



Muskegon Community College

BOARD OF TRUSTEES BOARD STUDY SESSION MINUTES June 16, 2014 – 4:00 p.m.

Room 1100 – Stevenson Center Lecture Hall

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

Chair Crandall called the meeting to order at 4:04 p.m.

1. Agenda

The Board will go into closed session following this meeting to discuss property acquisition.

2. Minutes

- Open Finance Committee Minutes – May 19, 2014 – There were no changes to the minutes.
- Board Study Session Minutes – May 19, 2014 – There were no changes to the minutes.
- Board Closed Session Minutes – May 19, 2014 – There were no changes to the minutes.
- Board Meeting Minutes – May 21, 2014 - Item 4. B. 1. first bullet: Trustee Lester moved approval of the consent agenda . . . will be moved to appear directly under item 4, Consent Agenda.
- Board Closed Session Minutes – May 21, 2014 will be reviewed for approval at Wednesday's Board meeting.

3. Public Comments – There were no public comments.

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

A. Budget/Finance

1. Finance Committee Report – *Trustee Lester*

2. Treasurer and Financial Reports – *Trustee Lester*

- The cash balance is quite high due to property tax money received in May, some of which was invested – \$4M in CDARS and a \$250k CD at Flagstar Bank.
- Staffing tables were requested and will be available Wednesday.
- Beth Dick distributed and summarized the proposed budget changes and a detailed discussion followed. Last month, several scenarios were presented and the budget presented uses one of those scenarios. Page 8 of the document reflects the actual budget with proposed tuition rates listed on top and presents a balanced operating millage budget. The capital is a separate column since it has its own revenue source (the voter approved capital millage). The primary change from last month was assuming a 5% decrease from this year's actual for all semesters and a 5% decrease in this summer's enrollment. Actual summer enrollment was 11% under budget and tuition assumptions were modified to reflect this. Enrollment projections for next year's budget were

reduced 7.6% from the current year's budget. Tuition and fees were also reduced from what was presented last month. These adjustments led to other modifications in some expense areas to offset the revenue reductions. One position was removed (it was hoped would be filled) and some other line items were modified to balance the budget. Assumptions in appendix i. are primarily the same as presented last month.

- Once fall 2014 enrollment is official at census date, if the budget is significantly less, adjustments will be brought forward to make additional expenditure reductions offsetting enrollment shortages. 14 positions will be left vacant until after census date, to see where the budget stands. Current enrollment is up 2% from last year and above the projected budget.
- The board questioned how Governor Snyder's \$6.8M that did not get approved for MPERS will affect the budget and Beth indicated we have budgeted the new higher rates into the budget and expect to be okay.

B. Personnel

I. Personnel Committee Report – *Trustee Mullally*

- The bulk of today's meeting was spent discussing the president's contract – possible language changes; compensation level and recommendations will be made to the board.
- The Personnel Committee and the president have identified four areas in the current contract needing attention: 1) How long the president may be on a medical leave. The language is very convoluted; recommended ambiguous language be cleaned up by the college attorney; 2) The term – currently a rolling contract that automatically rolls into the next year if no action is taken. The president would like a term of years; a 3-year term was recommended; 3) Should the contract continue to be at will? 4) Compensation – President Nesbary is beginning year six at MCC and has received one raise (he chose not to take pay raises over the past 5 years). It was recommended he be moved from \$155k to \$169k. It was recommended his annuity be moved from \$4,700 to \$10,000. The terms entered into will last the entire contract unless the Board affirmatively changes it.
- Information presented to the Board in January 2014 included: 1) APS staff base salaries, comparing MCC to Group II institutions of roughly the same size around the state and the same analysis was done for the president's position. The base analysis was done by the MCCA Human Resources Officers Association and used 2013-14 salaries and benefits for the basis of comparison. The President indicated staff pay increases are a priority.
- The recently passed MCC millage and salary increases were discussed. It was noted that the millage funds capital improvements for the college; it doesn't fund any pay increases or operating expenses.
- The Personnel Committee will bring recommendations back to the Board for each of the items discussed. Contract language will be forwarded to MCC's attorney for review and brought back to the Board in July.

5. Administrative Reports

A. Academic Affairs – *Teresa Sturris*

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

- a. Enrollment – Enrollment is up 2% in headcount over the same time last year; credit hours are 1% up in contact hours and 2% up in credit hours.
- b. Student Success Completion Agenda

C. Personnel Report – *Jerry Conrad*

The only change is in the number of faculty and is due to summer adjuncts.

6. Business Non Operational

A. MCCA Report – *Trustee Lester* - nothing to report.

B. Foundation Update – *Vice-Chair Osborn*

- Preliminary results for the Jayhawk Scramble indicate the goal was exceeded by over 12% and nearly \$12,850 was raised for scholarships, an increase of 14% over last year.
- Founder's Day Success Kits were distributed for the September 18th event.
- Vice-Chair Osborn reported the passing of former Chemistry Instructor, Sally Wiersing. Sally indicated she would like people to donate to their favorite charity. It would be wonderful for anyone wishing to recognize Sally, to make a donation to MCC's new Science addition, which would fit wonderfully with what Sally did here at MCC.

7. Old Business

A. Construction Project Committees

a. Steering Committee

- i. Science Center – at the 400 level submittal; design and development documents to be submitted July 11, with the final 500 level submitted August 15; construction bids will go out in early September; construction on the addition should begin in mid-September with completion July 2015. The renovation of STEM center is scheduled to start August 2015 and should wrap up April 2016. A written report will be available for the Board on Wednesday.
- ii. Health Center – the RFP for demographical and architectural analysis is pending, awaiting response. Expect to have something by July 7th to move forward.
- iii. Arts Center – The Arts Committee has documented all the facility needs, completed numerous site visits, and have toured the applied technology building. The group will continue to meet and have additional meetings scheduled.
- iv. Downtown Center – waiting on an offer and then recommendations will be made.

8. New Business

A. Tuition and Fee Increase – *Beth Dick* - there was no further discussion.

B. Course Fee Increases – *Beth Dick*

- Various departments approached finance about course fee increases. The cost of consumable supplies, etc. had not been increased in years in some cases. Input was gathered from Department Chairs for what they believed would be reasonable course fees.

C. Public Hearing and Adoption of Budget – *Beth Dick*

- The public hearing is scheduled for Wednesday.

D. Personnel Adoption – APS Support Staff Wage Rate Table – *Jerry Conrad*

- There were no additional questions.

E. Personnel Adoption – Administrative/Professional/Support Staff Salary Increase – *Jerry Conrad*

- Personnel Committee requested staffing tables to review where ranges are currently and where the proposed increase would place ranges. One employee's salary is out of the range and it was suggested that actions be taken to address this.

- There was a request to remove the word “guarantee” from the 1%, as it is a recommendation from the president, not a guarantee.
- F. Personnel Ratification of Appointments – *Jerry Conrad*
- Department Chairpersons and Coordinator Stipends – Summer Semester 2014
 - Extra-Contractual Assignments-Summer Semester 2014
 - Adjunct Faculty Assignments-Summer Semester 2014
- G. Permission to Appoint Full Time Applied Technology Instructor Electronics – *Jerry Conrad*
- H. Permission to Appoint Full Time Biology Instructor – Life Sciences Department – *Jerry Conrad*
- I. Permission to Appoint Full Time Mathematics Instructor – *Jerry Conrad*
- J. Permission to Appoint Full Time Counseling Faculty – *Jerry Conrad*
- K. Permission to Appoint Full Time Nursing Instructor – *Jerry Conrad*
- L. Permission to Seek Bids on Computer Life Cycle – *Mike Alstrom*
- M. Request for Proposal (RFP) for Campus Security Services – *Dr. Selmon*
- A copy of the RFP will be forwarded to the Board for review per their request.
 - Dr. Selmon reported there were two responses to the golf course RFP, one with a local company and one with a company from Ohio. Those will be reviewed by the Board in July.
 - The bookstore contract was reviewed and is moving toward renewal. A full report will be presented to the Board in July.
- N. Update to Foundation for MCC Bylaws – *Vice-Chair Osborn*
- Some bylaw language was updated, the major change was the change of meetings from every other month to four times a year. The other was a clean-up of language to make it more understandable.
9. Board of Trustees Policy Manual Updates – *Dr. Nesbary*
- A. Amendment to Board Policy 2.04.00
10. Announcements
- A. President’s Report – *President Nesbary*
- A copy of the President’s Report was added to the latest board packet. Another world record was set by MCC’s electric dragster.
- B. Departmental Updates – *President Nesbary*
- C. Board Comments

Trustee Portenga moved going in to closed session to discuss real estate; second. A roll call vote was taken:

Trustee Frye – Yes	Trustee Oakes – Yes
Trustee Lester – Yes	Chair Crandall – Yes
Vice-Chair Osborn – Yes	Trustee Portenga – Yes
Trustee Mullally – Yes	

Trustee Portenga moved going out of closed session; second. A roll call vote was taken:

Trustee Frye – Yes	Trustee Lester – Yes
Chair Crandall – Yes	Vice-Chair Osborn – Yes
Trustee Portenga – Yes	Trustee Mullally – Yes

Trustee Oakes was absent for this vote as she had to leave to attend another board meeting.

Trustee Mullally moved going into closed session for contract discussion; second.

A roll call vote was taken:

Trustee Frye – Yes

Chair Crandall – Yes

Trustee Portenga – Yes

Trustee Lester – Yes

Vice-Chair Osborn – Yes

Trustee Mullally – Yes

Trustee Mullally moved going out of closed session; second. A roll call vote was taken:

Trustee Frye – Yes

Chair Crandall – Yes

Trustee Portenga – Yes

Trustee Lester – Yes

Vice-Chair Osborn – Yes

Trustee Mullally – Yes

With no further business, the meeting was adjourned at 6:16 p.m.

Minutes submitted by Secretary, Nancy Frye.

/csd