



**BOARD OF TRUSTEES  
BOARD MEETING MINUTES  
April 18, 2012  
12:30 p.m. – Board Room 400Z**

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

**Absent:** Trustee Frye

Chair Crandall called the meeting to order at 12:32 p.m.

1. Agenda

Trustee Portenga moved that the agenda be adopted; second. Vote unanimous; motion carried.

2. Minutes

- Board Study Session Minutes – March 19, 2012

Trustee Lester moved approval of the amended minutes of the Board Study Session of March 19, 2012; second. Vote unanimous; motion carried.

- Board Meeting Minutes – March 21, 2012

Trustee Lester moved approval of the amended minutes of the Board meeting of March 21, 2012; second. Vote unanimous; motion carried.

- Closed Session Minutes – March 21, 2012

Trustee Lester moved approval of the closed session minutes; second. Vote unanimous; motion carried.

3. Public Comments

- Chair Crandall reported that Trustee Frye was unable to attend today's meeting due to a fall at home, resulting in a twisted knee.
- Toby Moleski commented on the budget presentation given at Monday's Study Session.
  - The \$1.6M deficit did not reflect: 1) the \$550K savings to the college from the health insurance 80/20 hard cap; 2) did not take into account three retiring faculty who are at the high end of the pay scale and will be replaced with faculty at the low end of the scale, with estimated savings of \$100k; 3) reminded the Board that the \$550K is a shift in payment from the college to the employees, with every penny coming from employee pockets/checks. Additionally, he assumes the college will realize savings from Senate Bill 1040 because every plan member, in order to keep the same retirement multiplier, will

pay 5% more out of their pay. This will result in a 10% to 20% pay cut for all employees, mandated by the state, with the lower paid employees closer to a 17% cut. Toby stated there are a lot of different things to consider to help tighten the budget, close the gap, and hopefully avoid a 6% tuition increase, which are better than the proposed no step increase and salary freezes, considering the employees are receiving a big cut already. The beat the budget done a few years ago was relatively successful.

- Ryan Bennett, Business Agent with the Local 174 West Michigan Plummer's and Fitters, introduced himself and distributed invitations to the Board for their open house on May 18<sup>th</sup>. Dr. Nesbary has visited the facility and indicated it's a great facility; MCC has done a number of things with them for some time.

- Legislative Updates – Bill Lievense  
Updates were given at Monday's Study Session.

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

A. Budget/Finance

1. Finance Committee Report – *Trustee Lester*
2. Treasurer and Financial Reports – *Trustee Lester*

B. Personnel

1. Personnel Committee Report – *Trustee Osborn*
2. Personnel Report – *Aaron Hilliard*

Trustee Oakes moved approval of the consent agenda as presented; second. Vote unanimous; motion carried.

5. Administrative Reports

A. Academic Affairs – *Teresa Sturuss*

Nothing new to report.

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

Nothing new to report.

- a. Enrollment
- b. Student Success Completion Agenda

6. Business Non Operational

A. MCCA Report – *Trustee Lester*

Trustee Lester reported information was received yesterday related to Senate Bill 1040 and it's getting close to where it will be voted on. MCCA is reviewing some concerns. If approved, it would be implemented July 1, 2012, and looks like something that would gain support from MCC.

7. Old Business

A. President Nesbary's Evaluation

The Board received Dr. Nesbary's self-evaluation and the evaluation tool. Each Board member will individually complete the evaluation and an open evaluation will be held at the May Study Session.

8. New Business

A. Petitions Committee Policy Language Change Request

Trustee Lester moved approval of the revised language; second. Vote unanimous; motion carried.

B. General Student Complaint Procedure

Trustee Mullally moved approval; second. Vote unanimous; motion carried.

C. Mission and Vision Statement Review

Trustee Portenga moved approval of the amended language to item 8 and 9 as presented; second. Vote unanimous; motion carried.

D. Request to Elect Medical Care "Hard Cap" Option of Public Act No. 152

Trustee Lester moved approval; second.

Board comments were as follows:

- It was acknowledged that savings to the college are costs being picked up by employees. Being a proponent of local control and preferring to have crafted our own solution, these choices have been dictated from legislature, so the Board is choosing between the only two legal choices and believe this is the better of the two.
- The Board discussed in detail if the 80/20 were chosen, people at the low end of the wage scale would not be able to afford it. Taking the hard cap gives more flexibility with different plans, resulting in different contributions from the employee. The hope is it will provide wider coverage at a more affordable rate for everybody. With the hard cap there are options for the employees to pay more or less depending on the plan. With 80/20 it was going to literally result in some employees not being able to afford it, which is the main reason the hard cap was chosen.
- From the college's perspective, they would have saved more money with the 80/20, but are very concerned about the impact it would have on lower paid employees. They believe the hard cap is the better approach, making it the least stressful considering the constraints from the state.

Vote unanimous; motion carried.

9. Board of Trustees Policy Manual Updates

A. Amendment to Board Policy 5.04.00 B

Trustee Mullally moved approval of the amended language as presented; second.

Comments from Board members were as follows:

- It is believed that what's in the policy currently is adequate and concern remains for the time constraint and being in the best interest of MCC.
- This language gives too much leeway. We have always had the opportunity to waive the sealed bid requirement, hoping that it would come to the board before, so they would have the opportunity to waive it rather than having an award of bid come in. It is agreed the statement was there all the time.
- Related to the language as written, there are certain moments when time is of the essence and in the best interest of MCC to make a vote. If we were a business getting together once a day or once a week, time isn't as much an issue; but when we only get together once a month to make the formal votes, sometimes things develop that make it necessary that a vote is made right then. It is believed the language has been stretched in the past. The amended policy languages gives the Board a clearer, legal way to address time sensitive bid requirements and the Board may still waive/vote against it if desired.
- Amending the language and adding the time does not negate that the Board has the opportunity to say "no".

Vote unanimous; motion carried.

#### 10. Announcements

- A. March 28, 2012 – Reeths-Puffer and Twin Lake Third Grade 24th Annual "A Day for Me at MCC" presentations will be given at the May Board meeting.
- B. President's Report – *Dr. Nesbary*
- C. President's Message, April 2012 – *Dr. Nesbary*
- D. Departmental Updates – *Dr. Nesbary*
- E. Board Comments
  - Toby Moleski was thanked for his comments.
    - The amount of funding that the state requires for retirement (MPSESRS) has gone from 10% in 2000 to 45% of the amount received from appropriations from the state. Those kinds of issues impact MCC's ability to maintain some flexibility with how the budget is managed. The faculty association and two units have worked with MCC and understand the environment; the communication has been there and President Nesbary looks forward to working together over the next few months, as we work through negotiations.
    - Chair Crandall particularly appreciated the willingness to work with administration to find alternative solutions. We're looking for what's beneficial to all concerned – administration, faculty and student. During the next few months, we have an opportunity to discuss and look for some alternatives to share the burden and make it less ownness from the student, which is Chair Crandall's biggest concern.
    - Trustee Lester added that Monday was the first time the Board saw these figures too, so they were not cast in stone. There is a lot of looking and a lot of

considerations that we as an institution together have to make in order to balance the budget; no decision has been made.

- Trustee Osborn – Foundation Update
  - Met April 3<sup>rd</sup> and discussed the feasibility study for the Capital Campaign, which is being set aside until the millage campaign study is complete.
  - The largest item the Foundation Board is looking at is additional members. Nominees may be forwarded to the Foundation Board.
  - The Foundation Board has a new faculty rep, Kathy Bates. Cathy Rusco has served the Foundation Board for a long time, did a phenomenal job, and will be missed. Faculty was thanked for participating in the Foundation Board.
  - Different ways of recruiting Board members and alumni was discussed.
  - Discussed the Reach for the Stars campaign, which is now finished. 221 donors contributed to the campaign.
  - Discussed Founder’s Day and the upcoming golf outing in June. Individuals may join the event for lunch, even if they don’t golf. All proceeds will go to the general scholarship fund.
  - The President’s Report was received and the monthly performance report was reviewed.
  - Dr. Crandall added that the Board approves all of the trustees, which has two representatives on the Foundation. Dr. Crandall recommended that Sean Mullally be the second Board representative.

Trustee Portenga moved that Sean Mullally represent the Board on the Foundation Board; second. Vote unanimous; motion carried.

- The Distinguished Alumni dinner is April 19<sup>th</sup> at 6 PM in the Blue and Gold room for all who can attend.

With no further business, Trustee Oakes made a motion to adjourn the meeting; second. The meeting was adjourned at 1:07 p.m.

Minutes submitted by Secretary, Nancy Frye.

/csd