

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, October 18, 2023 at 6:00 p.m., in Room K324 of the John Lewis Conference Center, South Campus, 14500 E. Twelve Mile Road, Warren, 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
Joan Flynn, Trustee
Shelley Vitale, Trustee

Absent:

Roseanne DiMaria, Treasurer
Vincent Viviano, Trustee

Also present:

James Sawyer, President
Kevin Chandler, Vice President, College Advancement & Community Relations
Joline Davis, Vice President, Human Resources
Tiffany Goliday, Executive Director, IDEA
Leslie Kellogg, Provost, Vice President of Learning Unit
Sharon Kowal, Executive Assistant to the President & Board of Trustees
William Leavens, Chief of College Police
Deb Mende, Executive Director, Office of the President
Kathi Poindexter, Director, Finance and Investments
Jeffrey Steele, General Counsel, Office of General Counsel

3.0 APPROVAL OF AGENDA

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

ALL IN FAVOR:

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

ABSENT: DiMaria, Viviano

NAYS:

MOTION CARRIED.

4.0 AUDIENCE PARTICIPATION

None.

5.0 REVIEW OF AGENDA ITEMS AND MATERIALS

Trustee Cusumano had a question regarding Agenda Item 9.2. It was not included in the packet, are they expected to vote on something that is based as a pre-approval of something that is to be approved by another body called the Health Care Coalition? Dr. Sawyer responded that we sent these materials for Agenda Item 9.2 to the board on Friday afternoon after the Health Care Coalition met on Thursday. The process for this item is for the Health Care Coalition to meet, discuss the options and make a recommendation on Public Act 152; whether the college is going to pay 80 percent of health care benefits and employees pay 20 percent or whether the college is going to select the hard cap. Historically the board has always approved the hard cap but we did not want to be presumptuous and wanted to give the health care coalition an opportunity to make their recommendation. Hence, they did and that is when we sent the materials to trustees. Trustee Cusumano said his question is, from the college's expense perspective, what is the difference between the hard cap compared to the 80/20 for the health care expense of employees? Is it more or less? Vice President J. Davis stated that for the hard cap it is less based on the individuals who are eligible for the hard cap. Basically, we have 373 individuals who are enrolled in the high deductible health plan and 127 enrolled in the PPO. Based on those numbers and the information that was presented, if the college were to choose the 80/20 option, it would cost the employees more. That is why the Health Care Coalition voted to recommend the hard cap. Trustee Cusumano understands from the perspective of the employees, but he is talking about the perspective of the college, does she have a rough figure of how much more money the recommendation of the administration is going to cost the college versus the other option? VP Davis will get that information and provide it to the trustees before they vote on Agenda Item 9.2.

Trustee Dean was concerned that we are heavily invested in housing market lending and if we go through what we went through in 2008 with the housing market and it crashes, she asked why are we so heavily funded in those? Kathi Poindexter, Director, Finance and Investments, said yes, a while back we heavily invested in mortgage-backed securities. Our policy is to hold those until maturity, which is what we are doing, however we are not purchasing any additional. We are constantly looking to see if we can work it to mature early and buy something else. She has had several conversations with our investment advisor about that and right now they are not recommending those changes. It is a risk, but these are already in our portfolio so we would not be buying any more. Trustee Dean asked when are they going to mature? K. Poindexter said they are listed on the report, and all have different maturity dates. The maturity dates are pretty spread out, the longest one is 2034 but most of them are for 5 to 7 years. Trustee Dean asked what it would be if we matured them early? K. Poindexter said the investment manager would have to analyze the cost of that. There could be a loss to do that. If there is something specific, we can look at it. Trustee Dean said history is going to repeat itself, it was in 2008, so it is getting close. It might be interesting to find out what that would be and then what would we invest in? Dr. Sawyer said those investments are locked in so Fannie Mae would have to fail for us to be at

risk. The College has opinions that they are government backed securities which is a requirement by the Community College Act, although he believes Trustee Cusumano disagrees. K. Poindexter said these are locked in, so they are safe. They get paid on every month as people pay their mortgages, we get money back plus interest. If people pay their mortgage early, we get a larger return of money, and these will mature earlier. Are we going to replace these with the same thing? Probably not, we are exploring commercial paper, etc., CDs are paying well right now, for example we just bought \$2M in CDs because the rate is at 5.25 percent. She has been asking Meador (college's investment advisor) to review this because selling things with a lower interest rate would be beneficial to the college and they are looking at that. Our investments are being watched by experts all the time.

Trustee Cusumano asked if there has been any kind of analysis, a prefatory question would be what is the investment consultant being paid annually? Is it a percentage or do we have a number? In follow up to that is, are we doing better than before we hired them? K. Poindexter replied that the college pays Meador five basis points of our portfolio balance, and we pay a custodian fee of one basis point to Huntington to hold the cash. That is a very competitive rate. Trustee Cusumano asked what does that come out to be on an investment portfolio of \$200M? \$200,000? K. Poindexter said probably a little less than that. Trustee Cusumano said he takes it from her response that there has not been an analysis whether we are doing better. There is so much flux going on, including a shifting of the portfolio away from government sponsored entities not instrumentalities of the United States of America, Fannie Mae, Freddie Mac and the housing instruments. We did get an opinion letter from Clark Hill that opined because it was the intent of the legislature to have secured investments for the community colleges that the holding of these securities was compliant with the intent of the act, his response at the time was the Act specifically requires that they be instruments backed by the United States Government and/or the State of Michigan and that Congress had declared in 2007 that they were not government agencies or instrumentalities.

Trustee Cusumano said as he understands it, we don't have a way of calculating whether or not we are getting a benefit, other than we've got the expertise of the investment consultant. K. Poindexter said we keep a history of our annual returns that we could provide you (from before Meador and after Meador), but the interest rate market is very different. When Meador started nothing was paying, maybe a half of a percent, and now we are up to over five percent, so it might be hard to compare. The portfolio is pretty much locked in until maturity and it takes a while for the portfolio to build up to that higher yield. We are slowly doing it, but until we can replace things with higher percentages and not take a loss, it is going to take time. Trustee Cusumano is glad to see the portfolio is more diversified. He would like to believe his inquiries regarding the diversification of investments with commercial paper played a role.

Trustee Vitale asked K. Poindexter if she has something to provide to them with that breaks down the percentages of the CDs currently? K. Poindexter said we do have a dollar break down that we could convert to percentages. Trustee Vitale said just a general breakdown, CDs are a good

investment right now. K. Poindexter said we have been hesitant about CDs until recently because the interest rates are so attractive but remember a while ago there were concerns about banking, we wanted to be sure whatever we invested in was covered by FDIC insurance. That seems to be more stable, so we have started buying CDs.

Trustee Flynn asked why our current assets (in the audit report) have decreased so much? K. Poindexter responded that overall, our assets compared to last year are very similar, but there has been a shift in the allocation of the assets. So our short-term holdings and cash have gone down while our plant fund capital assets, where our buildings are, have gone up and that is mainly due to the T building renovation.

6.0 ISSUES AND UPDATES

6.1 Board of Trustees Budget Discussion

Dr. Sawyer said at the September board meeting the trustees were given a budget breakdown of the last five years, including a couple additional accounts related to the functioning of the board and asked the board to review. This is the opportunity to talk about changes or recommendations the board may have. Our plan would be to reflect those changes in the revised budget that is presented to the board in December.

Trustee Cusumano said in his recent conversation with President Sawyer about the board of trustees' expenditures in the travel line item (conferences, etc.) with a budgeted amount in the \$30,000's and a shift in the meals for these meetings from institutional funds (Dr. Sawyer interjected that the shift was not made, he suggested we may want to make that change. He was trying to capture that cost as part of the expenses of the board, but it has not officially been moved), he is looking for discussion or input from the board whether the history pre-Covid was not as he remembers in the range of \$30,000. Dr. Sawyer said during Covid it was dropped to \$16,000 but going back to 2019 it was \$32,000. The actuals were \$6,355 in 2019, \$18,900 in 2020 and \$299 in 2021 (during Covid). Trustee Cusumano asked for the peak actuals before Covid? Dr. Sawyer said pre-Covid, 2020 was \$18,900. The budget look back is for only five years so the earliest is from 2019 for \$6,355 and most recently in 2023 it was \$6,000.

Trustee Cusumano said his input is to set the budget at \$20,000 which is the actual maximum experience and shift the rest to whatever allocation is appropriate in the eyes of the administration. Trustee Dean said she made that same recommendation and was told that whatever is not spent ultimately goes back into the general fund. Dr. Sawyer said yes, for instance last year we had \$1.7 million in surplus that went back to the general fund, this would have been part of that \$1.7 million.

Trustee Cusumano said but for purposes of the board voting on a budget and John Q. Public or any other person looking at the budget numbers and asking what the board of trustees is actually spending and conflating the budget with the actual expenditures, he thinks to use as a benchmark the highest peak of the actual experience of the last ten years rather than put in a figure that is close to double and waiting for those funds not to be expended and rolling them back into the general fund. Dr. Sawyer said if that is the board's desire, we can do that.

Trustee Flynn said if we reduce our budget to \$20,000 and then need more money, will we get it? Dr. Sawyer responded that if the line item ran overbudget we would have to pull funds from other accounts. Trustee Flynn said she would rather keep what we have and run out of that than rob somebody else's money. Trustee Dean agreed. Trustee Cusumano said it is all the same money entrusted to us as the representatives of the public. Trustee Flynn wondered if their budget has ever been questioned, Dr. Sawyer said not to his knowledge.

Trustee Cusumano said this brings up a sensitive subject because he believes the board is increasingly taking on a purely ceremonial role, even to the extent of what our budget is that is handed to us for a yes or no vote with no critical analysis or scrutiny and that is one of the reasons he brought it up. When you apply the critical analysis, the high watermark is \$20,000 and there is no value or reason he can come up with logically why the figure should be anything other than the high watermark of \$20,000 versus something that has been handed to them. In other words, he is trying to seek out some independence from the administration on core matters of what we do as a board and among them is what we allocate for expenses for ourselves as a part of this organization.

Trustee Vitale said looking at all that is included in the line item and not knowing what the future holds and if we have a lot of trustees transitioning in and out, we will need that money for conferences. She doesn't think \$15,000 is too outrageous of a jump especially if what we don't use goes back into the general fund.

Trustee Cusumano understands the comment but rests on his previous comment. He said we don't even decide the food we eat. It is all done for us with a straight up or down vote. In a particular instance that caused him great irritation, a major contract was negotiated with full-time faculty and the board of trustees was not even allowed to see the summary before the actual meeting and the administration shifted, without board action, the meeting date and he could not attend that meeting. He thinks it is important for the board of trustees to exercise some degree of oversight and independence which was completely lacking in the way that was spun out. He thinks it is a cultural issue about the way the board is supine to whatever policy making decisions are being made by the administration and their apparatus versus us having meaningful input. This is a small part of that which he thinks they should have total control over because they are the ones that have to answer to the electorate as to what our expenditures are, and he thinks it was appropriate to set at the high watermark. Now reasonable minds can disagree, and he respects their opinion and that is the reason why we have votes.

Trustee Flynn said she's never felt slighted, if she wants to know something she calls the president or talks to one of her colleagues. She thinks they have a lot of control, and the meeting was moved because they wanted to settle the contract in a timely manner. We have all missed meetings. Trustee Cusumano stated that he has missed one or two meetings in his twelve years serving on the board. Trustee Flynn is sure his decision has been noted. She said the \$43,000 isn't a lot of money for the trustees.

Trustee Vitale said she understands what Trustee Cusumano is saying but Chair Lorenzo's recommendation for us to have a separate visionary meeting is great because we have our own role here and we don't want to micromanage the president's and administration's role. She does the same as

Trustee Flynn does whenever there is a problem or question, outside of the scope of nodding her head at a meeting, she will call the Chair and she will address it and if she can't answer her questions then she recommends someone to talk to. The problem with the last meeting when you couldn't be there, that settlement needed to happen and most of the board was there, and you approved of it. Trustee Cusumano asked her what he approved of? Trustee Vitale said didn't you talk to the Chair privately? He said no, he is afraid that would violate the Open Meetings Act, deliberations outside an open meeting. Trustee Vitale said just talking about basic ideas that are coming or things we were going to be making decisions on. Trustee Dean said one of the biggest issues was the two days on campus versus the three days on campus. They gave into it and gave them two days instead of the recommended three days even though they grandfathered in current faculty, but for the new hires they have a recommendation of three days until after probation but basically it is two days, and they were steadfast that it was going to be three days.

Trustee Cusumano said before we go too far afield, we were focused on the issue of the board of trustees. He moves to close discussion on that issue, and it will be voted on in the budget omnibus budget. If he disagrees with that one-line item, he would have to vote no on the entire budget. Chair Lorenzo said to your point she hears him saying he doesn't have a problem with the budget but with the process. Trustee Cusumano said he doesn't believe the board is fulfilling its obligations as envisioned by the Michigan Legislature of being the policymakers at the college. That's not to say that's not the way it is done at other community colleges, but he thinks it is not conducive to a good governance of the college to be so beholden to and supine to the administrators and the administration. He doesn't want to put too fine a point on this, but when he sent his email out saying that the board had decided to reschedule and he asked for a special meeting to be scheduled and called for by the President of the board so those materials could be made available to the board members before the vote, there was no response and instead he got an email stating that the meeting had been shifted from September 20 to September 27. Chair Lorenzo apologized but she does not recall getting his email.

Trustee Cusumano mentions this irritant that he enunciated just now that the September 20 meeting date was set by board action and he assumed that people understood, especially after getting his email that he would not be available on that date due to another commitment to the Macomb Township Board of Trustees and it was ignored and the date was set and he did not get the privilege and the honor of a vote on that contract which contains several very serious issues as to educational quality and experience that students get at Macomb Community College. That is upsetting to him because although it is old fashioned, he tries to take his role here seriously and give input and would like the dignity and respect of an elected official to be considered important in the governance model of this institution. Trustee Flynn said we all have other things to do, she is missing a dinner tonight where she is being honored but she chose to be here because she is a trustee. You put your Macomb Township Board ahead of your Board of Trustees at the college, you had decisions to make, we all do. She can't understand why he is so upset with changing a meeting. She thought the meetings were all set when she first came in, but they were changed on account of Trustee Cusumano and Trustee Viviano because you have different times and different meetings. She has meetings too, but she didn't cause a disturbance. Trustee Cusumano said to Madame Chair that with all due respect he does not think voicing his opinions or concerns are making an issue. The

fact of the matter is the board made a decision in November and set those dates, his schedule was designed around those dates, as he indicated he hasn't missed but one or two meetings in the course of 12 years, so it is important that we set the record straight about exactly what occurred. A decision was made by the board of trustees to set that date for the September meeting on September 20, 2023, that decision was made in November of 2022, it was an agenda item that was voted on and passed by the board that was a decision. To reverse that decision or change that decision then there would have had been further board action, there was no board action, the administration changed the date unilaterally outside the parameters of the Open Meetings Act. That is what he has a problem with, and he made it clear in his email that he thought especially not giving at least a summary to the trustees of the material provisions before the meeting or well in advance of the meeting, even though he couldn't attend he considered it a profound act of disrespect as to the governance role of the board of trustees. Perhaps it is acceptable in some people's eyes to vote blindly on these contracts, he remembers having issues when he wanted to see the actual contracts he was voting on and was told by General Counsel, at the time, that it wasn't important enough. He doesn't want to make a conflagration about it, but this is the direction he is coming from, and he respects Trustee Flynn's opinion and hopefully she respects his positions on these as well. Trustee Flynn said she does but you have to give and take when you are on a board.

Trustee Vitale said she had previously agreed with Trustee Cusumano that she would like to be more involved as a board, but if someone can't make it to a meeting the business has to move forward especially with something as time sensitive as the faculty contract, which had been in negotiations for months. Can you imagine if business didn't move forward because we had to wait until all board members were present. If something is upsetting you that is when you make the phone call to Chair Lorenzo, not an email, because there are a hundred important emails that come through. She agrees with him on the other stuff and that is why she was hoping the envisioning meetings would take place so we would have more time to discuss our visions for the college without overstepping the administration.

Trustee Flynn said we did have regular updates from the contract liaison. The six trustees at the meeting voted for the contract, sorry that he missed the vote.

Trustee Cusumano asked Chair Lorenzo to enforce decorum to have comments addressed through the chair rather than to individual trustees. Chair Lorenzo thanked Trustee Cusumano and said sometimes she is in a difficult position because we have always been rather casual in all our proceedings. She had talked to a parliamentarian about that and was told that if that works for you just keep doing it, so if you want to make it a very formal meeting, we can do that as well, just let her know your thoughts and desires and we will go with that.

Chair Lorenzo agrees with Trustee Vitale's point about having a discussion time set aside, because how would you respond if somebody came up to you on the street and asked you where is Macomb Community College going in the next five years? What is your vision for the future? But long term what kind of place do we want to be because we could disregard things or add things. Somebody said the restaurant could be open every day and be sold out, so maybe we should look at things like that, this is not the time to do that, but there are a lot of things board members discuss that we don't have the opportunity to discuss. Chair Lorenzo will call a special meeting of the board to have that discussion.

Trustee Vitale apologized to Trustee Cusumano if she was out of line. Trustee Flynn said she didn't realize we were so formal.

Chair Lorenzo said she had never seen the budget before, and she doesn't think it is a life-or-death document. If we needed anything we know the college is behind us. But to Trustee Cusumano's point, we didn't have any input into setting this. She asked Trustee Cusumano if that is that what he is saying that you would rather have input. Trustee Cusumano said yes, in his opinion if the board is to fulfill its role as envisioned by the Michigan legislature, then it can't just be a ceremonial role of voting yes to everything. All human beings are fallible and to say somehow or another the administration has never made a mistake or gone in the direction that would constitute a no vote by the majority of this board the entire 12 years he has been here is a remarkable phenomenon. He just wanted to carve out that small sliver of independence vis a vis that vote. If the money is all fungible and can flow between accounts, then he proposes the board of trustees' allocation be eliminated and removed from the budget altogether. Chair Lorenzo said we would need to take that under advisement; she hadn't considered that. He wants the line item removed totally and put into the institutional general fund. Dr. Sawyer said the budget is a guiding document and we do the best we can across the college to allocate funds where we expect them to be spent, it is just a matter of trying to help manage the business. We will do whatever the board wants to do but he would advise that it is best to at least have an estimate of what we think is going to be spent, but if the majority of the board wants to eliminate it then we will.

Trustee Vitale said an argument against that, just in the line of transparency, as a college anything that is going to be allocated, we know is going to go in a certain direction, we shouldn't cover it over by putting it somewhere people don't know exactly where it is going. We know we are going to be eating here, etc., so we want to be as transparent as possible, that helps us to be more specific about it then it helps us to be more transparent to the public. Chair Lorenzo said it is like a household budget, you know where your money is going. Trustee Cusumano said with all due respect the administration creates the budget, a lot of it is carried over from previous administrations and rolled over. There is no formal motion that takes place, no input by the board of trustees whatsoever from his experience on the college on his time here. And then there is a yes or no vote which has been universally approved by the majority of the board without question. As a matter of fact, he thinks he is the first person to question the process at all so to say that there was no motion to amend the budget is somewhat of a misnomer to what the process actually is fanning out to the ultimate decision by the vote of the board. It is put before us for a yes or no vote, so he would ask that the administration administratively and if it is best formulated in a formal motion he will do so. He makes a motion to eliminate the board of trustees' allocation under the next fiscal year budget – take the line item for the board of trustees out of the budget. To Trustee Vitale's point there have been statements made that over half of the money that's allocated is being fungibly transferred at the end of the period if it has not been expended. If the concern is transparency, then you would think that the actual expenditures in history would be the benchmark that would be appropriate to use and not just over two times the amount. With all due respect he thinks that it is one way or the other. The generalized point he is making is that he wanted to have some input as to this small sliver of governance and this is part of it, Trustee Flynn's comments are part of it, Trustee Vitale's comments are

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part of it, Trustee Dean's comments are part of this process, and he appreciates the indulgence of the Chair allowing him to make his perspective known on these matters.

Trustee Cusumano was given the 5-year board of trustees' budget overview document. (The document was previously provided to all trustees in their October 18, 2023 board packet.)

Chair Lorenzo said an easy remedy for this is the next time budgets are reviewed we put it on the agenda and discuss. Let's have input into it. (The revised budget is due in December; it is currently being worked on. The work on the budget for the next fiscal year (July 1) starts shortly after the first of the year (January 1.). Trustee Cusumano withdrew his motion.

6.2 President's Report

Board Service Award – Dr. Sawyer recognized Trustee Cusumano for his ten years of service to the college and presented him with his service award from the Michigan Community College Association. The college appreciates Trustee Cusumano's service to the board. Thank you.

Closed Session – Dr. Sawyer will request the board to consider a closed session to discuss his self-evaluation pursuant to MCL 15.268(c).

Enrollment Update – As of today, October 18, Fall 2023 credit hours are up 2.3 percent compared to last year and headcount is up 0.6 percent.

Student registration in the following programs, to date, for Fall:

- Macomb Tuition Advantage Program – 2,335 students
- Futures for Frontliners – 328 students
- MI Reconnect – 1,553 students
- Michigan Achievement Scholarship – 585 students

The combination of these programs is having a positive impact on enrollment.

Personnel – There are no hiring actions.

Administrative Action Items

- **11.4 – South and Center Data Center Generators and Uninterruptible Power Supply Unit Replacements** – the existing equipment is circa 2003 and past its useful life. While this is a large expense it is also critical for keeping the college's systems up and functional. We ask the board to approve this request. If approved, the work would begin in November with an anticipated completion date in March.
- **11.3A – Mental Health Services** – Dr. Sawyer had referenced a mental health services contract in September. Sadly, the mental health issues of our students are a major concern. These issues threaten individual safety, campus safety and student educational progress. Macomb is behind on this front, as several colleges and universities already have available some sort of mental health services. We have identified Christie Campus Health as the organization we'd like to give a try. We

are taking a very deliberate approach to offer a wide variety of services because we don't know exactly the services students are going to use and did not want to predict or limit services. We are starting with a wide portfolio of offerings with the anticipation that in a year or 18 months, since we are halfway through the academic year, that when we do an RFP, we will have a better understanding of the services and scope of work needed. Several colleges in the D3C3 consortium are also looking at contracting the services of Christie Campus and if they do and there is board approval, we will be able to get a slight discount on the contract.

Health Care Recommendation – Item 9.2 is the recommendation of the health care coalition, made up of the college's unions, for the board to approve the hard cap. That recommendation has been the case every year since PA152 came into being. VP Davis was able to provide the information requested by Trustee Cusumano earlier in the meeting. She said the additional cost to the college is about \$1,108,000. That is the increase from the difference between hard cap versus 80/20. As an example, the impact to an employee on a high deductible health plan in 2023 was the receipt of \$2,045 in the HSA account. If we move towards the 80/20 for 2024, employees would have to contribute \$4,175. These numbers are for employees on the family plan in the high deductible health plan. It would be a \$6,000 change from 2023.

Trustee Flynn asked why are we using a company from Massachusetts for the mental health services when we have Macomb County Community Mental Health (MCCMH) here? Dr. Sawyer responded that we do try to work with them, but because of the services we need, and this is not a criticism of them, they are unable to provide those services in the manner we need. That is an agency that is overtaxed because of the mental health crisis. Michelle Koss, associate dean, Academic Counseling and Advising said the services we offer through Counseling and Advising and our Campus Community Care team, formerly BIT team, is overwhelmed with the rise in mental health issues. We are also seeing our community resources in Macomb County overtaxed with the rise in cases they are seeing as well. We have heard from students that they are having to wait over a month to see a provider, a therapist, to talk with someone. The benefit of Christie Campus Health is it offers a continuum of care from 24-hour services, services that are available around the clock on the weekends when we can't be here to assist. Their navigators put them in touch with our staff here on campus so we can follow up with them and the staff on our Campus Community Care team can as well. This is a very comprehensive service that has been vetted thoroughly, not only here at Macomb, but through the D3C3 staff that have a separate task team looking into expanding mental health services. Trustee Flynn asked if the services are all provided by phone and computer? Dr. Koss responded not necessarily, they offer a virtual platform, but they can refer to in-person services within the community, some of those providers could very well be in Macomb County, for students who want to and need to take advantage of that. We have looked at several other comparable services, but the Christie Health Campus quickly rose to the top because it is a complete service. This company has been looked at throughout the D3C3 group as a provider of choice. Trustee Flynn said she will talk to MCCMH tomorrow. Chair Lorenzo said it is her understanding that they have 60 open positions for therapists at MCCMH, so they are stretched pretty thin. Dr. Koss added that we have Memorandums of Understanding (MOU) with area agencies, the Judson Center and Ellie Mental Health and even with those that has not afforded us the advantage of getting our students in quickly to receive services. Trustee Flynn said she will be voting against it.

IDEA Update – The student belonging survey Dr. Sawyer has mentioned over the past few meetings has been sent to students. We will have feedback on that soon. There are a couple professional development activities going on relative to our IDEA work related to the strategic plan.

Title IX Update – The Title IX regulations are undergoing a rewrite. The new regulations are expected to be issued in the spring of 2024 with possible implementation in fall of 2024. Tiffany Goliday is the college's Title IX coordinator and along with her, Vice President Joline Davis is the Title IX coordinator of HR and Jill Thomas-Little our Deputy Title IX coordinator attended a Title IX conference in Philadelphia to learn about the proposed regulations. The college is currently in the process of establishing dedicated lactation spaces ab both south and center campus, not because it is required per Title IX and the Elliot Larsen Act, but because it is the right thing to do. Our objective is to have those spaces fully operational by May 2024.

ADN/BSN Agreement with University of Detroit Mercy – Dr. Sawyer announced an agreement signed on October 2 with the University of Detroit Mercy for an associate degree of nursing (ADN) to a bachelor's of science nursing (BSN) degree. We do have a couple existing partnerships that are virtual, but the unique aspect of this partnership is UDM is going to offer on ground classes at the University Center. There are 94 Macomb students and graduates who have participated in information sessions, 36 applications have been completed, 13 students have been accepted for the January 2024 cohort and 2 students have been accepted for the August 2024 cohort. The State provided \$2 million in funding for this program to all the colleges across Michigan, so we are pleased that with this money we are able to pay for the first two cohorts, this will be free to them.

D3C3 Update – Dr. Sawyer shared that Civic Lab, who has been involved in the background, is transitioning out and the Michigan College Access Network will facilitate the Student Success and K12 clusters. The student services area is starting the work tied to D3C3 and Strategy 2 of the Strategic Plan on November 1. Work teams will be convening over the next few months.

Learning Resources – Dr. Sawyer stated that the Libraries, Learning Centers, Reading & Writing Studios and Student Life & Leadership hosted Late Night at the Libraries on October 3. A total of 157 people participated between both campuses. As we try to create more of a campus presence, events like this are a great thing to do and we appreciate them putting it together.

Proposed BOT Schedule for 2024 – Dr. Sawyer said the proposed board of trustees schedule for 2024 was emailed to you for your review. The board votes on the schedule in November so please review it and be prepared to address that in November.

Comedy & Cocktails – Dr. Sawyer said Comedy & Cocktails is this Friday (October 20, 2023), the college's biggest fundraising event to support our cultural and arts programming. This is always a great night. There is a strolling dinner, robust auction and the entertainer for the show is Kevin Nealon from Saturday Night Live fame. There are about 400 people registered to attend.

November Meeting – The renovation update and 3-year plan will be presented. Due to projects underway and the 3-year planning, we will have one year contract extensions for Barton Malow and IDS. We plan on Facilities presenting an update on renovations and identifying some specific projects to give the board

better insight of these items. We tentatively have an IT item for Managed Security Services, but it may be pushed back to December.

6.3 [Audit Presentation by Rehmann](#)

The two principals presenting the audit results for fiscal year 2023 from Rehmann are Michelle Fowler and Michelle Hodges.

Michelle Fowler said they provided a detailed presentation of materials to the audit committee members. The board should also have in their packet the final financial statements as well as the communications letter, which summarizes the results of the audit. The other document you received is the single audit act compliance report.

Michelle Hodges said they performed the financial statement audit for the year ended June 30, 2023. She is happy to report they issued an unmodified opinion, which is also known as a clean opinion, the highest level of assurance they provide. There was a new accounting standard, GASB 96, related to subscription-based information technology arrangements. It was a very time consuming and tedious task for K. Poindexter and her team, but they did a great job. Essentially, those arrangements will now be seen on the balance sheet, there will be an asset and a liability related to those.

M. Hodges said at the end of the year, the statement of net position, the college has \$178.6 million which is a \$3.3 million increase over the prior year.

M. Hodges said in the communication letter, there were no audit adjustments, internal control matters, significant deficiencies, or material weaknesses to report.

Michelle Fowler pointed out to the board the new pronouncement, GASB 96, related to the subscription-based IT arrangements, is just for external financial reporting. There are no changes the college needs to be doing in budgeting or what the college is paying out each year for these arrangements.

M. Fowler concluded with the results of the single audit for the federal money the college receives. The college expended over \$30 million in federal funds for fiscal 2023. There were three major programs they had to come in and test. Of those three major programs, they covered almost 95 percent of those total expenditures. They looked at the student financial aid cluster, the higher education emergency relief fund and the career and technical education grants. The college did receive an unmodified, or clean opinion, as it related to the compliance for each of those programs. They had one minor finding for student financial aid that is in the report. The threshold is very low when it comes to the audit standards (for this) as to what we have to report to the Department of Education as opposed to other government agencies. It was a material instance and management is already addressing the correction for that, so no impact on the opinion that the college would have received. To put it into perspective, for these three programs there are numerous compliance requirements the college has to follow, and they come in and test each one of those, not just for compliance, but for internal controls over compliance, so to have just one minor item is a very good report.

M. Fowler said as usual they had complete cooperation from anybody they worked with while conducting the audit and felt everyone was responsive and transparent. They do appreciate that because it does make their job easier.

Trustee Vitale asked about the statement on the Corrective Action Plan that says – noted that one student out of a testing population of two was not reported..., what does that mean out of the two? M. Fowler said in the finding they are required to say how many would have been sampled, and of that, how many did they have a finding for. Trustee Vitale doesn't understand the percentages and asked two out of what? It is such a small number out of a big picture and saying one out of two is scary odds. M. Fowler said they also looked at anything else that could have been impacted. This is very specific for one particular area for a student that had graduated. They still would look at that to make sure there isn't a bigger issue. M. Fowler said they would look to see where all the students, would have had to report this status change, they would have looked at how else this could have impacted, that is what they are required to do.

7.0 CLOSED SESSION

MOTION by Dean supported by Flynn to go into closed session for the purposes of the President's self-evaluation report.

ROLL CALL VOTE:

AYES: Dean, Flynn, Cusumano, Vitale, Lorenzo

NAY:

ABSENT: DiMaria, Viviano

8.0 ADJOURNMENT

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

Motion carried.

The meeting adjourned at 8:15 p.m.

COMMUNITY COLLEGE DISTRICT OF THE COUNTY OF MACOMB BOARD OF TRUSTEES


Secretary