



Muskegon Community College

BOARD OF TRUSTEES BOARD STUDY SESSION MINUTES February 16, 2015 – 4:00 p.m. 400Z – Board Room

Present: Chair Crandall, Vice Chair Osborn, Trustee Frye, Trustee Moore, Trustee Mullally, Trustee Oakes and Trustee Portenga.

Chair Crandall called the meeting to order at 4:02 p.m.

1. Agenda

There were no changes to the agenda.

2. Minutes

- Board Retreat Minutes – January 5, 2015
The retreat minutes are for Informational purposes only.
- Board Meeting Committee of the Whole Minutes – January 20, 2015
There were no changes to the Committee of the Whole minutes.
- Board Organizational Meeting Minutes – January 20, 2015
There were no changes to the Organizational Meeting minutes.
- Board Study Session Minutes – January 20, 2015
There were no changes to the Study Session minutes.
- Board Meeting Minutes – January 21, 2015
There were no changes to the Board Meeting minutes.

3. Public Comments

There were no public comments.

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

A. Budget/Finance

1. Finance Committee Report – *Trustee Oakes*
2. Treasurer and Financial Reports – *Trustee Mullally*
 - Beth Dick reported we have begun receiving property tax money from the county. Two payments in January totaled approximately \$3M, and one in February totaled \$2M. A portion is millage money for the projects, but it comes as a single large

check and Beth allocates it out to the proper accounts. Some of the money will be invested short term in the next week or so, to earn a small amount of interest.

- Checks over \$10k – there were some payments for flood damage repairs incurred last summer. There was a payment to Clark Construction from the bond account. Through the end of January, we are at 96% of the Y-T-D Fiscal Budget (tuition and fees); Winter enrollment came in around 95% of budget and Fall enrollment was around 96%. The Y-T-D budget is approximately 96%, resulting in tuition and fees of about \$581k under budget. Savings in salaries and fringe benefits are helping to offset the tuition deficit.

B. Personnel

I. Personnel Committee Report – *Trustee Mullally*

5. Administrative Reports

A. Academic Affairs – *Teresa Sturrs*

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

a. Enrollment

b. Student Success Completion Agenda

Dr. Selmon introduced Kelley Conrad, Jenny Klingenberg and JB Meeuwenberg who will be helping with Guided Pathways student success initiatives. MCC was recently accepted by the MCCA as part of 12 community college's who will be leading this effort. The team will look at ways to attract the adult population, and for how to better convert our dual enrolled students.

C. Personnel Report – *Kristine Anderson*

6. Business Non Operational

A. MCCA Report – *Trustee Oakes*

There was no report.

B. Foundation Update – *Vice-Chair Osborn*

The quarterly Foundation board meeting is scheduled for next Thursday.

7. Old Business

A. Construction Project Committees – *Dr. John Selmon*

A written update is available on the Board portal.

a. Steering Committee

i. Science Center

ii. Health Center

iii. Arts Center

iv. Downtown Center

B. Policy Governance – *Chair Crandall*

8. New Business

- A. Permission to Post Full-Time Faculty Position of Respiratory Therapy Instructor – *Kristine Anderson* – This position replaces Dale DeVries who retired in December.
- B. Permission to Post Full-Time Director of Finance – *Kristine Anderson*
- C. Extra Contractual Assignments for Faculty Winter 2015 Semester – *Kristine Anderson*
- D. Department Chairperson/Coordinator Stipends – Winter 2015 Semester – *Kristine Anderson*
- E. Permission to Appoint Adjunct Instructors – *Kristine Anderson*
- F. Permission to seek bids for a Strategic Enrollment Management Solution and Replacement of the Online Student Admissions Application – *Mike Alstrom*

The current system, Active Apply (2006) is antiquated, not working well, and breaks down often.

- G. Approval of the New IT Managed Services Contract – *Dr. Selmon*
Ellucian won the initial bid and the college negotiated a 5-year contract. Ellucian was \$600-\$700k lower than the next highest bidder. In the first year, \$217k was freed up, which is pushed throughout the remainder of the contract.
- H. Endorsement of New FMCC Board Member – *Vice Chair Osborn*
The Foundation is up from 7 to 11 voting board members. This candidate, Edgar Watson, was a candidate for the MCC Board of Trustees last fall, attended several Board meetings, was a former student of MCC, and will do a great job.
- I. Architectural Services Recommendation – Downtown Campus – *Dr. Selmon*
P. 59 & 60 outlines the history of the interview process. C2AE has a strong team and experience with major readaptive use projects. They worked on the Grand Rapids Applied Tech Center, did MTEC work for Kellogg Community College, and have historic preservation expertise.
- J. APS Compensation Evaluation and Recommendation – *Kristine Anderson*
 - Kristine Anderson took a deeper look at APS wages, which have been under review for the past three years. A comparison of the Group II community colleges was completed, as well as our geographic community colleges (GRCC and West Shore); data was collected from throughout the community by the Employers Association; and national community college data was collected. Comparing this data and the detailed information previously presented to the Board, APS wages are low and Kristine recommends several phases to get them up to the average salary of MCC's counterparts across the community and state. This would be a first, good solid step to move the leadership team in the right direction in comparison to other leadership teams.
 - There are a handful of people for whom this would take them to the bottom of the scale and then there's a small increase across the board.
 - For illustrative purposes, the top of MCC's scale for Administrative I is 63% below the mean of every other college within our category. Administrative II is a new category/level that was added.

K. Resolution Authorizing EDA Grant Application Submission – *Teresa Sturrs*

The new phase for the EDA grant is due March 12th and MCC needs a resolution passed to include with the application for the MCC Downtown Center. The EDA encouraged MCC to apply for a \$3M request, which MCC would match with \$3M (provided by the millage for downtown).

L. George Erickcek, Senior Economist, Upjohn Institute Presentation

George Erickcek presented his economic forecast for Muskegon.

M. Health Center Presentation – *Dr. Selmon*

- Dr. Selmon gave a PowerPoint presentation with preliminary architectural drawing options for the new MCC Fitness Center.
- The Board questioned how the increased maintenance, etc. will be covered. Dr. Selmon explained that within the budget presented for the health center there are operational staff who work for the company managing the fitness center (front desk and operations support, managers, housekeeping, sales staff, etc. totaling approximately 14 positions.
- Years 0-2 show a net operating loss of \$600k, the Board asked about the strategy to cover the loss until the center is profitable. Dr. Nesbary explained this is a very conservative estimate that assumes no enrollment growth. The experience of similar colleges has been that they have significant enrollment growth. As we get closer to that time, we will have more realistic numbers showing how we will increase enrollment to cover that.
- A pool is in the preliminary drawings but could be pulled out. The Health Care Committee wanted the pool priced, as they believe membership could be affected by not having a pool.
- The Board will need an updated cash flow analysis of the operating proforma and construction costs; they want to know how the Capital Improvement in excess of the bond millage will be financed, as well as when a positive cash flow is expected. This will assist the Board in understanding and being comfortable with the proforma and the risk, if they were to approve capital expenditures greater than the bond issue.

9. Board of Trustees Policy Manual Updates – *Dr. Crandall & Dr. Nesbary*

A. Request to Approve the Non-Discrimination and Sexual Misconduct Policy – *Kristine Anderson*

This is in response to changes to the Cleary Act and Title IX.

10. Announcements

- A. President's Report – *President Nesbary*
- B. Departmental Updates – *President Nesbary*
- C. Board Comments

With no further business, the meeting adjourned at 5:31 p.m.

Minutes submitted by Secretary, Nancy Frye.

/csd