



Muskegon Community College

BOARD OF TRUSTEES BOARD STUDY SESSION MINUTES July 15, 2013 – 4:00 p.m. Board Room 400z

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

Chair Crandall called the meeting to order at 4:03 PM

1. Agenda

No changes to the agenda were requested.

2. Minutes

- Board Study Session Minutes – June 17, 2013
 - Page 6, #7, 2nd bullet to add language: **“At the Board’s request,”** Chair Crandall will draft a letter and meet with Jason Brown . . . NOTE: At Chair Crandall’s request, Trustee Portenga will also attend the meeting with Jason Brown.
 - Page 8, 4.09.01 #9, 2nd bullet should read: “. . . grades or transcripts would not be **“issued”** . . .
 - Chair Crandall received correspondence about the availability of the Board minutes, since they are not posted until they are approved the following month when the Board meets. The Board requested that following the Wednesday Board meeting, an action page will be created and posted on the portal later that day.
- Board Meeting Minutes – June 19, 2013
 - No changes were requested.
- Open Finance Committee Special Meeting – July 3, 2013
 - No changes were requested.

3. Public Comments

- The Cheese Lady is campaigning for a MCC downtown campus. Seven campaign letters signed by various individuals were handed out to the Board for review.
- Public comments will be taken at Wednesday’s Board meeting.

4. Consent Agenda (*Board Action Required - Vote*)

A. Budget/Finance

- I. Finance Committee Report – *Trustee Lester*
2. Treasurer and Financial Reports – *Trustee Lester*
 - The Finance Committee had a governance entrance meeting with the auditors and handouts were distributed that included a schedule and a list of items needed from the Board and Administration. The exit conference for the Finance Committee is November 18th with a presentation to the Board November 20th.
 - Financials were reviewed. A certificate maturing on July 13th was renewed for \$104k at a rate of .40%
 - Chair Crandall reported the Board used about 36% of their budget last year, complementing the Board for efforts to keep expenses down with a tight budget.

B. Personnel

- I. Personnel Committee Report – *Trustee Mullally*
 - Information was received on a couple of grievances, as well as review of DOMA and PA294 re: same sex partner benefits and the legal status of that. A legal opinion will be sought as to how PA294 may or may not affect MCC's benefits.
 - Administration is reviewing the benefit year and looking at starting on January 1st instead of November 1st for simplicity.
 - Information was received on a couple of job postings and an appointment.

5. Administrative Reports

A. Academic Affairs – *Teresa Sturrs*

B. Student Success Report – *Dr. John Selmon*

- a. Enrollment
- b. Student Success Completion Agenda
 - Dr. Selmon indicated enrollment is currently down 2%-3%, but there are approximately 73 early college students to be loaded into the system, which will change that number.

C. Personnel Report – *Aaron Hilliard*

- Aaron noted there are a few more vacancies listed as we go thru year and with retirement incentives.
- The Board questioned why with the reorganization the VP of Finance and Administration is still shown as vacant? Aaron explained the position was vacated at the end of June and this is the first time the position is shown as vacant and has appeared on the report; after this month, it will not be on the report and will be off the Staffing Table report as of July 1st.

6. Business Non Operational

A. MCCA Report – *Trustee Lester*

- Dr. Selmon confirmed 72% of MCC's Veterans are in-district.
- Public employers withholding union dues will affect public schools but not the college.
- The MCCA Summer Conference is next week in Traverse City. Dr. Nesbary and Trustee Frye are registered to attend.

B. Foundation Update – *Vice-Chair Osborn*

- The next meeting is scheduled for August 8th. The Foundation Board has decided to move to quarterly meetings beginning in August; the bylaws will be changed to reflect this. They will be working on goals and outlining how each Board member can help meet those goals.

7. Old Business

• Ballot proposal for Science Project – November Ballot? – *Chair Crandall*

- The Board reported the county is going ahead and issuing bonds for a new jail, but aren't asking for any tax revenue to support it.
- The MAISD petition campaign for a September ballot failed because of a lack of correct signatures. They will not go for their technology millage in November if MCC goes on the ballot.
- Dr. Nesbary presented a PowerPoint presentation of ballot options:
 - **Option A: A Science Center only** – total cost of \$9.2M, with a 50% match from the state, reducing the cost to \$4.6M for a new science building extending from the Stevenson Center for Higher Education (SCHE), renovation of the current science wing, and some additional work in the SCHE for a shared lab space to integrate occupational and liberal arts. The estimated tax impact per \$100,000 of a home's value is \$3.56 annually or \$.30 per month. Other funding sources would include seeking a revised EDA grant.
 - **Option B: All in One** – similar to last year's proposal but scaled back to a total cost of \$24M, \$7M less than last year; estimated tax impact per \$100,000 of a home's value is \$18.53 annually or \$1.54 per month.
 - **Option C: Multiple Ballot Questions** – Lists each potential question separately – estimated tax impact per \$100,000 of a home's value for the Health Center is \$.55 per month or \$6.65 annually; Art Center \$.50 per month or \$5.94 annually; HVAC and related activities \$.20 per month or \$2.38 annually.
 - **Other considerations** - operating costs for additional space is estimated to be \$400k annually (staff, utilities, etc.) Options to cover this cost: 1) include 1/10 of a mil in the package; 2) add an infrastructure fee, every \$1 increase, given current enrollment, would raise \$121k – just over \$3 would cover additional operating costs. We need to clearly articulate how the community benefits (business people, various neighborhoods, townships and cities, engaging the internal community).

▪ **Recommendations and thoughts from the Board included:**

- All three projects, so long as it's on campus; greatly downsize the Art and Health facilities, cutting it to a third of what was done previously. Go all out on the Science Center and modify Art and Health facilities on campus.
- Still need all three. Need to show it has been trimmed back and limit operating costs.
- Go all out for science or try to find a different way to match the monies for science, then regroup in another year and go back and pick up Art and Health as we see how we can rebuild/retool the building. There are always options to go to the public for personal donations, etc.
- The public heard the three items are important to our campus. If we strip the Art and Gym away, it appears it's not so important. Our message needs to go out stronger, why it's important to MCC and the students in particular. There are reasons why it was defeated, but it wasn't defeated by much.
- Only go back to the public for Option A. Work with the facilities we have. Concerned with operating costs. We could possibly bond it.
- We've got over \$4M in hand, if we walk away from this opportunity it won't present itself again for 10 years or longer and we can't survive without some help from the state. It's imperative that we go and imperative that we go in November. The question is whether to go for just the science center or for everything.
- Chair Crandall indicated the Board should pass some type of non-bonding resolution on Wednesday stating either we are going to do nothing, we are going to do a Science Center only, or we are going to do all three with the cost significantly reduced. It would be non-binding, pending the outcome of the bond language and the bonding cost. Making a decision on Wednesday, would allow the next month to be spent preparing, so a final decision could be made at the August meeting. The language would be in place, all of the resolutions would be in place, and planning and strategies would be in place for the election. "I don't think we can wait another month to start that process."
- Administration will prepare proposals for Wednesday exploring all options with downsized, deeper cuts to Option B and more innovative ways of using restructured space on campus. It was requested Option B be reduced to less than 50% of what it was before, less than \$15M
- The Kingscott presentation will be moved up on the agenda for the Wednesday Board meeting to the public comments section.

8. New Business

- A. Permission to Appoint David Kiley – Full-Time Business Instructor Accounting/Business – Aaron Hilliard

David Kiley was in attendance and was introduced to the Board.

- B. Permission to Purchase Sole Source on Adobe Licensing – Mike Alstrom

The Board requested the total amount be added to the recommendation.

- C. Permission to Seek Bids on Computer Life Cycle – *Mike Alstrom*
The Board requested the total amount be added to the recommendation.
- D. Permission to Adopt Coaching Salaries – *Aaron Hilliard*
- A 2% increase to the prior year's coaching salary table is requested. Moving from step to step is dependent upon the evaluation of the athletic director; it won't be an automatic move. The coach's salary table has always been tied to the faculty salary schedule and that is being removed.
 - The Board questioned whether there is a policy on coach's salaries that would need to be changed. Aaron Hilliard responded he checked in the faculty master agreement and the Board Policy manual didn't find anything; he will check again before the Board meeting on Wednesday.
 - The Board requested the table format be restated; the base rate will be step I and the remaining steps will reflect increases.
- E. Permission to Post Full-Time Manager of Student Success/Veteran Affairs – *Aaron Hilliard*
- F. Kingscott Presentation at **Board Meeting on Wednesday, July 17, 2013**
– *David Mayville, Project Architect*
- G. President Nesbary's Annual Evaluation – *Chair Crandall / Trustee Mullally*
Dr. Nesbary's evaluation will be completed on Wednesday.
9. Board of Trustees Policy Manual Updates – *Chair Crandall*
4.00.00 ADMISSION AND ENTRANCE REQUIREMENTS; 4.00.01 SPECIAL ADMISSIONS;
4.04.00 RESIDENCY
- Pg. 37, 4.00.00: students desiring to apply to use financial aid will be edited to read: students desiring to apply **for** financial aid. . .
 - 4.00.01 – before being considered for *any* secondary admit programs will be edited, removing the word **"any"**
 - 38. E. – any non-degree seeking *persons* who *have* already earned a degree will be edited to read: any non-degree seeking **person** who **has** already earned a degree may be admitted as a community guest student.
10. Announcements
- A. President's Report – *President Nesbary*
- B. President's Message, July 2013 – *President Nesbary*
- C. Departmental Updates – *President Nesbary*
- D. Board Comments

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

Minutes submitted by Secretary, Nancy Frye.

/csd