor. They are going to provide an update on the transition of the college's holdings to Meeder with funds from our portfolio and then they will discuss the new investment policy that we have been working with them on and hope to implement.

Mr. Kloack said that Meeder Public Fund has been around for over 25 years, we are part of Meeder Investment Management which was founded 46 years ago.

Mr. Kloack said with respect to Meeder and Meeder Investment Management, we are a registered investment advisor, so you are getting a fiduciary relationship that you were not getting before. Quite a large firm with over \$14 billion in assets under management and everything we do is customized. We have a fully customized process.

Mr. Kloack said Jason Headings is our senior vice president and director of fixed income, he will speak shortly and is really the one who is most qualified, in both of those roles, to talk about not only how we are handling your portfolio and handling your account but his insight into the marketplace and economy because he heads up the investment team, the credit committee, etc. Mr. Kloack said he handles the day to day interactions with the college responding to and coordinating our needs. He has lived in Michigan his entire life and works at the Lansing office. He has over 20 years of experience with fixed income and Michigan public entities.

Mr. Kloack said as Ms. Poindexter mentioned one of the things that they were working on after their initial appointment was transitioning the portfolio from the various brokerages where the securities were being held into a centralized custody account. That occurred over the first quarter of 2020, everything was moved from those various accounts into one centralized custody account. The advantage of that is now Ms. Argiri, Ms. Poindexter and their office have a centralized report. They have one report that they can balance instead of the many they have been doing thereby streamlining their work and reducing the amount of time required. In addition to everything that has been going on from the standpoint of the market the number of transactions that we undertook during the first six months of the year, this was our big project for our initial onset.

Trustee Cusumano announced he needed to temporarily leave the meeting at 6:47 p.m.

Mr. Kloack said at this point he will turn this over to Jason Headings and he can provide more detail about our rationale for why we have been positioning the college's portfolio a little bit earlier and taken a little different approach than had been used in previous years.

Mr. Headings said he will give a high-level overview on where we are at on the portfolio, what we have been looking at, what has happened so far this year. There is \$188 million in the total portfolio, we are very happy with where the overall weighted average yield is coming in at right now - 1.88 percent. To give you a little frame of reference of where that is, if you go out on a ten-year US Treasury today you can get a 0.74 percent, if you go out 30 years on a U.S. Treasury you are at a 1.52. The fact that we are much shorter than that with a weighted average maturity of less than five years has been great. The big focus for us, in starting out this year, we certainly did not call this pandemic happening the way it did, but we were expecting one, maybe two decreases in rates from the Fed to slow the decline and keep going so we were going out and trying to lock in rates as long as we could. That is where you will see a lot of our focus is really in that nine to ten-year range. For us, we did not want to be extending past ten years right now, but we did want to lock in as much of this interest income as we could because in a declining interest rate environment the biggest question is how we keep this yield and interest income as long as we can. That was our big focus through the end of February. Then we had the massive moves from the Fed. Over the course of three weeks, the Fed dropped interest rates by 1.5 percent down to zero. That really shifted the strategy a little bit to where we shortened up and a lot of our focus now has been in that two to five-year space. The big reason for that is when we are looking at when do we come out of this, when do we get to that shift enticement from the Fed, based on the date plot that came out from the Fed, which is a good general guide but not always the most accurate, what we are seeing and hearing from the Fed is that they expect this to be a very very slow recovery. They are not anticipating any rise in interest rates in the next three years. Many of our new purchases are going to be focused in that three to five year space because we want to make sure we get in on the other side of that locking in of the interest income, that we can right now, but have those maturities coming due when it looks like we could have an upswing in the economy.

Mr. Headings stated that the name of the game for us right now is high quality, working with Ms. Argiri and K. Poindexter in making sure we have plenty of liquidity within the portfolio. Currently the cash and money market positioning is at \$21 million, almost 20 percent of the portfolio coming due within one year. If this is a prolonged pandemic and we get that second wave, we start planning for unexpected expenses, that is where we can come in and make sure that, even though we can sell securities if we need to, we always want to be in the position where we have done proper planning so we don't have to get in that position.

Mr. Headings said in working through Ms. Argiri and Ms. Poindexter we are making sure that we have plenty of money coming due within the portfolio. We do this for a couple of reasons, where we want to make sure we have regular maturities - we know things are going to change on your side, nobody saw this shutdown coming and it remains to be seen how long this truly lasts, and the impacts that it has not only on the college but the world in general. But, also having those regular maturities allows us to adapt to the changing economic environment so if we need to be lengthening the maturities in the portfolio or shortening this gives us a good feel for that. As he said, right now about 20 percent of the portfolio is coming due in the next year but if we look over the course of the next five years, we have 68 percent of the portfolio coming due. We have a lot of liquidity built in to make sure we can handle anything changing from the market standpoint.

Mr. Headings continued saying while we were preparing for finding interest rates, we did not see it happening quite this quickly and to this extent. Last decade was our first decade with no recession in it, that has never happened before. We had some indicators last year that started trickling in that said we could be on a verge of a recession. A lot of those were pointing to later this year or early next year, but with the pandemic it looks like it pulled a lot of that forward. By looking at the equity markets, which is something we cannot invest in, it gives you a good feel for why we have seen this reaction from rates. We had the fastest drop ever in the equity markets, over the course of a little more than 20 days we saw the equity markets go down 30 percent. Thankfully they have worked their way back to this point. We saw the Fed step-in with essentially every program in the world they could think of to try to support the markets whether it be through the treasury markets, mortgage backed, the agency markets, commercial paper markets, the PPP program, you name it they put the program out there. They just announced one this week where they are now coming in and making purchases of higher quality corporate bonds. They are doing absolutely everything they can to support the market and make sure the banks keep rolling the way they should, and we don't get things seizing up, because that is really where you get the true fear coming in the marketplace. When we look at oil prices and energy that is a big factor that goes to the inflation side of the equation and inflation is a big determinant of what is going on with the long-term interest rates. The big thing that we have seen where we had some of that inversion earlier, when we talk about inversion it is the short-term interest rates being higher than longer term interest rates which is typically a negative for the marketplace. We have seen that subside and get back to a more normal environment.

Mr. Headings said when we wrap all this up the big thing for us is figuring out where are rates going from here and how quickly. As he indicated earlier, the Fed said they are not in any shape and do not feel it is prudent at all to be moving rates any time soon. We are going to have some big changes, not only domestically but globally. The U.S. used to be 70 percent in the global bond market where now we are less than 30 percent, we are not as big as drivers in the market as we used to be. Everything else in the world has to remedy itself a little bit too before we see much movement from the Fed. For us, we need to make sure we own high quality securities within the portfolio right now and going out of the curve a little bit here, so in that three to five years is where we are going to be focusing over the next several months making sure we are locking in rates and getting the portfolio in order to where it can continue. When we get to a better spot and the Feds are looking to raise rates, then we will be in a great position

to be able to take advantage of those higher interest rates. That is a high-level overview of what we are seeing on the economic side, what we are doing on the portfolio, are there any questions? No questions.

Mr. Kloack resumes the presentation discussing the second big project they are working on with Ms. Argiri and Ms. Poindexter, the updated and revised investment policy for the college. The investment policy was distributed to the trustees, but you may not have had a chance to look at it yet. The first thing he wanted to mention is that the policy is based on GFOA, Government Finance Officers Association. This is a national association that puts out guidelines for government finance officers, controllers, vice presidents of business for how they do their practices and this proposed investment policy is based on GFOA best practices. We literally took it from their website and used it as a template. We then took the college's existing investment policy and incorporated that into this policy, combining the best of both worlds. We were taking the system the college has been working with for so many years and comfortable with and stepping up the game a little bit with respect to how we are going to handle, not just allowable investments, but the investment philosophy moving forward. That not only protects you as a college from a standpoint of, once this is accepted and implemented there will be actual physically written guidelines for however your investment advisor, investment officer, vice president of business approach the investment philosophy of the college moving forward. That is the first big aspect. The second big aspect of it, as shown on page one of the policy - the three biggest priorities are safety, liquidity and yield. This is one of those things you want to implement to give, not just the current people working on it, but the guidelines with which to be able to handle and manage the investment of the portfolio properly. Has anyone had a chance to read it or have any questions?

Trustee Dean asked how much of an increase to our portfolio there has been over the last couple of months based on last year versus this year? Mr. Kloack asked, with respect to return? Trustee Dean said yes. Mr. Kloack said we are in almost a completely different world than we were even a year ago. A good portion of the college's portfolio was already in place, however, a large percentage, 30-40 percent of the portfolio was in securities that, what we refer to as callable, meaning when interest rates get to a certain type of situation the issuer can recall them in order to issue debt at a different level. When that happens, your funds are then exposed to the marketplace at a much lower level. The return for the year going forward has gone down a little bit. He ran numbers for Ms. Poindexter earlier this year, however he does not have them at hand, but we can get that information to you.

Trustee Dean asked Ms. Argiri for her feedback on Meeder. Ms. Argiri said Meeder has done a great job with assisting us through our transition even during a time when we have had to work virtually. They have been great meeting with us through this virtual environment. We signed the contract after the December board meeting, and they jumped right in and started working with us in January to begin transitioning the portfolio. They have been great to work with. The achievement of re-drafting the investment policy was a big task and we appreciate all their work on that. Once the investment policy is done and approved by the board, then we will work on the cashflow policy which we also presented to the board at the December meeting. Up to this point, Meeder has definitely met our expectation and we have been satisfied with their services.

Trustee Dean asked to go on the record and say thank you to Trustee Cusumano for continuing to point us in the right direction.

Chair Lorenzo thanked them for their informative presentation and nice to meet both of you.

#### 8.0 AUDIENCE PARTICIPATION (verbal)

None.

## 9.0 PERSONNEL REPORTS

### 9.1 Personnel Report - None

### 9.2 Resolutions of Appreciation for Retirees

MOTION by DiMaria, supported by Flynn, that the Board of Trustees authorize the creation and presentation of resolutions of appreciation to employees who are retiring or have retired from their employment in 2019-2020.

ROLL CALL VOTE:

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

Nays:

Absent: Cusumano

Motion carried.

## 10.0 REPORTS OF ADMINISTRATION – INFORMATION ITEMS

### 10.1 Update on Media Buying and Placement Services

MOTION by DiMaria, supported by Viviano, that the Board of Trustees receive and file the information report.

DISCUSSION: Trustee Dean asked for \$480,000 what is our return on investment? Dr. Chandler said based on where we can market the product in the environment in the community with our digital ad base, our impressions from our fall campaign as well as multiple events that we do market on the college, is where the return on investment is, getting the Macomb brand in the market for our students for each enrollment semester, whether it be spring, summer, fall or winter. Trustee Dean asked if we are doing any different marketing material based on Covid-19 and online classes? Dr. Chandler said yes, we have altered our original fall marketing campaign, which we typically do and in multiple channels whether it be billboards, digital campaigns, our social media channels and our video channels. Outside of that, we have done something specific for Covid-19. We looked at the market and what we could do for influencers as well as for the student. We also looked at the campaign that talks about staying home and staying close to home and going to school. We have also created a virtual campus that we are marketing through our social media channels. We have also looked at our influencers and taken some of the cost savings that we have and altered it to be more specific to the pandemic. We have developed a campaign on WWJ, some of you may have heard it. Dr. Sawyer was the first one to be produced returning to the platform we used during the millage campaign, The Community College Corner. Right now, a couple of our deans are being produced and will highlight the programs in their areas and how those address student and community needs. The spots will run as scheduled over the next six weeks. We are running additional digital ads that talk about staying home and staying on course with our online format and what may be our hybrid format as well for the fall.

Trustee Cusumano returned to the meeting at 7:09 p.m.

Trustee Cusumano asked if it is the feeling of the administration that it would be money well spent to try to reposition those messages regarding the pandemic. He would think parents are going to be hesitant to send their seniors off to their first year of college with the possibility that even a micro outbreak could send everyone from a dormitory back home. He also asked Dr. Chandler to email the board the clips from WWJ in an MP4 format so they can listen to them. Trustee Cusumano asked Dr. Sawyer is this enough money? He has always questioned whether we need to spend more and take advantage of an opportunity here. Dr. Sawyer said we share your thought that there is a higher likelihood that students may choose to stay close to home and that is why we redeployed the savings we had. We will continue to monitor if we need to put more money towards that, but we think we have an effective idea of how to campaign it and get the word out that Macomb Community College is a good solution to stay close to home, to stay safe, to continue your education. We do a comprehensive analysis of all the media buys and that is one of the things we like about SMZ, they help produce that for us. While you can't necessarily get to an exact dollar amount or ROI, we do get a very good report about how many impressions and how many people are looking at our different medium. It is something we track closely but we certainly will continue to keep any eye on it. If we are financially challenged, we try to be prudent with that, but we are cognizant about getting our word out and he thinks Dr. Chandler and his team do a very effective job with the resources given them. Dr. Sawyer said the fact that they win awards every year for what they do is another indication of their good work. It certainly is something we need to keep in mind if we need to put more funding there.

ROLL CALL VOTE:

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

Nays:

Absent:

Motion carried.

## 11.0 REPORTS OF ADMINISTRATION – ACTION ITEMS

### 11.1A Donations – May 31, 2020

MOTION by DiMaria, supported by Flynn, to accept the donations as presented and acknowledged by the Administration.

ROLL CALL VOTE:

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

Nays: Cusumano

Absent:

Motion carried.

### 11.2 Change Orders (none)

11.3 Authorization for Purchases

11.3A Three (3) Issues of the Macomb Connect Magazine – Fall 2020, Winter 2021 and Spring/Summer 2021

MOTION by DiMaria, supported by Cusumano, that the Board of Trustees approve the bid in the amount of \$164,262 for printing and mailing services of three (3) issues of the Macomb Connect Magazine for Fall 2020, Winter 2021 and Spring/Summer 2021 to Michigan Web Press of Davisburg, Michigan.

ROLL CALL VOTE:

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

Nays:

Absent:

Motion carried.

12.0 POLICY ACTIONS (None)

13.0 ADJOURNMENT

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

The meeting adjourned at 7:20 p.m.

COMMUNITY COLLEGE DISTRICT OF THE COUNTY OF MACOMB BOARD OF TRUSTEES

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Secretary