

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, January 18, 2023 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 6:05 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 at 7:03 p.m.)

Absent: None

Also present:

James Sawyer, President
Elizabeth Argiri, Executive Vice President, Business
Kevin Chandler, Vice President, College Advancement & Community Relations
Joline Davis, Vice President, Human Resources
Leslie Kellogg, Provost, Vice President, Learning Unit
Sharon Kowal, Assistant to the President
William Leavens, Chief of College Police
Deb Mende, Executive Director, Office of the President
Jeffrey Steele, General Counsel, Office of General Counsel
Jill Thomas-Little, Vice President, Student Services

3.0 [APPROVAL OF AGENDA](#)

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

ALL IN FAVOR:

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

NAYS:

ABSENT: Viviano

MOTION CARRIED.

4.0 AUDIENCE PARTICIPATION

None.

5.0 REVIEW OF AGENDA ITEMS AND MATERIALS

Trustee Dean inquired about agenda 11.3A (Singlewire – Fusion Emergency Messaging System Software Renewal). Dr. Sawyer confirmed that is for a three-year renewal of software formerly known as Informacast and is installed on the 2,500 Cisco phones on campus and is the system used by College Police to communicate information college wide.

6.0 ISSUES AND UPDATES

6.1 President's Report

Dr. Sawyer congratulated Trustees Lorenzo and Dean on being sworn in for their second terms. He also congratulated the newly elected officers. He said we have a great slate of trustees, not only the officers but the entire board. The community is well served. Thank you for volunteering to serve the college.

Start of Term – Classes started January 9.

Enrollment Update – Credit hours are down 2.1 percent compared to this time last year.

- Futures for Frontliners registered students – 510
- Michigan Reconnect registered students – 1,324

Personnel – Dr. Sawyer said two of the three new hires this month fill director positions in HR. They discussed the need to reorganize HR during his review in August. Vice President Davis joined the college last spring to lead the department. We realized the department had been run too lean and significant changes needed to be made to properly address the problems and to better serve the entire college community. The third new hire is the Director for Transfer Services & University Relations, Michelle McGill. Ms. McGill has been serving in that role on an interim basis for the last three years and this action will formalize her in that position. The college is being served well with Ms. McGill in this role.

Purchases – Dr. Sawyer said there is one purchase for the Fusion Emergency Messaging System software renewal that we discussed earlier.

Detroit Drives Degrees Community College Consortium (D3C3) Grant – Dr. Sawyer said the college received \$1.7 million from the Wilson Foundation in December to support this work. We are anticipating an additional \$3 million from the Ballmer Foundation in the near future. For Macomb, this grant focuses on student success, K-12 relations and mobility.

IDEA Update (Inclusion, Diversity, Equity and Access) – Dr. Sawyer said the posting for the executive director of IDEA position ends today (1/18/2023). This position was discussed in August as well, as one that the institution needed to fill. Over the next few weeks, candidates will be interviewed and potentially one of them will be presented to the board in February or March.

Martin Luther King Jr. Day Celebration – Dr. Sawyer said the college celebrated Martin Luther King Jr. Day this past Monday. There were two opportunities for volunteers (students, staff, community members) to complete service projects. Participation was either on campus or picking up packets and completing at home and returning the next week. There were 81 volunteers that participated on campus and another

136 that picked up packets to do at home. Projects included cuddly creatures for children, letters for nursing home residents, lunch bags for Kids Food Basket, greeting cards for Send a Smile Today and kennel blankets for animals in shelters. Trustee Vitale attended on campus with her daughter and recommended everyone going to it because it was fun. Dr. Sawyer represented the college at the county-wide event held by the Macomb Ministerial Alliance and later at the Interfaith Center for Racial Justice's walk, program and lunch with Jeanne Nicol and Nicole McKee.

Congressionally Directed Grant – Dr. Sawyer said this is a grant for \$2.7 million to support our IT programs and Training to Meet Employer Needs. This was brought to us by Senator Stabenow. Great things for the college and the community because we haven't had a grant of this size in our IT area before and it will bolster our Information Technology Workforce and Continuing Education area. Trustee Cusumano asked if the distribution of the grant will be in a single fiscal year? Dr. Sawyer will find out the timeframe of the distribution of the funds and follow-up with the trustees.

Commencements – Dr. Sawyer said commencements were held on December 16 at south campus. Winter commencements are normally held in the Performing Arts Center, but we moved them to south for more space in case a Covid issue emerged. This winter ceremony had the largest number of students participating so a bigger venue turned out to be beneficial. There were 761 students that applied for graduation and 341 that participated in the ceremony, which is about a 45 percent participation rate. Thank you to Trustees Dean and Flynn for attending the ceremony.

Tuition Rate for 2023-2024 – The recommendation of the tuition rate for the 2023-2024 academic year will be presented this evening by Dr. Sawyer and EVP Argiri. Traditionally the tuition rate was decided in March, however since the transition to year-long registration the decision had to be moved up to February. By presenting the recommendation in January the board will have an opportunity to ask any questions and provide administration time to accurately respond to any questions that cannot be immediately answered to the board before the February meeting.

Vice President of Student Services – Dr. Sawyer announced that VP Jill Thomas-Little has asked to step down from her position as vice president of student services. Ms. Thomas-Little will transition to the role of project director for the D3C3 grant and will be a tremendous asset in facilitating that grant for the college. She has graciously agreed to continue to serve in her current role until a new vice president of student services can be hired.

February Board Meeting – Looking ahead to the February Board meeting:

- Recommendation of a system to replace PeopleAdmin, the HR system that handles job postings and applicant processing.
- Repairs for the elevator in the Macomb Center for the Performing Arts
- Maintenance for the college's SAN (storage area network) servers

6.2 Tuition and Fees

Dr. Sawyer and EVP Argiri presented their recommendation and the background information used to reach their recommendation. Questions were welcomed either during or after the presentation.

Trustee Vitale asked EVP Argiri about the comparison of costs per fiscal year equated students (FYES) on several of Macomb's sister institutions and the state average. What are they providing differently than Macomb? EVP Argiri said it is managing costs or any variety of factors, but it is their operating budget.

The source for this information is from the Post-Secondary Community College Data Inventory, formerly the ACS reporting. These are comparisons that the State of Michigan collects that we use to report on. It could be driven by several factors like supplies, wages, the number each college has in staffing compared to our staffing at Macomb.

Trustee Cusumano asked if the total number of fiscal year equated students (FYES) is divided by the total budget or just the educational unit? EVP Argiri responded by total expenditures, not only instruction, but administration, student services, and instructional support. Trustee Cusumano inquired if it included capital improvements as well? EVP Argiri said no, that is the plant fund, this is only the general fund operating expenses.

As EVP Argiri was explaining how the funding for Early College and Dual Enrollment students works, Trustee Vitale asked about the 13th year. EVP Argiri explained that in the 11th and 12th years, a portion of the district's foundation allowance goes to pay for the students in this program. In the 13th year, the district still receives the funding (foundation allowance) from the state and a portion of that comes to Macomb to pay for the student's tuition, fees and books while the district retains the difference. Being able to retain a portion of the funding from the foundation allowance is the benefit for the district promoting this program. EVP Argiri continued to say that not too long ago the largest district in the county exited the Early College program and cited it as a budget savings and budget cut. That decision impacted their students opportunity to achieve college credit while in high school and we would rather not see that happen. Our concern is that a tuition increase may impact the districts desire to continue to send the level of students they have. We feel it is important to at least sustain this population and it is our desire to increase the number of students in these programs.

Trustee Flynn asked Dr. Sawyer if the explanation of Fiscal Responsibility he gave is of the current situation? Dr. Sawyer confirmed that it is. She said when we switch this, it will go away. Dr. Sawyer said this is where Macomb typically rates so he doesn't anticipate any changes. EVP Argiri agreed with him saying that the college's millage rate has been the third lowest in the State of Michigan for a long time. If we continue to manage our expenses well, she expects us to be the lowest or one of the lowest cost community colleges. But, good point, how would we then stack up for tuition against the other community colleges? The boilerplate language in our state appropriations has a tuition restraint of five percent. She expects many of the community colleges will be within the same range that we are recommending, probably 3 to 4.5 percent. Macomb has had the third lowest tuition rate for many years, and she doesn't see that changing significantly.

Trustee Cusumano stated that there was an issue regarding certain fields of study being subsidized by other members of the student community (nursing and dental) how is it that subsidizing Early College students isn't overly burdening the other students? He understands the rationale of wanting to keep the 7 percent but has there been any sign of decline as a result of tuition increases over the last five or six years. Dr. Sawyer said he has had conversations with different superintendents, and it has been a concern for them, but he can't specifically attribute the decline to that. We see this as being an aggressive step to further the relationship to encourage or recruit more of these students. It is a \$150,000 impact across the board which is spread amongst the rest of the college community but arguably if we gain more Early College students, they will help relieve that. For dual enrollment students, this is a commercial or a

preview of college, we hope to attract them to come to Macomb to pursue some of their post high school education as well.

Trustee Cusumano said the major school district that opted out of the Early College program was Utica Community Schools, have they given any hint or evidence they might come back? Dr. Sawyer said there were a few students from Henry Ford High School last year, which is encouraging. Trustee Cusumano said their withdrawal from the program resulted in a significant reduction. Dr. Sawyer agreed. EVP Argiri stated that the county's three largest districts have been limiting the number of students they are sending to the Early College Program.

Trustee Cusumano said we take the budget and divide it by FYES to get the cost per FYES, which is currently \$11,060, what do you think that cost would have been ten years ago? EVP Argiri said she doesn't have that information available right now but would be happy to provide that analysis for the board. She shared that looking at how Macomb stacked up against all the other community colleges in the State of Michigan over that 15-year period we were either the lowest cost provider or the second lowest. Trustee Cusumano agreed that has been consistent, but the question is with declining enrollment and rising costs you have to keep the ship headed in a direction and can't tear down the sails in order to provide better accommodations for a crew that you may not necessarily need to run the ship. This institution has to be maintained, but what he sees is a budget reduction of \$750,000 on a \$143 million budget, a decrease of a half of a percent and looking at that in the context of an enrollment decline by 40 some plus percent. EVP Argiri said from our peak enrollment in 2009-2010 we are down 37 percent. That was during the Great Recession, and we knew that was a level of enrollment that was never going to be sustained. She will prepare an analysis for the board to review but we'll see that it fluctuates the same as when we looked at the summary of budget cuts. One year we cut the budget by \$12 million due to the Great Recession with tax revenues falling significantly, but at the same time we had a high number of students producing an artificially low cost per student because we had a high number of students and had significantly cut the budget that year.

Trustee Cusumano asked what period was the five percent increase advice from the county generated? EVP Argiri said the guidance she received was very generic, there is a lot of uncertainty right now but felt that a safe assumption was five percent. When the Equalization Department looks at values for the coming year, it is often a look back. They capture last year's value, so high inflation, and a good housing market during that time period, we will see a higher property rate increase.

Trustee Cusumano asked if Macomb is still the largest community college in the State of Michigan by FYES? Dr. Sawyer said yes, and EVP Argiri said Macomb is 16 percent higher than the second ranked college, OCC.

Trustee Vitale recalled that several years ago you warned us to anticipate the decrease in high school enrollment, is this more of a reaction to inflation or to that? Dr. Sawyer said it is both, we have known for a long time that the number of high school graduates would decline through 2045. The rate of the decrease expedited because of the pandemic and inflation added to it. Just like all of us are experiencing the cost of inflation on goods and services it's no different for the college. Trustee Flynn commented that the price of everything is going up. Dr. Sawyer responded that we are half the rate of inflation and that has been our recent history. That isn't by accident, that is by being very conscientious about keeping

tuition as low as possible and still provide the high-quality instruction and environment that our students deserve. Trustee Flynn asked if the increase needed to be so big? Dr. Sawyer said this particular year, yes we do, because of the realization of what we are experiencing and that ties heavily to inflation, which is unusual, the highest it's been in forty years. Trustee Flynn asked when was our last tuition increase? Dr. Sawyer stated we raised it \$2 last year. Trustee Flynn said \$2 last year and another \$5 this year and you think you are going to get more students? Dr. Sawyer said it is important to frame this in perspective, look at the universities rates from 2022, Macomb still costs 77 percent less. There's no guarantee but it is likely they will increase their tuition and when they go up five percent that costs a lot more than when we go up five percent because they are a much higher rate. We consistently cost lower than the institutions around us and that is not by accident, that is by good work and focusing on keeping our expenses down but making investments where needed to do the right thing. Trustee Flynn commented that it seems like we are hiring and upgrading and if you need something you get it. Dr. Sawyer said that is because we want to remain a high-quality institution and our students deserve it. It would be catastrophic if we just cut significantly; that would be reflected in our facilities, our technology, and the instruction our students get. EVP Argiri added that our student success rate might decline as well.

Trustee Cusumano asked about state funding? Dr. Sawyer said last year it was 3.8 percent – we were below the average of five percent across the state. We don't know what the state is going to do this year but from what he has heard it may be the same as last year. Trustee Cusumano said doesn't the state have a \$9 billion budget surplus so isn't it reasonable that we could anticipate an uptick in support from them? Dr. Sawyer said not likely, but rest assured we are going to continue to try and get that money, but don't count on it.

Trustee Cusumano asked if there is any other way including leaving positions vacant for an extended period to cover this? Dr. Sawyer said these aren't vacant, we are cutting positions, that is a big distinction. And that always happens through natural attrition, so yes there will be vacant positions throughout the year that "help" the bottom line but the big difference this year is we are permanently cutting full-time positions \$750,000 worth, and we don't have all the positions identified yet.

Trustee Cusumano asked if the teacher to student ratio is going up or down? Dr. Sawyer said during the pandemic we (Dr. Sawyer and Dr. D. Ritzenhein) made a conscious decision to run classes lower than normal and that was because we had the federal funding (HEERF funds) to back us up and we wanted students to continue to make progress. Trustee Flynn asked if all the federal funding has been used? Dr. Sawyer said yes because there was a deadline of June 2023 to utilize the funds.

Trustee Vitale asked if there were available statistics on how long the population of high school graduating classes are decreasing? Dr. Sawyer said the data from SEMCOG (Southeast Michigan Council of Governments) shows to expect a declining number of graduates each year out to 2045. Trustee Vitale stated this is going to be a persistent issue, so we have to prepare for it whether we have inflation or not. Dr. Sawyer said he would argue that we must be more aggressive in recruiting those high school students which is why we are proposing no change in the tuition rate for dual enrollment and Early College students and why we hired Michael Baysdell, director of K12 relations, who is working on those relationships. Trustee Vitale said she would like to hear a report from Mr. Baysdell when he has some data to share. This has to be rethought because the temperament of people keeps changing as far as community college versus university. Over the past 20 years the way people have viewed community colleges has switched a lot and she's not sure how we are going to address that. Dr. Sawyer said there are other dynamics going on as well, employers looking at shorter term credentials, employers providing those credentials, and the

general rhetoric “do I need a college degree and what is it’s value” is where we have to be aggressive in fighting those arguments. Community colleges get unfairly embroiled in that talk about value. For example, look at Walsh, a great school, but it is seven times more expensive than Macomb and that is quite a big difference.

Trustee Cusumano asked if the board doesn’t approve the \$5 increase will your response be – we have to make cuts and the board has to decide where? Dr. Sawyer said yes, because the cuts would be draconian enough that the board would want to be involved because the fall back would be on you as trustees. We are talking about significantly altering the way the college does business; the services we provide the community potentially, again he says potentially, he is not recommending that, he is recommending a 4.7 increase to continue the good work we are doing. He wants to be clear about that, so if it goes to draconian cuts, yes, the board will be weighing in on where to make them. Trustee Cusumano understands that and said Dr. Sawyer is doing a good job walking the tightrope and as he said earlier you need to keep the ship intact. But the serious question he has is, in the reasonable future is there going to be a rebound? Dr. Sawyer said we are forecasting a one percent increase but that is far from a rebound. The Michigan Achievement Scholarship, which is available to high school graduates only for three years after graduation will hopefully drive them to attend college immediately after high school. Otherwise, they lose that benefit. We have seen a reduction in the number of high school graduates attending Macomb but that is not unique to us, it is statewide (any post-secondary institution). The number has gone down 10 percent in the last two years, where it was a long time static low 60 percent, it has now dropped 10 percent in two years. It is phenomenon that troubles everybody and is a concern because the data is still overwhelmingly clear that a post-secondary education improves a person’s employability, reduces the likelihood of unemployment, provides greater lifetime earnings and is important for the economic vitality of communities. It is troubling because if we continue to have less people earning degrees that has a long-term negative impact on the community as well.

Trustee Cusumano stated so the half a percent cut with the upcoming budget is a \$5 million increase with a 3.5 percent increase in expenses with a declining student base, that is a hard choice. Dr. Sawyer said we are trying to get there with the model of a balanced budget and it’s a balancing act. Trustee Cusumano agreed, you have to preserve the institution and at the same time we have to justify a declining customer base with increased costs and walking that fine line is the art of the deal. Dr. Sawyer asked who can take the board to task on that when out of the 28 community colleges in the state, Macomb has had the lowest or second lowest operating expenses for the last 15 years. That is a very powerful message. The data supports that Macomb has been exceptionally well run fiscally for a very long time. The college itself continues to have a positive reputation in the community and amongst other colleges and that is not a position we want to give up. Trustee Cusumano stated the community did support the college by voting to renew the millage.

Trustee Cusumano asked if the number of credit hours taken by the average student has changed? Dr. Sawyer answered that it fluctuates and that is why Early College students are valuable because they take up to 60 credit hours.

Trustee Cusumano asked who’s to say you won’t come back next year and ask for more? Dr. Sawyer said we are always going to reevaluate this. When the board hired him as president, he said he would bring them a balanced budget and that necessitates increases and we don’t know what the future holds. Look at the last seven years, several of them there were no tuition increases. This isn’t something automatic,

we take this recommendation very seriously, but fair warning if inflation is at five, six or seven percent, he will be back asking for additional money.

Trustee Vitale said it makes the trustees look good if we don't raise tuition because we care about the students. But it is not for the good of what has been presented to us today to keep the quality at the college and all the things going on here. The board won't look good, but it is for the good of the college and the good of the students to do that.

Trustee Viviano shared that when you take on this position the decisions are difficult if you are here to do the right thing, not just to preserve our integrity. We look at the facts and make sound decisions.

7.0 CLOSED SESSION

There was no need for a closed session.

8.0 ADJOURNMENT

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

Motion carried.

The meeting adjourned at 7:35 p.m.

COMMUNITY COLLEGE DISTRICT OF THE COUNTY OF MACOMB BOARD OF TRUSTEES

Secretary