



**BOARD OF TRUSTEES
STUDY SESSION MINUTES
April 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

The meeting was called to order by Chair Crandall at 4:12 p.m.

1. Agenda

There were no changes to the agenda.

2. Minutes

- Board Open Finance Committee Minutes – March 18, 2013
No additions or corrections were made.
- Board Study Session Minutes – March 18, 2013
No additions or corrections were made.
- Board Meeting Minutes – March 20, 2013
Page 12, item 8. C. – the friendly amendment, #1 will be deleted, as #2 is the entire recommendation and is all that is needed.

3. Public Comments

- Business Department – *Dan Bialas & Dave Stradal*
 - Dan Bialas introduced Dave Stradal and Steve Fiorenzo from the Business Department who addressed the handout given to the Board at the March meeting regarding replacing the accounting position and gave updates on happenings in the Business Department.
 - Dave Stradal, who is responsible for entrepreneurial training at MCC, briefly discussed piloting the Generation E program, which is targeted toward high school students, to increase their entrepreneurial training. A meeting occurred in March with the Career Tech Center, who is surveying faculty to see if they are interested in instituting the program across the entire CTC. Dave has also been invited to guest lecture this Friday on both the AM and PM session on cash flow and financing a start-up business, and MCC has been invited to serve on their advisory board.
 - Steve Fiorenzo, retiring Accounting and Management professor, thanked the college for a wonderful 16 years of employment, stating he has truly enjoyed working with everyone. Steve addressed the discussion not to replace his position and the importance to students of great instruction at the entry level stating: “A bad experience at an entry

level class is difficult to overcome and you may lose the student forever.” Steve has taught 12-13 entry level classes per year the last few years, which are always full and sometimes overloaded (about 370 students a year). Steve closed stating: “Not replacing this position will not add value for our students.”

- Dan Bialas added that Steve is done at the end of this semester, they are already short one adjunct accounting instructor for summer semester, and the back-up adjunct accounting instructor is already maxed out, stating: “We have to be careful of our adjuncts and either limit what they teach or start paying them benefits.” Dan asked the Board and Administration to please help to replace this position.
- Toby Moleski, faculty association president, responded to President Nesbary’s presentation. With respect to healthcare \$16k was an average, \$15.5 is the MCC cap for a full family, \$11K for a two person family, \$5.5k for a single, and the buyout is \$3.7k, with an average closer to \$9k. By law, this is set to increase only 1%-2%. Retirement is at 25%, but with the new law, some of the cost has passed on to employees.
- As a Science Instructor, Toby shared the following budget information to consider with respect to increasing fees - to increase costs to classes that go beyond credit hours, those are lab classes, highly in the STEM area. As a science instructor, he has a problem with putting the burden of the budget shortfall on the backs of these students. The Biology budget is \$45k and the Chemistry budget is \$11k including copying. Lab budgets are more expensive and in some areas, and it is agreed we need to increase fees, but Toby disagrees with increases up to \$900k and doesn’t want to double the cost on labs, stating: “Lab students are not the students on Pell and would have to eat the entire cost themselves”.

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

A. Budget/Finance

1. Finance Committee Report – *Trustee Lester*
2. Treasurer and Financial Reports – *Trustee Lester*
 - An open finance committee meeting was held today with a lot of helpful, beneficial information received; there is a lot to do. When the Board decides to make whatever changes, it was requested they also be in touch with the auditors making them aware of anything being done.
 - The Board needs to decide whether to move to accrual accounting and have received information to study. In the meantime, Administration was asked to prepare suggestions on the advantages and disadvantages and what’s involved to move to accrual accounting, to help the Board make a decision.
 - The Board has heard from an expert who stated MCC is co-mingling two different items, the balance sheet and income statement, the Board asked: “Shouldn’t this be something the auditors would have told MCC about earlier?” The Board would like to hear from the auditors on their perspective. An Open Finance Committee Meeting will be scheduled next month with the auditors.

B. Personnel

1. Personnel Committee Report – *Trustee Mullally*

- Due to the Open Finance Committee Meeting, there was no meeting this month.

2. Personnel Report – *Aaron Hilliard*

- Aaron reported there are three professional staff vacancies - one in ESSU; and one in Custodial. Sche Cornelius was appointed to Senior Clerk in testing, creating the vacancy in Student Services.

5. Administrative Reports

A. Academic Affairs – *Teresa Sturru*

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

a. Enrollment

b. Student Success Completion Agenda

- John Selmon highlighted the AtD Data Carousel that was held at MCC March 21st and 22nd. It gave many more individuals on campus the opportunity to gather and talk about data, how it's interpreted, and look for ways to improve data.
- Enrollment is 5% up in headcount and is even in contact hours. More part-time students are taking fewer credit hours, but MCC is up 95 students over a year ago.

6. Business Non Operational

A. MCCA Report – *Trustee Lester*

B. Foundation Update – *Vice-Chair Osborn*

- The Foundation met April 11th for a session on setting and meeting their goals. Past suggestions from the Board were discussed and possibly some additional goals.
- Looking to cultivate planned giving prospects and increase membership in the Legacy Society, cultivating retirees.
- Working on soliciting auction donations for Founder's Day and continue to secure event sponsorships.
- Looking at smaller events, involving affinity groups of alumni and perhaps retirees and looking to continue a newsletter for retirees, keeping them in the loop. Focusing in on alumni and retirees, hoping to keep them involved with MCC.
- The FY Annual Fund goal was discussed and will be increased from \$125k to \$126k.
- Received the Director's CQI Performance and dashboard report.
- Donor Appreciation Day was held in February – want to continue those activities with TV spots, posters, Facebook postings and more.
- Discussed fundraising policies
- Continue board member recruitment and monthly tours of various areas of MCC, particularly the Science area, and those the Board is looking at for projects.

7. Old Business

A. Ballot Question Update – *Dr. Nesbary*

- The MAISD is considering very strongly going to the public in August for their technology ballot question, asking for 1 mil, meaning a date for MCC of November or

later would make more sense. The Hackley Library is also planning to go on the ballot but hasn't decided when. Chair Crandall stated people are lining up and MCC needs to decide if they are going on the ballot and when.

- Since February, three forums were held with information collected from internal audiences (faculty, staff and students) and a number of forums off campus (Holton, Whitehall & Fruitport). Dr. Crandall also gave a recent presentation to the Muskegon County Republicans. The message received from the Republican Party was that MCC needs to do a better job of educating the public on the benefits, specifically in the area of job creation.
- This will help MCC educate the community on what our needs are and help us understand whether they want to support it. The Board requested the information from the community forums for review, which Dr. Nesbary will provide to the Board. Once specific issues from the community surveys are identified, the Board would like a community written survey.
- Results of all community forums will be forwarded to Paul Hanley so he can analyze and develop a questionnaire.
- The Board was questioned whether they are still committed to go forward with the ballot and they responded they are having a problem now with our budget deficit.
 - What will it cost to build? How is MCC going to maintain and staff anything additional when we're having a hard time right now just keeping up with what we have?
 - Are these initiatives going to gain any more students? Is it going to create more revenue? MCC needs to link up what's being planned and what it's going to do with enrollment, along with bringing in the extra funding to maintain everything. With additions/building in the past, there has been a certain amount of money set aside or earmarked for maintaining the new space; is that built into the budget?
 - Are we planning in response to increased enrollment or in hopes of increasing enrollment? Information is needed on what a new facility or enhancements could bring to MCC.
 - It is believed there could be some opportunity for some new courses or programs that MCC has not been able to have to this point. Are there jobs that could be created as the result of these expansions/additions?
 - We also need to take into consideration the fact that Baker College is building a new science addition. Can we improve on what we have in place already? Do we need a brand new building, possibly downtown or elsewhere, we really need to take this into consideration.
 - The Board requested information on the cost to operate new facilities – cost benefit analysis and projections on new programs that could be generated.

B. Community Forum / Budget Update – *Dr. Nesbary*

C. Resolution to Execute and Deliver the Warranty Deed to MAISD – *Dr. Nesbary*

In 2009 the ISD arranged to purchase the Tech Center from MCC this year. Beth Dick introduced Garry Britton who summarized the steps to be taken to complete this purchase. A roll call vote will be needed for this item at Wednesday's Board meeting.

D. Resolution for Partial Redemption of 2003 Bond Issue – *Beth Dick*

Beth Dick introduced Chris lamoreno who summarized this resolution. After the ISD redemption, the total principal outstanding will be \$1.2M+. A roll call vote will be needed for this item at Wednesday's Board meeting.

8. New Business

A. President Nesbary's Annual Evaluation – *Chair Crandall*

The president's draft evaluation has been uploaded to the Board portal <https://mymcc.muskegoncc.edu/board/Documents/Nesbary%20Self%20Evaluation%20April%202013%20Draft.pdf>. Comments can be made now. In June the Board will go through and score performance, as has been done in the past.

B. Darren Mattone Sabbatical Request – *Teresa Sturru*

<https://mymcc.muskegoncc.edu/board/Documents/Darren%20Mattone%20Sabbatical%20Request.pdf>

Darren serves as an instructor for biology, anatomy physiology, as Department Chair, and also works in biofuels. He has lead the way for MCC in our community and nationally, providing undergraduate research opportunities for our students. Darren briefly summarized his sabbatical request stating: "Through our involvement with a national initiative, they are trying to institute undergraduate research programs and courses here at MCC and create some new courses as well". With this sabbatical he will be working to develop biofuel curriculum modules that can be implemented into MCC courses and other places. This research will be available for use across the country.

C. Department of Labor Northern Virginia CAD/CNC Grant Program

Presentation will be presented by Milan Hayward at the Board Meeting on April 17th.

D. Request to Implement Gift Acceptance Policy – *Vice-Chair Osborn*

- The policy was approved by the Foundation and is now being passed on to the Board of Trustees for their approval.
 - A number of concerns were raised regarding not seeing the role of the Board reflected throughout this proposal. Although fundraising and gift processing is the role of the Foundation, with the acceptance of gifts there should be a role for the Board. These policies need to protect the college, as well as the Foundation. How does the Board exercise its fiduciary responsibility if this is all delegated to the Foundation? It is also not clear who pays for appraisals. Clarification language will be added, so the Foundation Board and Board of Trustees understand responsibilities. The following language was also suggested: "Non-cash donations over \$10K require board approval."

E. Board Evaluation – (*Board Action Required*) - *Chair Crandall*

- Narrative and a three-year comparison of average scores across each category were distributed by Dr. Crandall reflecting trending, with the average score in each category bar graphed. In 2012-13 the n/a's represent questions the Board deleted as they were no longer significant. Sean Mullally will analyze the information and report back to the Board.

9. Board of Trustees Policy Manual Updates – *Chair Crandall*

Updates to Titles for policies: 1.09.00 B. 3; 3.03.00 3; 4.00.02 D; 4.06.00; 4.09.01 3; 5.01.01; 5.02.02; 5.04.00; 5.04.02; 5.04.03; 5.07.00 A. 2; 5.07.00 C. 2; 5.09.00; 5.13.00 D; 5.16.00 2; 5.16.00 3

- 4.00.02 Special Admissions. The Board asked for clarification on the language of this policy. Dr. Selmon will review the policy with appropriate staff and report back to the Board.
- This item will be pulled from Wednesday's agenda until policy language is updated to generalize language by removing specific titles and replacing with the term "appropriate administrator".

10. Announcements

- A. President's Report – *President Nesbary*
- B. President's Message, April 2013 – *President Nesbary*
- C. Departmental Updates – *President Nesbary*
- D. Board Comments

- The Reeths-Puffer Neighborhood Association Annual Dinner is this Friday; the donation is \$15.

Trustee Osborn made a motion to go into closed session to discuss complaints about an employee, as that individual asked for the closed session.

Roll call vote:

Trustee Frye – Yes

Trustee Oakes – Yes

Trustee Lester – Yes

Chair Crandall – Yes

Vice-Chair Osborn – Yes

Trustee Portenga – Yes

Trustee Mullally – Yes

A brief discussion ensued.

Chair Crandall made a motion to come out of closed session.

Trustee Frye – Yes

Trustee Oakes – Yes

Trustee Lester – Yes

Chair Crandall – Yes

Vice-Chair Osborn – Yes

Trustee Portenga – Yes

Trustee Mullally – Yes

With no further business, the meeting was adjourned at 5:38 p.m.

Minutes submitted by Secretary, Nancy Frye.

/csd