



Muskegon Community College

BOARD OF TRUSTEES BOARD STUDY SESSION MINUTES September 15, 2014 – 4:00 p.m. Room 1100 – Stevenson Center Lecture Hall

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

Absent: Chair Crandall and Trustee Lester

Vice Chair Osborn called the meeting to order at 4:00 p.m. and noted that item 8. D. was added to the agenda, which shifted and changed the numbering for everything that follows.

1. Agenda

There were no additional changes to the agenda.

2. Minutes

- Board Study Session Minutes – August 18, 2014

There were no changes to the study session minutes.

- Board Closed Session Minutes – August 18, 2014

The closed session minutes were distributed for review.

- Board Meeting Minutes – August 20, 2014

There were no changes to the Board meeting minutes.

3. Public Comments

Public comments will be taken at the board meeting on Wednesday.

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

A. Budget/Finance

I. Finance Committee Report – *Trustee Oakes*

- Page 14 List of Investments – bond funds will be left in a money market until it is determined how these funds will be handled.
- One CD matured and was reinvested and another maturing on September 18th will be rolled over.
- Page 17, Narrative – Statement of Revenues & Expenditures, at the bottom of the page enrollment is reflected at 98%; current enrollment is slightly lower at 96% with a decrease in expenditures to offset the decrease.
- Page 22-23 – Statement of Revenues & Expenditures – Beth Dick highlighted a few items: looking at the Fiscal Year End, page 22, Statement of Revenues and Expenses – the 2nd column from the left is where we stood when the report was run. Additional revenues and expenses have come in since that time, which basically netted out to \$0. The fifth column from the left is the July projection, which reflects ending the Fiscal Year with a surplus of just under \$200k on an all funds basis. This could change slightly following the

auditors review next week, but isn't expected to change significantly. Beth explained the difference compared to the July projected deficit. Two of the larger reasons are: 1) Salaries and Wages – MCC received a \$169k federal reimbursement for Federal Work study dollars, which wasn't in the previous projection; 2) Fringe benefits-medical costs were budgeted at a 12% increase, but came in lower than the prior year netting a savings of \$500k. Additionally, departments made reductions and came in under those projections. The Board thanked everyone who contributed for their extra efforts in turning a projected deficit into a surplus.

2. Treasurer and Financial Reports – *Trustee Oakes*

B. Personnel

1. Personnel Committee Report – *Trustee Mullally*

- The Personnel Committee met today and discussed a revised APS salary analysis from Administration, which will be added to the Board portal for review and discussed by the Board in October.
- Benefits information will also be placed on the portal for the Board's review.

5. Administrative Reports

A. Academic Affairs – *Teresa Sturris*

- Dave Stradal gave a presentation on entrepreneurship and discussed a program he initiated with the Career Tech Center. Because of the program's success, Dave wrote an article that was published by the National Association of Community Colleges for Entrepreneurship and was invited to present at their convention in October in Phoenix. He will bring the software vendor, two Career Tech Center teachers and a student to the conference. They will discuss the program with community colleges around the country, and how MCC is building a pipeline to all of the community colleges. He also discussed how the entrepreneurial program will be expanded upon in the coming year. The Board congratulated Dave on his accomplishments.

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

a. Enrollment

- The final report was prepared on Friday for our census date. Headcount is currently at 97% of goal and contact hours are at 96% of goal.
- Positive trends – new students were budgeted at 2% over the same time period last year and ended up 9% over what was budgeted.
- There are 345 Early College students, which is great for a program that didn't exist three years ago; Dual enrollment was projected to decrease, but has actually increased to over 300 students.
- MCC's market conversion rate for new high school seniors is 25% and dual enrolled students have a 33% conversion rate, up 11% from last year.

b. Student Success Completion Agenda

Information will be added to the portal.

C. Personnel Report – *Kristine Anderson*

- Kristine noted the December retirement of Dale DeVries on page 28.

6. Business Non Operational

A. MCCA Report – *Trustee Oakes*

Dr. Nesbary and Trustee Oakes will be attending the MCCA Fall meeting in October at Mid-Michigan Community College in Mt. Pleasant.

B. Foundation Update – *Vice-Chair Osborn*

- There was a quarterly Foundation meeting on August 28th, with emphasis and focus on Founder's Day. Meeting minutes will be forwarded to the Board when available. A preview of some of the top auction items is available on MCC's website.
- The next quarterly meeting is scheduled for November. The Foundation continues to seek Board members.
- Related to the grant program, the Foundation is seeking proposals for the Special Needs Fund, which is a fund that would provide faculty and staff with proposals for equipment, supplies, or whatever help is needed for their programs. They are looking at the Entrepreneurial Program as one of the first programs and are off to a great start.

7. Old Business

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

a. Steering Committee

- i. Science Center
- ii. Health Center
- iii. Arts Center
- iv. Downtown Center

- The document included in the board report is out dated. Additions include:
 - 500 level submittal final documents were submitted to the state Thursday.
 - An open house for local construction companies was held last Friday, with 24 attendees, and the bid process was presented. Bids are now being sought for some preliminary work related to concrete, steel, cement, etc.
 - The Chronicle Building due diligence will be completed over the allotted 45 day period. A walk through inspection is scheduled for tomorrow. Friday there will be a walk through for Department Chairs and faculty.
- As a result of heavy downpours, there was a flood on MCC's third floor last week. Six classrooms were impacted, causing several thousand dollars' worth of damage. A risk management report has been filed. Clean up and repair is anticipated to take two months to address with blown out walls, mold and some asbestos.

B. Policy Governance – *Chair Crandall*

The Board continues to study their policy governance materials and is looking at scheduling a retreat in November or December, after the trustee election. They will work with a facilitator to develop next steps, review policies, etc.

8. New Business

A. Request for Approval Department Chairperson/ Coordinator Stipends 2014 Fall Semester – *Kristine Anderson*

Information and a listing is included in the Board packet.

- B. Permission to Appointment Adjunct Instructors 2014 Fall Semester – *Kristine Anderson*
Information is included in the Board packet.
- C. Sole Source Purchase Request for the Purchase of Lincoln Electric Company
VRTEX 360 Refurbished Virtual Reality Arc Welding Training Solution – *Teresa Sturuss*
Mike Lorey, Welding Instructor, discussed this opportunity. Mike stated it's a nicely integrated system for traditional training, as well as computer based training. Studies indicate students who train this way end up further ahead than others and achieve better testing results. Only six are being sold throughout the country, and one is being offered to MCC at half the cost of brand new.
- D. Sole Source Purchase Request for the Purchase of Collision Repair Equipment
Custom Educational Version Blowtherm Ultra 3000 Paint Booth, Garmat Fan System, Air Dry Blower System, 2 - Dupont X-Pert Downdraft Prep Stations
- This equipment is currently located at the Dupont Training Center for Automotive Paint Refinishing near Novi, which has gone through a restructuring and is shutting down their shop. It is \$260,000 worth of top of the line equipment, with fully featured educational components, structured and designed for education. A group of students attended a large show at Cobo Hall in Detroit and met some of the people from Dupont and the relationship grew. They stated they would love to see the equipment go to MCC. Dupont is looking to recover their cost to recondition the building, once the components are removed, to the condition it was prior to the paint shop. MCC will also receive a lot of ancillary materials and supplies with the purchase. President Nesbary added that ADAC Automotive in Muskegon has similar equipment and this equipment does not exist at any other college in the area.
 - Al Thomas has been at MCC 8-9 years as a full time instructor and many people have asked for a collision program; there is a lot of opportunity. The nearest collision repair is at the community college in Lansing. There have also been numerous requests from the Career Tech Center; locally they all teach auto body and want a solution for their students to stay local and continue training at the community college. After numerous requests, Teresa Sturuss and Al worked together with the local CTC and started an auto body program, which is almost through a full cycle, with the first year completed. Now MCC will be able to permanently add an auto body program to the catalog.
 - The Board asked where the equipment would be located. Al indicated Automotive is moving to the Art building and if the sheet metal area becomes available and the storage area next to the maintenance building that currently stores stuff not actively used to support instruction – those areas would fit the equipment nicely.
- E. Fund Balance Transfers – *Beth Dick*
It was the recommendation of an outside consultant, a little over a year ago, that these funds balances, some of which have been sitting for a number of years and are really General Fund money, be transferred back to the General Fund. The auditors have been contacted and are not opposed. This would increase the General Fund balance by over \$2.7M, which is also better from a bond rating perspective.
- F. Public Hearing and Approval of Debt Millage Rate *at Wednesday, September 17 Board Meeting* – *Beth Dick*
Beth summarized the reasons for this request.
- G. Security Services Contract Recommendation – *Dr. John Selmon*
There were five companies interviewed and Dr. Selmon summarized the selection process.

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

There were no updates.

10. Announcements

➤ [MCC Founder's Day – September 18, 2014, 6:00 – 8:30 p.m. @ The Lake House details at \[www.muskegoncc.edu\]\(http://www.muskegoncc.edu\) \(tickets at the advance rate of \\$19.26 available in room 400 through 3pm Friday, September 12\)](#)

A. President's Report – *President Nesbary*

- President Nesbary highlighted a meeting he and VP Sturru had with Carla Roberts, President of the Fremont Community Foundation. This organization is also focusing on student success and on increasing the education attainment of their residents.
- Mike Alstrom introduced his colleagues from ellucian – General Manager David Buck; Regional VP Glen Trammel, and Sr. VP Bill Young.

B. Departmental Updates – *President Nesbary*

- Monday, September 22nd, MCC will host College Night. There were 48 colleges and universities in attendance last year, along with several hundred parents and students; this year 56 colleges and universities are scheduled to attend.

C. Board Comments

- The October Finance Committee and Board Study Session will be held in Room 400z.

With no further business the meeting was adjourned at 4:58 p.m.

Minutes submitted by Secretary Frye.

/csd