Present: Chair Crandall, Vice-Chair Osborn, Trustee Frye, Trustee Mullally and Trustee Portenga

Absent: Trustee Lester & Trustee Oakes

Chair Crandall called the meeting to order at 4:06 p.m.

1. Agenda
   There were no changes to the agenda.

2. Minutes
   - Organizational Board Meeting Minutes – January 14, 2013
     There were no changes to the minutes.
   - Board Study Session Minutes – January 14, 2013
     Page 8, item 7. A., will be changed from $3.6M to $30.6M
   - Board Meeting Minutes – January 16, 2013
     There were no changes to the minutes.

3. Public Comments
   - Mike Robertson, an MCC Adjunct Instructor, addressed the Board, stating he understands there is an ad hoc committee reviewing adjunct salaries. Mike presented his perspective and some individual considerations – Mike started in 2007 and stayed for 3 semesters. The entire time he was employed at MCC he had to look for a full time job, as the $1,500 a semester is only supplemental income, comparable to a job at Hobby Lobby. It doesn’t make sense for him to come back and teach next fall with current adjunct pay; he is able to make double the pay elsewhere.

4. Consent Agenda (Board Action Required - Vote)
   A. Budget/Finance
      1. Finance Committee Report – Trustee Lester
         Chair Crandall reported the finance committee identified and discussed a few issues.
• Page 16 – generally investments are around $11M. A couple million was transferred from the reserve funds to the operating fund in anticipation of receiving some tax revenue. Tax revenue has now been received and the total investment will go back up to where it’s been traditionally.

• Quotes are being gathered on a $2.5M note maturing next month for reinvesting.

• Comparative Balance Sheet - accounts receivable are up significantly from last year; an analysis is being done to identify sources and impact. A portion is coming from Pell grants, and the Board will receive a full report on Wednesday on the impact of Pell on receivables, how it’s impacting MCC, along with a solution on how to streamline the process and decrease exposure.

• Revenue over expenses – Last year’s deficit was $1.2M and this year it’s $2.6M. While the revenues are nearly equal to last year, instructional costs are up. One reason is due to three pay periods falling in January. Tax revenue is also down; $2.2M in property tax revenue was received in February, which is not reflected in the current report, but will be reflected in the February accounting.

• YTD budget issues were discussed (handout).
  
  - A balanced budget was approved by the Board last year. An analysis was done at the end of January reflecting a potential $1.1M deficit and revised last week, now projecting a YE deficit of $1.2M. The Board is just receiving this information now, eight months into the fiscal year, which is a problem. A more timely, term-by-term analysis will be prepared for the Board going forward, which will identify trends earlier, so mid-course corrections can be made. The handout also included possible savings solutions. The health stabilization fund balance of $410k could possibly be used to offset the budget deficit, as the fund has never been used. Further analysis will be prepared for the Board meeting Wednesday.
  
  - Deep budget cuts are needed going forward; and the Board needs to determine a long term solution.

2. Treasurer and Financial Reports – Trustee Lester

B. Personnel

1. Personnel Committee Report – Trustee Osborn

  The committee reviewed upcoming job postings, discussed last week’s adjunct task force meeting and reviewed Sandy Rings exit interview. There is not much going on currently with grievances.

2. Personnel Report – Aaron Hilliard

  • Current vacancies were reviewed – one faculty and two APS. An enrollment services clerk was appointed over the last month; and there are four upcoming retirements.

  • Looking at the 2013-14 budget and projected deficits, the vast majority of expenses are personnel and benefits. While the analysis is still going on, it may make sense to hold off on appointments for some of the vacancies, giving
Administration the opportunity to re-evaluate the structure and workflow to decide what is absolutely critical and what may be put on hold for a month or two, until a better analysis of what needs to be done with the budget is complete. President Nesbary responded that the entire campus community is being invited to give input and feedback on how to make reductions and balance the budget, as we move forward and prepare a plan for the Board.

5. Administrative Reports
   A. Academic Affairs – Teresa Sturrus
      A full report on early college and dual enrollment will be prepared for presentation to the Board next month.
   B. Student Success Report – Dr. John Selmon
      a. Enrollment
      b. Student Success Completion Agenda
      There was nothing additional to report.

6. Business Non Operational
   A. MCCA Report – Trustee Lester
      There was nothing additional to report.
   B. Foundation Update – Vice-Chair Osborn
      • The Foundation met last week. Discussion was primarily around involvement of the foundation board in setting goals – both fiscal goals and stewardship goals.
      • Discussed planned giving, cultivating retirees, solicitation of donations for Founders Day, securing event sponsorships, and keeping in touch with individuals and donors.
      • The FMCC Board wants to remain engaged in upcoming projects and the millage. They looked at making the science labs project for this year the goal for their campaign.
      • There are two policies on the board agenda this month to review – donations and naming.
      • Recruitment of board members continues.
      • Toured science labs and areas to get input as to how best approach soliciting monies.

7. Old Business
   A. ACCT Board Retreat – Schedule and Content
      • The Board will review and determine what they would like the focus of the ACCT Board retreat to be, so the ACCT may be notified of the focus for this retreat.

8. New Business
   A. Permission to Appoint Adjunct Instructors – 2013 Winter Semester – Aaron Hilliard
      • The Board noted a number of higher amounts in psychology and asked how this is being staffed. Aaron Hilliard responded there are three full time psychology instructors
and Teresa Sturrus added this is a four contact hour class, and a class that is very highly sought after at extension centers in Grand Haven and Newaygo; therefore additional sections have been added. Many students also take psychology to fill their gen ed requirement here, so it’s very much sought after.

- The board requested a dollar amount for the 1% decrease in contact hours. Looking at adjunct faculty pay, one of the things the Board needs to consider is the workload and how that’s being spread.

B. Approval of Extra Contractual Assignments – 2013 Winter Semester – Aaron Hilliard

- The Board questioned whether MCC is better off paying for extra workload from the full time faculty or better off transferring it to adjunct faculty, and requested the cost implication of doing it each way? Also what is the flexibility component of it?

C. Approval of Department Chairperson/ Coordinator Stipends – 2013 Winter Semester – Aaron Hilliard

D. Permission to Post Full-Time, Assistant Director of Student Success /Campus Life – Aaron Hilliard

- Because of the budget deficit, the Board indicated there’s an opportunity to review this posting to determine whether it could be restructured in some other way.

E. Permission to Post Full-Time Position of Human Resources Recruitment and Training Coordinator – Aaron Hilliard

- This position replaces the former Director of HR position. The Board indicated this is another opportunity to re-evaluate the position.

F. Permission to Post Full-Time, Manager of Testing – Aaron Hilliard

- Because of the budget deficit, the Board indicated this is another opportunity to re-evaluate the position.

G. Permission to Post Full-Time Business Instructor Accounting/Business – Aaron Hilliard

- Because of the budget deficit, the Board indicated this is another opportunity to re-evaluate the position.

H. Permission to Appoint Eduardo Bedoya – Aaron Hilliard

I. Permission to Appoint Debra Grube – Aaron Hilliard

- This is a position that MCC must fill to avoid losing accreditation.

J. Presentation from Representatives from the Downtown Muskegon Development Board is scheduled for Wednesday’s Board meeting.

K. Board Evaluation – (Board Action Required) - Chair Crandall

- Chair Crandall will complete the year-to-year comparison.

9. Board of Trustees Policy Manual Updates – Chair Crandall

A. Request to update language for policies: 5.09.00; 5.10.00; 5.13.00; & 5.16.00 – 1, 2, 3, & 4
B. Request to Update Policy 5.23 DONATIONS – Tina Dee

Tina Dee further explained this request from the Foundation Board. Tina will update the policy, replacing specific titles with the generic term “mcc staff” and the following sentence will also be added: “Donations restricted to any purpose outside the parameters of current college activities require board approval prior to being accepted.”

C. Request to Implement Naming Policy – Tina Dee

The Board requested naming recommendations and gift contributions come to the Board for final approval and that this request be brought back with a policy on gift acceptance following the April FMCC meeting.

10. Announcements

A. President’s Report – President Nesbary

- President Nesbary has made multiple visits to Lansing, working with Trustee Mullally, Dr. Selmon, and multiple students, working with legislature to have MCC’s Capital Outlay funding request from a couple of years ago reinstated. The governor’s capital outlay project this year is a $50M competitive pool of money for institutions competing for technology and STEM related construction projects. The Board will be presented details of this request next month, so they may decide whether MCC should restructure its capital outlay request to meet these specific needs.

- President Nesbary again thanked and commended staff and students for their quick response to the trespasser on campus. Five minutes after the person was identified, they were detained and within 10 minutes, were being taken off campus by the local police. The Board also recognized a great job was done by everyone involved.

- Beverly Fratesi from Ellucian attended today’s meeting and was introduced to the Board.

B. President’s Message, February 2012 – President Nesbary

C. Departmental Updates – President Nesbary

D. Board Comments

- Trustee Frye attended the play at the Overbrook Theater over the weekend and was pleasantly surprised to see that hand rails had been installed and thanked those who installed the handrails.

E. Closed Session – To Discuss a Legal Issue

The Board will not be meeting in closed session today. The Board received an email and will meet with the attorney at a later date.

With no further business, the meeting was adjourned at 5:36 p.m.

Minutes submitted by Secretary, Nancy Frye.

/csd