

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, April 17, 2024 at 6:00 p.m., in Community Hall of the Lorenzo Cultural Center, Center Campus, 44575 Garfield Road, Clinton Township, Michigan.

1.0 CALL TO ORDER

The meeting was called to order by Acting Chairperson Cusumano at 6:04 p.m.

2.0 ROLL CALL

Present:

Frank Cusumano, Vice Chairperson/Acting Chairperson

Kristi Dean, Secretary

Roseanne DiMaria, Treasurer

Joan Flynn, Trustee

Shelley Vitale, Trustee

Vincent Viviano, Trustee (arrived at 6:45 p.m.)

Absent:

Katherine Lorenzo, Chairperson

Also present:

James Sawyer, President

Libby Argiri, Executive Vice President, Business

Kevin Chandler, Vice President, College Advancement & Community Relations

Joline Davis, Vice President, Human Resources

Tiffany Goliday, Executive Director, IDEA

Carrie Jeffers, Vice President, Student Services

Leslie Kellogg, Provost, Vice President of Learning Unit

Mike Kloack, Director, Advisory Services, Meeder Public Funds

Sharon Kowal, Executive Assistant to the President and Board of Trustees

William Leavens, Chief of College Police

Deb Mende, Executive Director, Office of the President

Kathleen Poindexter, Director, Finance and Investments

Jeffrey Steele, General Counsel, Office of General Counsel

3.0 APPROVAL OF AGENDA

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

ALL IN FAVOR:

AYES: DiMaria, Dean, Flynn, Vitale, Cusumano

ABSENT: Lorenzo, Viviano

NAYS:

MOTION CARRIED.

4.0 AUDIENCE PARTICIPATION

None.

5.0 REVIEW OF AGENDA ITEMS AND MATERIALS

Trustee Vitale asked how the renovations for agenda item *11.4 MSU College of Osteopathic Medicine Administrative Offices Renovation, UC4 Building* are being paid for. In the write up it states that previous renovation projects were reimbursed through lump sum or amortized over the remaining length of the lease. Bill Simonson, Executive Director, Facilities and Plant Operations, responded that the current renovations will be paid for by either a combination of lump sum and amortization or a total lump sum from MSU. There will be no cost to the college.

6.0 ISSUES AND UPDATES

6.1 President's Report

Dr. Sawyer provided the following updates:

Enrollment Update

As of April 17, 2024, Spring/Summer 2024 credit hours are up 9.6 percent and headcount is up 7.5 percent.

Financial Assistance Programs Enrollment for Winter 2024

- Macomb Tuition Advantage – 564 students
- MI Reconnect – 1,057 students
- Michigan Achievement Scholarship – 400 students

Tuition Assistance Programs Enrollment for Spring/Summer 2024 (Preliminary)

- MI Reconnect – 239 students

Issues around Enrollment

Dr. Sawyer shared some context to the enrollment numbers. He said the federal government updated the FAFSA (Free Application for Federal Student Aid) to simplify it, unfortunately the implementation has been a disaster. The implementation was to be completed in October 2023 but is only happening now because of one setback after another. The students (and their families) planning to attend college in the Fall are troubled because they can't make decisions until their prospective colleges advise them of their financial aid package. We will have to wait and see the impact of this predicament. Dr. Sawyer continued, the number of applications we have received is down significantly. We hope that will change now that things are rolling with the FAFSA. Some students may be concerned about whether they can fund their education until they see the FAFSA information and may take the term off. He said our Financial Aid Director, Michael Williams, has been doing a phenomenal job staying on top of this. He and his team have been drilling on the processes, as they understand them, and are as well positioned as they can be now that there are actual FAFSA applications. They pulled down close to 7,000 applications and 5,270 of those are for current students. Admissions will be working on recruiting the other 1,600 people. We will keep the board updated on the progress.

Dr. Sawyer added another issue that may have an impact on enrollment is Covid-19 continues to subside. This means that more recent high school graduates may choose a four-year university over a community

college. This is one more wildcard that has potential impact on us as we move forward. One area we have made great strides in is dual enrollment. Through the good work of the K-12 Relations area we have increased our dual enrollment from 608 students in the winter of 2022 to 1,040 students this past winter, which is an over 71 percent increase. High schools are just now doing scheduling for the 24/25 academic year so the dual enrollment applications will start to come in soon. Tangential to that is Early College of Macomb (ECM). The May 2024 graduating cohort is one of the largest we have had - 199 students. The incoming cohort for Fall 2024 is 221 students. Currently for 2024-2025 there are 434 students enrolled and 560 students have qualified. The number is down from our peak, but we believe dual enrollment students are pulling from the Early College cohort. Some students may not want to make a full commitment to ECM so they choose dual enrollment instead.

Administrative Action Item

11.4 MSU College of Osteopathic Medicine Administrative Offices Renovation, UC4 Building – as discussed earlier, the renovation costs will be paid by MSU through an amendment to the existing lease agreement. This item is a request for the board to approve the budget.

Purchases

11.3A – Data Backup System Expansion – information regarding this purchase was provided by M. Zimmerman, CIO, during his presentation at the March 20, 2024 board meeting.

11.3B – 21 Canon Cinema Camera Kits – Perkins Grant Fund – for Media and Communication Arts program.

11.3C – Learning Management System Renewal - information regarding this purchase was provided by M. Zimmerman, CIO, during his presentation at the March 20, 2024 board meeting

11.3D – HVAC Inspection and Service Maintenance Contract – this is for a one-year extension of the existing service contract with Miller-Boldt, Inc. The college has been satisfied with their service.

11.3E - Workforce and Continuing Education Registration System Renewal – this is for a two-year renewal agreement for Lumens (WCE registration system).

IDEA Update

- Administration appreciates the board's action (March 20, 2024) to reschedule the June board meetings, so they aren't held on Juneteenth.
- There will be celebrations for Juneteenth including – June 17th – Mama Jatu, a storyteller from the Charles H. Wright African American Museum, in partnership with HFC and OCC, will have a webinar presentation (for all three colleges). On June 19th the board, students and employees are invited to celebrate Juneteenth on the patio of the Lorenzo Cultural Center from 2 to 5 p.m. There will be food, a DJ, dancing and fun activities.

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- The Pedagogy of Real Talk – Twelve faculty and four staff members participated in a session with Dr. Paul Hernandez, the author of *The Pedagogy of Real Talk*. Dr. Hernandez was a keynote presenter several years ago at a Faculty Development Day. He was well received by the faculty, and we hope to have more sessions with him in the future.
- On April 10th students and staff celebrated Pride Day with a variety of engaging activities.

Dental Accreditation Visit – April 4 and 5, 2024

CODA, the Commission on Dental Accreditation, made their accreditation visit to Macomb's Dental Sciences program. The visit went very well. We anticipate an eight-year accreditation after final approval by the CODA executive session that will be held in early August 2024. The team was pleased with what they saw and remarked on the support of administration and recognized the good work of the faculty and staff. While on their visit the team does provide feedback so as things came up, to their credit, the faculty and staff immediately addressed those issues which were all minor points. The team was pleased about that. Some of the highlights they were impressed with: A 98 percent retention rate for first- and second-year students and a 100 percent board pass rate for students who have now been able to complete two of the four required Board exams. Dr. Sawyer thanked the faculty and staff for stepping up and successfully pulling the visit together, especially after the departure of the director.

Point of Interest: Dr. Sawyer said when considering the program, we were excited about being able to provide low-cost preventative dental care to our residents. He is proud to share that during the fall and winter semesters the Dental Science first and second year students provided care to 1,021 patients.

43rd Adjunct Faculty Appreciation Dinner

The college hosted the 43rd Annual Adjunct Faculty Appreciation Dinner. Over 150 adjuncts, staff and guests attended. Thirty-six adjuncts were recognized for their service. We also presented our inaugural Outstanding Adjunct Service Award determined by a contest for students who write an essay about an adjunct faculty member who has had a particular impact on them. Mary Basile, mathematics, received the award this year. We look forward to continuing that tradition. Thank you, Trustees Vitale and Flynn, for attending the event.

Business-to-Business Event, March 26, 2024

The college's Advanced Placement Experience (APEX) group (formerly known as PTAC) hosted a Business-to-Business event at the Expo Center on March 26. There were 228 businesses who participated and they were able to meet with local, state, and federal government agencies, as well as large contractors for future direct and subcontracting opportunities.

Feed Your Future, March 13, 2024

In association with the Culinary Department, business faculty member Tanya Balcom hosted an event called Feed Your Future that was funded by an Innovation Grant. Macomb students planned and hosted a dinner for local high school students to demonstrate what the hospitality field looks like. It was an opportunity for our students to practice their craft and potentially recruit future students. The event was very well received.

Eighth Annual Fluid Power Challenge

The college hosted the Fluid Power Challenge event and had 110 middle school students participate. This event is to teach students about fluid power engineering but more importantly to learn about teamwork, communication, problem solving and project management. Each team was given materials including wood, glue, and hydraulic apparatus and were told to build a crane of their own design. The true test was they had to use their cranes to move and pick up small barrel-like pieces. This is an exciting event, and the students enjoyed it.

Healthcare Apprenticeship Project Update

The Healthcare Apprenticeship Project is one of our congressional directed spending projects. At this point, we are about 18 months into the implementation. Healthcare apprenticeships are not very common, so it was a tough sell to the healthcare employers. However, we now have 21 different employers participating, 38 students have been placed in apprenticeships and another 43 to be placed in the fall term. It is good to see the progress being made and we hope it continues because we have seen such great success with apprenticeships in our traditional trade areas and think this is a good solution for the healthcare providers as well.

Associate Degree Nursing (ADN) to Bachelor of Science Nursing (BSN) Partnership with the University of Detroit Mercy Update

This program was funded by a \$2 million grant from the State of Michigan. The winter cohort is in session with 24 students taking advantage of it and pursuing their BSN at University of Detroit Mercy tuition free. The program has received over 70 applications for the fall 2024 cohort.

Higher Learning Commission Annual Conference

Several Macomb employees, including Dr. Sawyer, attended the annual HLC conference. Dr. Sawyer attended the one-day session for presidents and trustees, and we also had a team there for the entire conference. We have several employees who are peer reviewers. They visit colleges to conduct assessments and must go to the conference for professional development. Our next HLC visitation is in 2026-2027 so we will start sending more staff to the conference each year as we pull together the different requirements to satisfy the Higher Learning Commission.

Enhancing Campus Safety

Dr. Sawyer said Chief Leavens has been doing an outstanding job of leadership with his team and the college community. In particular he and his officers have been very active in presenting campus safety, and it doesn't matter if they are presenting to one person or a hundred people – they are ready to present the training at any time. This training focuses on active violence education, Stop the Bleed, familiarization of hands-only CPR, AED, and awareness of risks associated with drugs and alcohol including Narcan training sponsored by FAN. They have been conducting this training regularly and he is pleased to say this past year, they surpassed 1,000 participants, which is a 200 percent increase over the previous year. Congratulations to Chief Leavens and his team.

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Discover Macomb, April 23, 2024

The next Discover Macomb session is for Business, Culinary and IT. Like the other sessions, there will be presentations to familiarize students and parents on registration and program requirements. They can meet with faculty to learn more about the programs.

Job Fair in conjunction with the City of Warren, April 18, 2024

There will be approximately 200 employers looking to hire full and part-time positions in a variety of fields. The job fair is free and open to the public. To help prepare for the job fair, Career Services offered Job Fair Success Seminars to Macomb students and alumni.

Town Hall Meeting, April 9, 2024

Dr. Sawyer said the fourth Town hall meeting was held. The town halls were born out of our strategic plan, specifically the collaboration team who recommended opportunities for staff to interact with executive leadership and one response to that was creating town halls. This last one featured Mike Zimmerman focusing on IT Security. He did a nice job. The board heard from him last month about many of those issues, although this was a deeper dive for staff and what they can do to protect the college. About 80 staff attended and it was recorded for those unable to attend to watch it as well.

College and Transfer Fair, April 17, 2024

This is an annual event and is an opportunity for prospective students to connect with close to 60 colleges and universities and learn how to complete an advanced degree close to home through the college's University Center partners. Participants will be able to ask questions about degree programs, learn about transfer agreements and careers in growth industries.

Institutional Development Day, May 7, 2024

The trustees are invited to attend and encouraged to participate. The day starts at 8 a.m. with coffee hour and the program begins at 9 a.m. In the morning, we will present service awards, hear the State of the College address, see a performance by the Macomber's and recognize our retirees. After lunch there will be workshops on a variety of topics. Please let S. Kowal know if you are going to attend.

May Board Meeting

- Gerri Pianko, director of budget and grants will present the 2024-2025 General Fund budget.
- A few purchase items related to the Colleague system – SaaS readiness, phase one and Colleague and Business Intelligence contracted programmers.
- A Perkins funded purchase for a Walk-in cooler.

Fraudulent Activity Related to Student Accounts Update

The college continues to work diligently on this. Originally, 117 students were identified. Financial Services pulled back 48 questionable student refunds totaling \$165,000. We placed identity verification holds on those students' accounts. To date, 18 of the students flagged have verified their identity in-person out of the 165 suspected cases.

The proof-of-concept file was sent to Bank Mobile containing 1,000 student records, including the ones suspected of being fake. We are waiting for the results to see if the protocols put in place are doing the job of actively identifying those students.

In the meantime, the Fraud Taskforce is researching fraud detection software that was recommended at the AACRAO (college registrars and admission officers) conference and is used by Prince George's Community College in Maryland. They are also considering other changes that may be necessary to combat potential fraud. This issue continues to impact community colleges nationally. The total number of suspected cases is 165 for a potential total of \$281,000.

Trustee Request for Information

At the March meeting, Trustee Cusumano asked about the college's insurance coverage for IT Security and Data Breach through the Michigan Community College Risk Management Authority (MCCRMA). Dr. Sawyer shared that response with the trustees on April 8, 2024, in an email.

Questions:

Trustee Vitale asked how the fraud was initially discovered? K. Poindexter, director of finance and investments said a student we sent to collections was applying for credit and this showed up on his credit report. He said he never attended Macomb Community College or registered for classes so that tipped us off. Our collection agency helped us run a report and the address that was used on the fake student record was used on several other students. We ran our own report and found a pattern, several with the same addresses and phone numbers and that is how we identified the 117. A couple weeks ago we were doing student refunds and found very large refunds being processed and at the time of the semester it is very unusual, so we started investigating. Again, we saw the same pattern – new students, registered in all online courses, maximum Pell, maximum student loans. We held the refunds back and asked the students to verify their identity for their own protection too. We have been learning more and more about this and it is hitting community colleges nationwide, so we are not alone but we need to stop it. The Taskforce is meeting regularly, we are developing policies and procedures and brainstorming on things we can do to stop it on the frontend before they get to a refund.

Trustee Vitale asked if trustees are invited to the town hall meetings? Dr. Sawyer said yes, you are more than welcome to come. They are open to anyone. We will let you know when they are scheduled.

6.2 [Investment President – Mike Kloack, Director, Advisory Services, Meeder Public Funds](#)

K. Poindexter introduced Mr. Mike Kloack, the college's investment advisor at Meeder Public Fund. Our partnership with them started in 2020. Mr. Kloack is here to give an update about our portfolio and our strategy and a little about the economy.

Questions:

Trustee Cusumano asked if there have been any major changes in the strategy or overall approach to our investment portfolio over the last three years? Mr. Kloack responded that there really has not been, but we did make a change, not a major one. When we first took the portfolio over, the average life of the duration was about four years, maybe a little longer. There were investments

out sometimes 10, 12, 15 years and fortunately the market in 2020 took care of that. Basically, half of the portfolio was recalled, and we were then exposed to the zero percent marketplace of the early months of Covid and as a result we took the opportunity to shorten that average duration.

Trustee Vitale asked for a definition of what it means and what is involved in the idea of the U.S. economy growing? Mr. Kloack replied there are two major things they look at - spending and job growth. When the GDP and jobs are going up that is considered a robust economy and when inflation starts to kick in, because of spending and job growth, that is when the Fed looks to raise rates to slow the economy down. By raising rates it'll make everything a little bit more expensive so corporations take a second look if they should spend money this year or next, or should they raise prices 5 percent or 10 percent.

Trustee Vitale asked if a lot of that spending is the people charging things and is there a day of reckoning we have to look out for? Mr. Kloack said absolutely, with all the spending people are still doing credit card delinquencies are on the rise, spending was down, house delinquencies were up and likely when the student loan repayments restarted those delinquencies probably went up. It is a very interesting thing to look at in respect to where people are spending. We call it the YOLO effect – because of Covid people were locked up for two years unable to do anything so now they are doing the things they want or have always wanted to do. To answer your question there will be a day of reckoning because there will be a lot of it and that doesn't even take into consideration what the federal government has been doing over the past three years just pumping money into the economy that we don't have.

Trustee Cusumano asked what difference does it make to us, the ups and downs, does it affect the overall performance to a significant extent our investment portfolio? What difference does it make to an institution, like Macomb, with long term fixed secure investments what the overall debt ratio is for consumers and other factors? Mr. Kloack said it is a big picture analysis. On a day-to-day basis, it does not really affect anything but part of what you pay us for is to keep a watchful eye on the market and the economy in case those things happen.

Trustee Cusumano said so barring some cataclysmic decline in the bond market our investment portfolio is fairly secure with the rate of returns showing on our reports, is that a fair statement? Mr. Kloack replied yes. Trustee Cusumano stated we are not trying to time the market? Mr. Kloack said correct.

Trustee Vitale asked what would be an example of a different strategy for the short term versus the long term? M. Kloack said the portfolios that are out to 6-7 years and 7-8 years are securities held over from previously. Then a large percentage of the securities were purchased during Covid. As far as short-term, this is an account that L. Argiri and K. Poindexter had him establish about two years ago because the market was paying much more than banks. The short-term portfolio was designated for funds that may or not be used throughout the course of the year. It was designed to enhance the liquidity, the yield on those funds as opposed to the funds held in the

longer-term portfolio. Trustee Vitale said so trying to make money on cash we have on hand. M. Kloack said that is correct and the short-term portfolio is designated as no longer than a one-year maturity which would lead to on average a .5 average maturity compared to the 3.14 years. We knew going in that our short-term portfolio would fluctuate because the college has fluctuating cash flow needs throughout the course of the year. That was commercial paper, short term treasuries, money market funds, etc. The current chart shows only \$384,000 compared to what we started with \$5 million so the purpose of that did exactly what it was intended to do which was to supplement your free funds during a time you weren't using them but have them available in the event they did end up needing to be used.

Trustee Cusumano asked is the return on investment that has been disclosed in our packets, converted at 2.2 of 4 percent is that after the fees? M. Kloack responded that is before fees. Trustee Cusumano said on page 11 of your presentation "Fees are illustrated at the rate of 0.10% for the first \$25 million under management, and 0.08% for sums over \$25 million" M. Kloack said the free structure for the college is \$8 million at 2 percentage points on the first \$25 million, 8 basis points on the second \$25 million, 6 basis points on \$50 to \$100 million and everything over \$100 million is 4 basis points (M. Kloack found an error in the fee schedule, he will correct and send to the office). On average we are about 5.5 basis points. In the corrected presentation (delivered via email to J. Sawyer on April 18, 2024) the correct fee structure is as follows: 0.10% for the first \$25 million under management, 0.08% for sums between \$25 million and \$50 million, 0.06% for sums between \$50 million and \$100 million, and 0.04% for sums over \$100 million.

7.0 CLOSED SESSION

MOTION by Dean, supported by Viviano to go into closed session pursuant to MCL 15.268 to discuss collective bargaining.

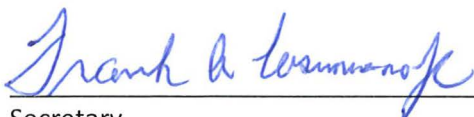
8.0 ADJOURNMENT

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

Motion carried.

The meeting adjourned at 7:28 p.m.

COMMUNITY COLLEGE DISTRICT OF THE COUNTY OF MACOMB BOARD OF TRUSTEES

Acting 
Secretary