

LANSING COMMUNITY COLLEGE
BOARD OF TRUSTEES
April 19, 2010

Regular Meeting
Adopted Meeting Minutes

Call to Order

The meeting was called to order at 6:30 p.m.

Roll Call

Present: Meyer, Proctor, Smith, Woods, Canja
Absent: Hollister, Rasmusson

Trustee Woods attended by telephone.

Pledge of Allegiance

Trustee Meyer led the Pledge of Allegiance.

Approval of Minutes

IT WAS MOVED by Trustee Smith and supported by Trustee Meyer that the minutes of the March 15, 2010 Regular Board of Trustees meeting be adopted.

Roll call vote:

Ayes: Meyer, Proctor, Smith, Woods, Canja
Nays: None
Absent: Hollister, Rasmusson

The motion carried.

Additions/Deletions to the Agenda

The following additions and deletions were made to the agenda:

- Dr. Knight requested that the presentation of the FY 2011 budget be included for the record.
- Dr. Knight requested the removal of the following items:
 1. Office of Finance and Administration Restructure under the Consent Agenda.

2. Boarshead Theater presentation and partnership under Action Items.

Limited Public Comment Regarding Agenda Items

Cindy Storie: Good evening Board of Trustees members and Dr. Knight. I am speaking on behalf of the LCC Labor Coalition. I am speaking before you today regarding the Administration's proposed FY 2011 Budget, specifically two items. The FY 2011 budget packet indicates that the Health Care Task Force engaged a firm to analyze alternatives in structure and costs including assistance with the preparation analysis of a RFP. The document shows a projected \$1 million in savings. Sixteen proposals were received and not one indicates a \$1 million dollar savings. The firm hired to work with the college has made suggestions that would shift the burden of rising health care costs to the employees rather than the college. Furthermore, we have not interviewed, negotiated, or made a recommendation to our members at this time. All of this needs to be done before this is brought to the Board for approval. We believe this statement in the proposed budget is a violation of the trust with which the employees participating on the Health Care Task Force serve. It indicates that the College has no intention to bargain in good faith over employee benefits. Additionally, the vendor working with the Health Care Task Force provided the college with comparatives to other organizations in Lansing, and when pressed to provide comparison to other community colleges, it demonstrated that our employee benefits are in the median for all colleges. Secondly, the FY 2011 proposed budget shows a wage freeze. There are five collective bargaining units negotiating at this time. Again, this proposal to the Board is premature. In 2001 the collective bargaining units were instrumental in helping LCC to obtain a millage increase. One of the components of the millage was to ensure pay equity for staff, faculty and benefits. This 2011 proposed budget will ensure that LCC faculty and staff carry the burden of college costs while the administration continues with new initiatives instead of addressing the core problem. In the meantime, the administration has expanded by adding an additional layer of executives while laying off and leaving positions vacant, so that the lag hire funds can be spent on other college initiatives. Employees are working hard to cover for the vacant positions and see no relief in sight.

Alex Azima: I am Alex Azima from the Science Department. Good evening President Knight, Chair Canja and Board Members. I wanted to express my concern about numerous closed sessions. Particularly ones aimed at collective bargaining issues. It seems to me as a public organization and keeping with our Open Meetings Act, in the spirit of collaboration it seems more appropriate to have a more open system. On the outside looking, in it feels like you are going into closed sessions to strategize against us. I don't think that is what you mean to do, but that is the perception of it. In a delightful conversation with President Knight at faculty day, we talked about the value of openness, the value of discussion and the value of reason. My own Dean, Dr. Nealon, always talks about the culture of evidence. I think if we were confronted with evidence, everybody would be willing to sit around the table and have a discussion. I

don't think there is a need to hide our strategies from each other. I know this sounds naive and takes bold action. I mentioned to the President that he is in a unique position to make a difference in the way negotiations are held, discussions are held and how things are made transparent and more open. The President indicated in a discussion that the Union wants to have a weak President. I don't think so. I thought about this a lot actually. Take Richard Nixon for example that went to China. It took a bold action of a person like that. It takes a strong personality to be able to pull off those unusual kinds of things. I guess I'm still hopeful that the Board and the President would be willing to proceed in a more open fashion. Put the data on the table so we can all see what we are talking about. If there are issues that the Board is concerned about, I am sure the Union will be concerned. We can resolve those issues together. Why can't we do joint problem solving. I just would like you to consider this please as we move forward.

Jack Davis: Hello, my name is Jack Davis. I come here on the BoarsHead item which was removed from the agenda. I never know actually when I can come to one of your meetings. George Orban is here from BoarsHead and he has prepared a very nice presentation that I am sure will be at another meeting. I just wanted to take this opportunity to thank you for the consideration of the Boarshead Theater collaboration. I have been on the Boarshead Theater board for 35 years. It has been a wonderful experience and I know that the expertise and professionalism that can be brought to LCC will create exceptional productions. I've been to your productions. I've been to two this winter and they were excellent. I just think that the collaboration will add so much to an excellent theater scene in the Lansing region. So I am encouraging your vote for that collaboration. Thank you.

George Orban: Hello, I'm George Orban the highly compensated Interim Director of the Boarshead Theater. First, I want to express our appreciation to President Knight, Chair Canja, Stephanie, and Michael Nealon. Very quickly as you consider this item; it is just an extraordinary opportunity here for this partnership between Lansing Community College and the Boarshead Theater. The emphasis is on community. I have been thinking a lot on this and had discussions with a number of people. Not only would you continue to have a professional theater in downtown Lansing, but it would be a tremendous draw and recruitment for your students and has amazing limitless opportunities to serve the community. We can greatly expand our education program. With my many years on the Board, I can assure you our education program is probably more important in the long run than main stage productions. There is a huge amount of education that we can do with your students and continue with our standard as a professionally active theatre. There is just this huge future that we can do to serve our audience, our patrons; but also our community and that is something that I really wanted to emphasize as you consider this.

John Brown: My name is John Brown and I am a student at LCC. We are doing a project on a proposal to limit a tuition increase. The tuition for LCC has a proposed

increase starting at \$4 in the year 2010 and 2011 fall semester. Although tuition at Lansing Community College is definitely cheaper than most other colleges, the tuition increase may still hurt some of the students already struggling to pay. What we came up with was the possibility that there may be a compromise in the increase of the \$4 that the students will be paying. We feel that raising tuition by \$2 and increasing fees for biology, chemistry and other lab classes would be a fair way to keep tuition lower for the majority of the students at LCC. We understand that these are hard economic times and that the schools must do what it has to do in order to provide its students a healthy learning environment. We do not understand why we received new furniture in the school and then are hit with larger tuition. Again we feel that a \$2 increase and increased lab fees will help cover the cost that the school has. If not, using a small portion of the school's reserves is also an option that can be explored as well. We thought this was something that could be taken into consideration.

PRESIDENT'S REPORT

Informational

President Knight gave the following updates:

- Dr. Knight has weekly meetings with staff to discuss Get a Skill, Get a Job and appreciates all the people at LCC who have helped to make this possible.
- The following announcements were made on Get a Skill, Get a Job:
 1. It was put on PR Newswire.
 2. It was also pitched to a dozen national print publications.
 3. Time Magazine did a story and shortly after that Associated Press did a story.
 4. President Knight appeared on Fox Business Channel live and was interviewed by Neil Cavuto.
 5. There were numerous radio interviews, AOL News and coverage in over 300 news outlets including USA Today, CNBC, Boston Herald, and the Los Angeles Times.
 6. In Michigan there were 40 television news stories and coverage in 15 print and on-line newspapers.
 7. On twitter there were 490 tweets.
 8. During the first week of classes, LCC expects to have CNN on campus.
 9. Anderson Cooper 360 is interested in doing a story and ABC news called and may be at LCC that week as well.
 10. A report on the coverage will be put together on the value and the number of individuals who saw the story.
- LCC has been named one of 17 Midwestern community colleges to share \$7.5 million in American Recovery and Reinvestment Act funding to offer health information technology training. The training is part of an effort to move the

nation toward a system of electronic medical records. The Midwestern initiative is being led by Cuyahoga Community College in Cleveland. The award is for year one with potential for additional funds of more than \$7 million in year two.

Informational – GFOA Awards

Mr. Larry Gordier, Immediate Past President of the MI Finance Officers Association, presented the following awards to Lansing Community College:

- Distinguished Budget Presentation Award for the current budget from the GFOA. This award is the highest form of recognition in governmental budgeting and represents significant achievements by LCC.
- Certificate of Achievement for Excellence in Financial Reporting for the comprehensive annual financial report for the FY ended June 30, 2009. This Certificate of Achievement is the highest form of recognition in governmental accounting and financial reporting and its attainment represents a significant accomplishment by a government and its management.

Informational - Monthly Financial Statements

Lisa Webb Sharpe presented the following monthly financial statements:

1. Statement & Summary as of March 31, 2010 includes:
 - a. Operating and Capital Budgets
 - b. Operating Detail Budgets
 - c. Statement of Revenue, Expenses and Changes in Net Assets
 - d. Balance Sheet
 - e. Plant Funds Statement of Resources and Allocations
 - f. Capital Projects Monthly Reporting
2. Miscellaneous
 - a. Vendor Payments > \$10,000 for the month ended March 31, 2010
 - b. LCC Card Vendor Payments > \$10,000 for March 2010
3. Fifth Third Bank Investment Accounts Schedule as of March 31, 2010
4. Board of Trustees detail as of March 31, 2010

Action Items – Consent Agenda

The following items were presented under the consent agenda:

1. Course Fees
2. Revised 2009 – 2014 Campus Master Plan

3. Revised FY 2011 Capital Outlay Project Request
4. Revised Capital Budget for Washington Court Place
5. Approval of Real Property Acquisitions
6. 2010 – 2011 Sabbatical Leave Request
7. Finance
 - a. Invitation for Bids for Aviation Equipment in the amount of \$302,767. The recommendation was to award the bid to Centennial Aircraft Services, Inc.
 - b. Sole Source for Infrastructure Software in the amount of \$538,456.83.
8. Veterans Memorial

The following items were removed from the consent agenda for discussion:

1. Course Fees
2. 2010 – 2011 Sabbatical Leave Request
3. Veterans Memorial

IT WAS MOVED by Trustee Smith and supported by Trustee Meyer to approve the President's consent agenda items after removing Course Fees, Sabbatical Leave Request and Veterans Memorial.

Roll call vote:

Ayes: Meyer, Proctor, Smith, Woods, Canja

Nays: None

Absent: Hollister, Rasmusson

The motion carried.

Action Item – Course Fees

Dr. Knight stated that the Administration has been discussing course fees for some time. He stated that when he first came to the college there wasn't a uniformed approach to course fees or the definition of course fees from a budget point of view. He further stated that they have discussed what constitutes a course fee, when do you increase a course fee and what happens to the course fee. Dr. Knight stated that his view on fees is that you charge for the extraordinary expenses of certain courses. He stated that students should pay for those expendables and that all of those monies should cover 100% of the expendable cost and go straight to that course's budget. He further stated that you never use fees as a surrogate for tuition and you don't increase fees as a convenient way to raise revenue. Dr. Knight stated that it is important for LCC in the future to maintain discipline and that the fee increase or decrease is always 100% allocated to the unit and that the college does not use fees as a substitution for tuition.

IT WAS MOVED by Trustee Proctor and supported by Trustee Meyer to approve the course fees.

Trustee Smith stated that one of the challenges she is having is with the course fees for the courses that require labs. She stated that it is her understanding that a portion of the lab fees accounts for the salary of the staff that has to teach the lab. She further stated that she has a full expectation that all course fees would only be related to the material and those things necessary to have a lab. She asked what the costs were within those expenses.

Dr. Shanblatt responded that none of the fees go to faculty. She stated that there are non teaching lab techs in that cost that prepare the material for the lab.

Trustee Smith asked why the student is paying for the individual responsible for putting the lab together when they are already paying for the lab.

Dr. Shanblatt stated that tuition cost pays for their instructor and that the lab has supplies and consumables. She stated that there is the additional cost for someone to prepare the chemicals and set up the labs and they are not the teaching faculty. She further stated that the lab tech only serves in that function and is part of the cost of offering the lab.

Trustee Canja asked if they could have the lab without the support and if the professor is in the lab at all times.

Dr. Shanblatt responded that they could not have a lab without the support and that the instructor is always in the lab with the student.

Trustee Canja stated that she understood the consumables but students have to take the lab as part of the class in order to get full credit for the class. She stated that she did not agree that the lab tech is an expendable and that they should be part of what the tuition would cover and part of putting on the course.

Dr. Knight stated that he had an extended conversation with the Student Leadership group and they were virtually unanimous as a group that a student should pay for what they use.

Dr. Shanblatt stated that others students do not want to subsidize the cost for a science major but because tuition itself does not cover the cost of lab tech, this is what will happen.

Trustee Canja stated that when you spread the risk across a large group of people it makes it affordable for everyone. She stated that because of the LCC's phenomenal reputation in Math and Science, and LCC's future reputation being successfully based

upon these departments, she would like to keep them as affordable, accessible and attractive as possible.

Dr. Knight stated that LCC cannot count on increased revenue from the State of Michigan. He stated that an important ingredient is to ensure that 100% of the fees go into the department, which protects the quality of these courses. He further stated that he wants students to have the best experiences and that labs are ready to go, are appropriate and there are no short cuts for budgetary reasons.

The question was called by Chairperson Canja.

Roll call vote:

Ayes: Meyer, Proctor, Smith, Woods

Nays: Canja

Absent: Hollister, Rasmusson

The motion carried.

Action Item – 2010-2011 Sabbatical Leaves Request

Trustee Proctor stated that he has had conversations with Dr. Knight and Cindy Storie from MAHE regarding the sabbatical leave requests that are before the Board. He stated that he could not recall if LCC has had 13 requests before and that they seemed like a high number, but understands it is permitted by the collective bargaining agreement. He further stated that he understands that both the management side and labor side have an interest in exploring how LCC might improve the process and to assure all who think people are taking advantage for a vacation need, that this isn't what's happening. Trustee Proctor stated that given the economic circumstances facing the college, he raised the question to Dr. Knight and Ms. Storie how LCC might better assess that a sabbatical request is appropriate and compelling.

Trustee Smith stated that sabbaticals come to the Board after the fact and the Board has asked before to receive more information beforehand. She stated that the Board doesn't come into the process until the recommendations for the sabbaticals are given and asked how that process could be changed.

Dr. Knight stated that he supports the concept of sabbaticals and would recommend that the college do so also even if LCC didn't have sabbaticals. He stated that he questions the criteria on how LCC decides and how many to accept. He further stated that although there are other criteria, for him the criterion should be compelling and consistent and something that the college must do. Dr. Knight stated that that the college should move in this direction and draw up documents that give assurance that each and every sabbatical is truly compelling. He stated that he thinks well of the faculty and their intent with the current sabbaticals and process. He further stated that

he was not finding fault but thinks the college needs to moves toward the concept of compelling and have criteria that makes sure every request is compelling and sets the bar higher in the future.

IT WAS MOVED by Trustee Proctor and supported by Trustee Smith to approve the 13 sabbatical leave requests.

Roll call vote:

Ayes: Meyer, Proctor, Smith, Woods, Canja

Nays: None

Absent: Hollister, Rasmusson

The motion carried.

Action Item – Veterans Memorial

Trustee Meyer presented the Veterans Memorial tribute that had been completed by the committee. He stated that it was a moving and befitting memorial that was very well done.

Trustee Meyer stated that the tribute is interactive and will be located in the HHPS.

IT WAS MOVED by Trustee Smith and supported by Trustee Meyer to approve the Veterans Memorial.

Roll call vote:

Ayes: Meyer, Proctor, Smith, Woods, Canja

Nays: None

Absent: Hollister, Rasmusson

The motion carried.

Chairman, Committee and Board Member Reports

Chairperson's Report – Information and Announcements

Trustee Canja provided the following information:

- She attended the Economic Club Lunch where Phil Powers, of the Center of Michigan, was the speaker.
- She heard from a statewide group of Business Leaders that have a 10 point plan to revitalize the Michigan economy. They discussed how structural changes need to take place in order to move Michigan in the right direction. Both focus heavily on higher education and increasing the education level of the

communities and the surrounding areas as being one of the major keys to the redevelopment of our economy and boosting Michigan forward.

- She attended the Faith Based Initiative Breakfast. LCC has a faith-based and community outreach initiative. The idea is to train different people in different community institutions to be a point of contact for potential students and a basis of support for potential students. LCC is reaching out to different community organizations to train people in these entities to provide the kind of support and outreach that can better serve students who come in contact with them. For people who are thinking of coming back to college, LCC would like the people in those institutions to be able to give them important information. Several faith-based organizations have pledged to send their people to LCC be trained at.

Committee Reports – Audit Committee Report

Trustee Meyer provided the following Audit Committee Report:

- The Audit Committee met on April 5, 2010 and looked at risk to the college concerning internal controls involving student financial aid.
- The internal auditors (BKD) provided recommendations and LCC management has responded to them.
- The Audit Committee will have BKD's full report in 6-months time.

Committee Reports – Foundation Board Report

Trustee Smith provided the following Foundation Board Report:

- The Foundation Board met on March 18, 2010.
- Foundation discussed the Promise Zone fundraising initiative. Promise Zone, like the Kalamazoo Promise, will raise community financial support to fund Lansing school district students with scholarships to LCC and MSU. Fundraising for this will begin in the next few months.
- The Foundation looked at the revision of Bylaws and a new policy manual is under review.
- Finance Committee presented its Endowment Scholarship Fund Allocations report. Foundation discussed was how they can continue to get alumni support quickly so new alumni can begin to look at giving to the institution. The Foundation would like new alumni to consider setting up endowments for the college. An additional approximated \$350,000 will be awarded to students from the annually funded scholarships through the Foundation.
- The Foundation is participating in a race event hosted by Champions for Charity, called Heart of a Spartan Race. All local non-profits can join this day to raise money for their cause. The Foundation's event with this is called "Run/Walk for Education". The Foundation asking any runner, walker, stroller to take part in this and raise money from donations for student scholarships.

- Alumni Association Committee selected the 2010 Distinguished Alumni. This year the award goes to Mary Roszel, co-founder of Biggby Coffee
- The Foundation formed a new committee, the Planning Giving Committee, that will kick off in June. This committee will raise awareness on estate planning ideas to help the Foundation in the future by individuals noting LCC in their wills.
- "GoodSearch" is a non-profit search engine site that will be implemented across campus. People, who use this site instead of other search engine sites like Google, will be supporting the LCC Foundation. For every search conducted, the Foundation will receive 2¢ if the person notes they want to support the LCC Foundation. Over 89,000 non-profits are using this as a way to support their mission. It is supported by Yahoo, so the search abilities are strong.

Committee Reports – Workforce Development Board Report

Trustee Proctor presented the following report:

- LCC and CAMW are collaborating on a grant request in the amount of \$1 million to \$3 million dollars for funding a community based job training program.
- Engage, a social networking company, has chosen to locate in Michigan. Their location to Michigan will bring lots of jobs.

Public Comment

Ed Bryant: I'm Ed Bryant, one of the chemistry teachers here at LCC. April 28th is Workers Memorial Day. Let's remember all the workers who have lost their lives on the job. There is at least one worker here who has lost her life on the job. We also want to consider the coal miners who have lost their lives and other who have lost their lives in the service of labor in this country. There will be a celebration in the Lansing Area on April 28th for Workers Memorial Day.

Cindy Storie: Cindy Storie, President of MAHE. On behalf of the faculty I want to thank the Board for recognizing the importance of addressing the course fee structure. I think this will support our programs. Also, I wanted to thank you for addressing the sabbaticals and the value that it brings in academic rigor and improvement in innovation in our programs. This brings something to the college, as well as to the individual faculty member. Thank you very much.

Trustee Smith: With regards to the Hope Scholars, a lot of students are choosing to go to other colleges. I have been encouraging students to recognize that they can utilize their Hope Scholarship during the summers. We have a lot of students that need to have that re-education that even if they don't choose to come to LCC for their first 2 years, they can come during their summers to use those dollars during that time. I

think if LCC begins to clarify this option in a greater way, it will have a larger impact in the way in which students use their Hope Scholarship.

Adjournment

IT WAS MOVED by Trustee Proctor and supported by Trustee Woods that the meeting adjourn.

Ayes: Meyer, Proctor, Smith, Woods, Canja

Nays: None

Absent: Hollister, Rasmusson

The motion carried.

The meeting adjourned at 7:51 p.m.