

MINUTES OF THE FIVE HUNDRED FIFTY-SIXTH
MEETING OF THE BOARD OF TRUSTEES
OF THE MONROE COUNTY COMMUNITY COLLEGE DISTRICT

Board of Trustees Room Z-203
La-Z-Boy Center
7:00 p.m., January 25, 2016

Members present: Joseph N. Bellino Jr., James E. DeVries, Lynette M. Dowler, Edward R. Feldman, Marjorie A. Kreps, Aaron N. Mason, and Mary Kay Thayer

Members absent: None

Also present: Jack Burns Jr., Peter Coomar, Valerie Culler, Randy Daniels, Jamie DeLeeuw, Andrew Fischer, Jean Ford, Mark Hall, Paul Hedeem, Barry Kinsey, Paul Knollman, Brian Lay, Kim Lindquist, Vinnie Maltese, Molly McCutchan, Josh Myers, Tina Pillarelli, Kojo Quartey, Jim Ross, Joe Verkennes, Tracy Vogt, Suzanne Wetzel, Grace Yackee, and Penny Dorcey (recording secretary)

1. Chair Bellino called the meeting to order at 6:58 p.m.
2. There were no delegations.
3. Chair Bellino pulled the following items from the consent agenda for further discussion:
 - B. 2. a. (2) General Fund Transfer
 - B. 2. a. (3) Proposed Policy Revisions – Policies 3.11, Trustee Merit Scholarships; 3.11 (d), Instructional Scholarships; Policy 3.11 (f), Performing Music Scholarships; and 3.11 (j), Michigan Week Creative Arts Scholarship
 - B. 2. a. (4) Scholarship Renewal Funding for Trustee Scholarships and Instructional Scholarships
 - B. 2. a. (5) Proposed Policy Revision – Adjunct Faculty Salary Schedule
4. *It was moved by Mrs. Thayer and seconded by Mrs. Kreps that the following consent agenda items be approved as presented:*
 - B. 2. a. (1) Approval of the minutes of the regular meeting of November 23, 2015 and the special meetings of December 7, 2015 and December 21, 2015
 - B. 2. a. (6) Recommendation of Group Three Directors
 - B. 2. a. (7) Resolution of Tribute – William J. Bacarella
 - B. 2. a. (8) Resolution of Tribute – William H. Braunlich
 - B. 2. a. (9) Authorization for the President to Execute Administrative Contract

The motion carried.

- B. 2. a. (1) 5. Suzanne Wetzel, Vice President of Administration, summarized the financing package for the Lease Purchase Agreement for HVAC system. The College closed the loan on December 30, 2015. The main company the College is working with is George K. Baum & Company. The College signed a Lease Purchase Agreement with Ameresco. The financing is through two different banks, Sterling National Bank and Key Government Finance, Inc. Each bank took half of the just over \$16 million loan. The Sterling Bank loan is a 16-year loan at 3.6 percent interest, and Key Bank is a 15-year loan at 3.5 percent. Key Bank is serving as the loan servicer. The escrow agent is the Bank of New York Mellon. The process begins with Ameresco sending the College invoices to review and sign, which the College forwards to Key Bank to review and sign, before sending them on to the escrow agent who then disburses the funds to Ameresco.

The first disbursement, just over \$139,500 for the cost of issuance, has already been paid, as has Ameresco's first draw of just over \$1.6 million for work done to date on the project. The rest of the money is in the College's escrow account. The College set up a money market sweep vehicle (mutual fund family) through Morgan Stanley for investing purposes. Interested parties may request a prospectus from Mrs. Wetzel.

The College and Ameresco have begun bi-weekly meetings and are projecting a finish date of July 2017. Main construction will be finished in October 2016, followed by a computer programming period that will go through July 2017. The system must go through one heating season and one cooling season to calibrate the system.

During the major portion of construction, the College only pays interest. The first payment of \$143,348.66 is due March 30, 2016. The total borrowed is \$16,151,962. Payments on the principal begin in March 2017. The College cannot prepay the loan within the first five years. In 2021, the college could choose to pay off the loan if it has the funds.

In the 2015-2016 Budget, the Board approved the transferring \$942,488 from the General Fund, \$2,000 from the Auxiliary Fund, and \$13,350 from the Endowment Fund to the following funds: \$3,000 to the Restricted Fund, \$500,000 to the Unexpended Plan Fund, and \$454, 838 to the Maintenance & Replacement Fund, totaling \$957,838 of Net Transfers. At the time of budget approval, 2014-2015 General Fund Revenues were projected to be \$800,000 greater than expenses. The college budgeted \$142,488 for the 2015-2016 General Fund revenues over expenses.

The College actually had \$1,158,245 of General Fund revenues greater than expenses. When combined with the 2015-2016 budgeted General Fund revenues over expenses of \$142,488, the total funds available for transfer from the General Funds are \$1,300,733.

The President and his Cabinet are seeking approval from the Board of Trustees to transfer an additional \$358, 245 from the General Fund to the Unexpended Plan Fund in anticipation of future HVAC loan payments.

It was moved by Mrs. Thayer and supported by Mrs. Dowler that \$358,245 be transferred from the General Fund to the Unexpended Plant Fund.

The motion carried.

- B. 2. a. (2) 6. Dr. Randy Daniels, Vice President of Student and Information Services, gave a brief of the revisions to the policy regarding institutional scholarships. The Strategic Plan, Initiative #3- Resource Management, calls for an increase in scholarship opportunities. A group comprised of Valerie Culler, Tracy Vogt, Mark Hall, Kris Gerlach, Sue Wetzel, Kari Jenkins, Steve Mapes, Grace Yackee, Joe Verkennes, Josh Myers, and Randy Daniels developed a proposal that they presented to and supported by each Council. The goal is to maintain an affordable tuition and expand scholarship opportunities for students. Currently, MCCC's Institutional Scholarship structure has four categories of full-ride scholarships, Board of Trustees (23), Presidential (10), Instructional (16), and Performing Music (14). Funds disbursed over the last three years were reviewed.

The task force reviewed the current practices of local four-year institutions and surveyed Michigan's community colleges. Many schools offer full-ride scholarships, but limit them to 20 or less. They also award partial scholarships of \$1,000 to \$2,000, and several schools are awarding institutional scholarships based on merit. The new Trustee Merit Scholarships double the number of scholarships awarded and hopefully lead to an increase in applicants for the MCCC Foundation's privately funded scholarships.

Students with an ACT/SAT score of 20-21/940-1010 may receive \$1,000 per year, 22-23/1020-1080 may receive \$1,250, and 24+/1090+ may receive \$1,500. To qualify for the scholarship, students must be a full-time student, a Monroe County resident, apply to the College by April 15, and registered by June 30. The scholarships are renewable for students who maintain a 2.5 GPA, enroll full-time in both the fall and winter semesters, and complete 24 credit hours over the fall and winter semesters. Mr. Daniels presented the changes to all three Councils and

received overwhelming support. If the Board passes this recommendation, the College needs to develop a communication plan to inform students. The new policy will take effect in Fall 2016.

It was moved by Mrs. Thayer and supported by Mrs. Kreps that Policy 3.11, Trustee Merit Scholarships; Policy 3.11 (d), Instructional Scholarships; Policy 3.11 (f), Performing Music Scholarships; and Policy 3.11 (j), Michigan Week Creative Arts Scholarship be approved as presented.

The motion carried.

- B. 2. a. (3) 7. Dr. Randy Daniels, Vice President of Student and Information Services, explained that the changes to Policy 3.11 (e) and Procedure 3.11 (e) ensure that students who currently have two-year scholarships under the old previous policies are grandfathered.

It was moved by Dr. DeVries and supported by Mrs. Dowler that in keeping with Policy 3.11 (e) – Trustee Scholarships, and Procedure 3.11 (e) – Rules and Regulations for Awarding Instructional Scholarships in effect for the 2015-2016 academic year recipients, students meeting all specified requirements and who are eligible to receive a renewal for a second year of scholarship funding will be awarded that scholarship for the 2016-2017 academic year.

The motion carried.

- B. 2. a. (4) 8. Dr. Grace Yackee, Vice President of Instruction, explained that the revision to Policy 11.00 was made to correct an error under “Adjunct Nursing Clinical Instructors with Master of Science Nursing (MSN),” “D. Per monthly staff meeting,” “2015-16,” from \$42.84 to \$43.29.

It was moved by Mrs. Thayer and supported by Mrs. Dowler that Policy 11.00, Adjunct Faculty Salary Schedule be approved as presented.

The motion carried.

9. Chair Bellino pulled item B. 2. a. (9) - Authorization for President to Execute Administrative Contract, from the consent agenda for further discussion.

- B. 2. a. (5) 10. *It was moved by Mrs. Thayer and supported by Mrs. Kreps that the Board authorizes the President to execute a contract for the following administrator.*

*Andrew Fischer
Director of Financial Services
Effective January 18, 2016 to June 30, 2017*

Suzanne Wetzel, Vice President of Administration, explained the interview process for hiring administrators. There were nine members on the search committee, representing the administration, faculty, and support staff. The committee met on August 26, to consider twelve applications for the position of Director of Finance, three individuals were selected to interview. After the initial interviews, a second set of interviews was held on October 12, to increase the candidate pool. The committee received eight more applications and three of those individuals were selected to interview. Andrew “AJ” Fischer was the committee’s recommendation following both sets of interviews. Dr. Quartey approved the hire of Mr. Fischer on December 1.

AJ has a Bachelor’s of Business Degree with a major in accounting and is currently working on his Master of Business Administration (MBA) through Findley University. The committee felt he brought several important strengths to the position; experience with recent technology, including the Banner system (similar to Colleague); his education and the pursuit of an MBA, with an eventual goal of obtaining a Certified Public Accountant (CPA) certification; his experience in higher education; and experience in writing and building procedure manuals.

Trustee DeVries voiced concerns over Mr. Fischer’s credentials, namely, his lack of a Master’s degree and CPA certification. He wondered how this might affect the College’s HLC accreditation, and the perception of the faculty and the community.

Mrs. Wetzel explained that HLC's requirement for a master's degree refers to faculty rather than staff. The HLC expects the College to set its own hiring standards for staff and to adhere to them. The HLC is very specific on credentials for faculty, but they are silent on the credentials for staff. Concerning finance, the HLC is specific in their assumed practices about what dictates whether a college or university is performing well in that area. For accreditation, they are looking at whether or not the institution is able to meet its current financial obligations, has an annual audit, has a budget for the current year, and projections for future years. The requirements are tied to the institution's financial health and the HLC trusts that the president has selected individuals who are able to accomplish the tasks for those roles. A master's degree is not a required credential for a business officer. Vice President Yackee confirmed this explanation.

Most colleges of MCCC's size do not require a CPA. In many cases, the College could not afford to hire a CPA at its current wages. MCCC was fortunate with its last two searches in that both Daniel Schwab and Deborah Beagle held CPAs.

Mr. Fischer gave a brief background of his experience and education. His past work experience includes serving as the Assistant Director of Finance/Assistant Controller at Lourdes University and the Share/ATM Accountant and Member Service Representative at Sun Federal Credit Union.

The motion carried.

11. Chair Bellino noted that there will be an "LPN to RN Public Information Session" held on Wednesday, January 27, from 5-6:00 p.m. This option is designed to support the academic progression of a licensed practical nurse to registered nurse by transitioning into the associate of applied science degree in nursing program offered by MCCC. Once admitted, the program takes about one year to complete. Joe Verkennes added that a Facebook ad has received 1,746 clicks. Dr. Feldman noted this new program is a "good thing" from a healthcare standpoint.
12. Chair Bellino moved item B. 4. b. (1), Closed Session – Monroe County Community Faculty Association (MCCCFA Negotiations to the end of the agenda.
- B. 4. b. (6) 13. *It was moved by Mrs. Thayer and supported by Mrs. Kreps that the Board meet in closed session in accord with Sections 8 (c) and 8 (h) of the Michigan Open Meetings Act to discuss issues related to the negotiation of a collective bargaining agreement and a written opinion letter of counsel subject to attorney/client privilege.*

A roll call vote was taken as follows:

Yay [7] Joseph N. Bellino, James E. DeVries, Lynette M. Dowler, Edward R. Feldman, Marjorie A. Kreps, Aaron N. Mason, and Mary Kay Thayer

Nay [0] None

The meeting went into closed session at 8:34 p.m.

The meeting returned to open session at 8:51 p.m.

- C. 3. a. (1) 14. President Quartey reported the following staff appointment.
Staff Appointment
Andrew Fischer, Director of Financial Services, effective January 18, 2016 (replacing Deborah Beagle)
- C. 3. a. (2) 15. The Board received Statements of General Fund Revenues and Expenses for the periods ending November 30, 2015 and December 31, 2015.

Suzanne Wetzel, Vice President of Administration, reported that for the month ending December 31, 2015, property tax revenue was \$782,483. As of today, property tax revenue totals almost \$3.6 million. Billable contact hour revenue is down almost \$252,000 from budget for the fall and winter semesters. As part of the Tax Anticipation borrowing, the College is required to set aside money each month as tax revenues are received. The first set-aside deposit was made on January 13 in the amount of \$450,000. Given this set-aside requirement, the College typically pays off the Tax Anticipation Note in March.

- C. 3. a. (3) 16. Dr. Randy Daniels, vice President of Student and Information Services, Presented several updates to the scholarship procedures that delineate the policies covered in item B. 2. a. (3), Proposed Policy Revisions. Based on past practice, a piece has been added to the scholarships regarding students who have been approved for a reduced course load based on a disability or a special accommodation. The award amount for textbooks was increased for the Writing Fellow Scholarship. The Michigan Creative Art Scholarship, has been eliminated as it no longer exists.
- C. 3. b. (1) 17. President Quartey summarized his reports to the Trustees, which he sends every other week. The College has still not received the final report for the HLC team. Dr. Yackee has communicated with the HLC College Liaison, who has also not heard back from the team chair.

There will be a President's Townhall meeting on February 16, 2016 at 12:30 p.m. in the Meyer Theater. The President will discuss enrollment, the millage, and other topics with the campus.

As part of the strategic enrollment initiative, the College is focusing on increased recruitment of adult students. Joe Verkennes, Director of Marketing Communication, has created targeted brochures to help with these efforts. The brochures highlight everything the College can offer adult learners at this time. The Triage Enrollment Committee continues looking at creative scheduling options for adult learners as well. Dr. Quartey has been meeting with County employers who offer tuition reimbursement to their employees to see what kind of programming MCCC can offer to meet employee educational needs. The Triage team will schedule lunch and learn sessions at area businesses in the near future.

President Quartey and his staff are considering, with the Board's approval, running a millage campaign in the November 2016 elections. The Monroe County Intermediate School District is campaigning in May and the City of Monroe is campaigning in August. Dr. Quartey attended an Elected Officials Reception this past Monday, and all the township supervisors and City managers have pledged their support for the MCCC millage. The College will also have a cadre of volunteers to take the millage message out into their communities. The President will present a formal millage proposal at next month's Board of Trustees meeting.

Dr. Quartey, Vice President Wetzel, and all seven Trustees are attending the Michigan Community College Legislative Summit in Lansing, Michigan on January 28, 2016. This is the first time in the history of the College that all seven Board members are attending a conference together.

Trustee Thayer and President Quartey will be in Washington DC February 7-11, for the American Community College Trustees National Legislative Summit. There is a State of the County Address scheduled in Monroe on February 9. Chair Bellino has agreed to speak on the College's behalf at the event.

Cabinet is considering designating Martin Luther King (MLK) Day as a College holiday. MLK activities will continue, however, they will take place on the day after the holiday. Monroe County Community College is leading the County diversity initiative in the community and this is the only holiday that represents an understanding and tolerance of diversity.

Dr. Quartey mentioned the possibility of changing the start time for the regular Board of Trustee meetings from 7:00 p.m. to 6:00 p.m.

It was moved by Mrs. Thayer and supported by Dr. DeVries that the start time for the regular meetings of the Board of Trustees be changed from 7:00 p.m. to 6:00 p.m.

The motion carried.

Due to the February 22, Davis-Besse Signing Ceremony, it was moved by Mrs. Thayer and seconded by Mrs. Dowler that the meeting time change take effect beginning with the March 28, 2016 Board of Trustee meeting.

The motion carried.

Orientation for new Board of Trustees, including Mrs. Dowler, will be scheduled soon. The three new Board members will also be assigned mentors.

Administration and Spring Arbor University are in discussions about sharing space at the Whitman Center. The College will present a proposal to Spring Arbor at a meeting scheduled for January 26, 2016. Administration is also in discussions with Bellevue University about sharing space on main campus. Siena Heights University has been part of these dialogs, and both parties have agreed not to compete with one another's programs.

- C. 3. b. (2) 18. Josh Myers, Executive Director of The Foundation, reported on the December 14, 2015 board meeting. The board announced three new annual scholarships, the Education Plus Credit Union Scholarship (\$10,000), the Kessler Scholarship (\$5,000), and the Roof Family Scholarship (\$7,500). The board presented a resolution of commendation to Joe Costello who has relocated out of the county. Three Group-three directors were nominated. The Foundation revised its investment policy to eliminate inconsistencies between the policies and related procedures. The board reviewed a new policy on the management of endowments, which requires the Executive Director of The Foundation, prior to each fiscal year, to bring a proposed budget before the board that shows how endowment dollars will be spent the following year. The Endowment Spend Policy is 4 percent over three years. The board closed out the Title III Endowment at the end of September with a "double your gift" campaign, which created an endowment of \$351,418. The board signed an agency agreement with Monroe Bank and Trust to manage those funds along with the Cultural Enrichment Endowment funds. The Foundation received a clean audit report from Cooley Hehl Wohlgamuth Carlton in December. Following the meeting, The Foundation held its holiday party and then the group attended the Symphony Band Christmas concert.

- C. 3. b. (3) 19. Mark Hall, Director of Admissions, gave a brief enrollment report. Mr. Hall covered Winter enrollment statistics from 1999-2016. From Winter 2015 to Winter 2016, there was a 7.8 percent headcount decline; enrollment went from 3266 to 3012. Billable contact hours are down 10.2 percent. The College had record Winter enrollment in 2010, with 4,562 students; however, enrollment has been on a decline since. The average student age continues to drop and is now 23.5. Part-time student enrollment has risen to the highest level since 1999. The male population and in-county enrollment are slightly up, while out-of-county and out-of-state are declining.

Dual enrollment is at an all-time high at 545 students, which can be a factor in the decline of average student age. Whiteford High School had the biggest increase (from 10 to 28 students), followed by Summerfield High School, which went from 15 to 25 students. The College offered onsite compass testing at both schools. Middle College continues to do well. Airport High School went from 7 to 14 dual enrolled students. Airport is in the north of the county, which can make student transportation more difficult. This school may be a good candidate for direct college eventually.

First Time in Any College (FTIAC) enrollment is down by 27 students. Transfer students have increased by 19 students. The biggest decline in enrollment from last winter was in the continuing students group, which is down by 206 students. Returning students are down by 40.

MCCC's female population is down by 91 students in both the part-time and full-time groups. Part-time male students are down by four students and full-time male students are down by 68. Last fall, MCCC had 3192 students enrolled, out of that only 2321 returned, which is a loss of 871 students from Fall 2015 to Winter 2016.

Mr. Hall reviewed winter enrollment for community colleges around the state. Enrollment is down for most of them, Glen Oaks Community College and Gogebic Community College show a small increase. Declining enrollment is a statewide trend. Winter enrollment trends from 2010 to 2016 shows most enrollment trending down except for that of transfer students.

- C. 4. b. (1) 20. Chair Bellino appointed the following people to the selection committee for Alumnus of the Year and College Supporter of the Year.

Alumnus of the Year
Aaron N Mason

College Supporter of the Year
Edward R. Feldman

James E. DeVries
Lynette M. Dowler

Marjorie A. Kreps
Mary Kay Thayer

- C. 4. b. (2) 21. Suzanne Wetzel, Vice President of Administration, briefed the Trustees on the Open Meetings Act in preparation for the January 27, 2015 MCCA Legislative Summit in Lansing. Board members can all be together, they can seek information together, and they can probe each other's opinions; however, they cannot deliberate with one another. Trustees can openly discuss topics that they have already publicly debated and passed motions upon. They can ask questions of the legislators about things that will happen in the future. They can gather information, but they cannot collaborate, poll, solicit each other's input, or do a "round robin."

- C. 4. b. (3) 22. President Quartey assigned the following mentors to the three new Trustees. Board Orientation will be scheduled in February.

<u>Mentor</u>	<u>Mentee</u>
Dr. James E. DeVries	Aaron N. Mason
Marjorie A. Kreps	Lynette M. Dowler
Joseph N. Bellino	Edward R. Feldman

- C. 4. b. (4) 23. Chair Bellino noted the upcoming events. Trustees should meet at the Presidents/Vice President/Visitor parking area outside of the Administration Building at 6:30 a.m. on Thursday, January 28, to carpool to the Legislative Summit in Lansing.

24. *It was moved by Mrs. Thayer and supported by Mrs. Dowler that the meeting be adjourned.*

The motion carried and the meeting ended at 8:59 p.m.

Respectfully submitted,

Joseph N. Bellino
Chair

James E. DeVries
Secretary

/prd

These minutes were approved at the February 22, 2015 regular meeting of the Board of Trustees.