The meeting took place in the Houghton Room, Harrison Campus.

Present: Douglas A. Jacobson, Board Chair; Richard S. Allen, Jr., Secretary; Thomas W. Metzger, Treasurer; Carolyn C. Bay, Trustee; Terry Petrongelli, Trustee; Christine M. Hammond, Ph.D., President; Lillian K. Frick, Vice President of Finance and Administrative Services; L. Scott Govitz, Executive Director of Economic and Workforce Development; Gail Nunamaker, Executive Director of Human Resources; Kim Barnes, Executive Dean of Student & Academic Support Services; Tonya Clayton, Exec. Asst. to the President/Trustees; Bud Kanyo, Faculty Senate President;

Absent: Betty M. Mussell, Vice Chair; Eric T. Kreckman, Trustee; Michael W. Jankoviak, Ph.D., Vice President of Academic Services; Matt Miller, Ed.D., Vice President Student & Community Relations; Anthony Freds, Chief Information and Organizational Development Officer; Char Keel, ESPA President;

Guests: Dorothy Boge, Logan Suttmann, Chris Stanton, and Kathy Gordon

**Agenda Item I: CALL TO ORDER**

The Board Chair called the meeting to order at 7:07 p.m.

Bud Kanyo informed the Board there is a noticeable increase of international students in one of his course sections. These students are engaged and active much more so that in the past.

The Board Chair feels the engagement is a reflection on faculty and staff and their enthusiasm with international students.

**Agenda Item II: APPROVAL OF AGENDA**

The Board Chair stated the following changes to the agenda:

- New Business will begin with Self-Funding for Health Insurance
- Add Item V-H - Administrative Salary Proposal
- Add Item V-I – Nursing License Review Purchase
- Add Item VI-B-3 – Executive Session for Property Discussion

With no further comments regarding the revised agenda, the Board Chair stated that the revised agenda stands as approved.

**Agenda Item III: APPROVAL OF CONSENT ITEMS**

With no changes noted, the Board Chair stated the consent items stand as approved.

**Agenda Item IV-A: PRESIDENT EVALUATION REPORT**

The Board Chair reviewed the President Evaluation Report.

A motion was Bay by Trustee Bay to approve the President Evaluation Report. Seconded by Trustee Metzger. All ayes; motion carried.
Agenda Item V-A: HEALTH INSURANCE SELF-FUNDING PROPOSAL

Vice President Frick informed the Board that the College receives its health care renewal rates each spring. The 2015 rate received in April was a 22.79% increase due to high claim activity in the fourth quarter of the health insurance review period. The College’s contribution to the health care premiums is capped under the state’s Hard Cap provisions. Thus, the bulk of the health insurance premium increase will be borne by the employees. For some employees, the health insurance premium could now result in nearly 20% of their pay.

The College currently has a fully funded health insurance premium. The Health Insurance Task Force, working with Executive Director Nunamaker and Set-Seg representative Logan Suttmann recommended that the College maintain its current coverage through Blue Cross/Blue Shield and add the option of a higher deductible plan at a lower premium cost. Sixty four of one hundred forty employees moved to the higher deductible plan last week.

The dramatic rise in premium costs has led the College’s President and College Council to consider alternative models to reduce the impact on employees.

Logan Suttmann provided a comprehensive overview of the College’s claim history and various approaches to managing premium costs to the Board.

The Board considered the possibility of moving to a self-insured model in order to lower employee premium costs. Under a self-funded model, plan coverage would remain the same but the College would pay directly for all claims and their associated costs. A stop-loss policy would relieve the College of claims above $35,000 per family. A self-funding model would likely reduce employee premium costs but the College would incur additional financial risk. Additional concerns were raised regarding the possibility of exposure to greater litigation if a claim were denied under the stop-loss insurance provisions.

A lengthy discussion took place concerning the pros and cons of self-funding and other aspects of employee health care.

Bud Kanyo stated that the discussions that have taken place with employees, with Logan, and with College Council have been very helpful in understanding this issue.

The Board Chair requested Logan to explore the questions that were asked with Blue Cross Blue Shield and to find out to what extent the College opens itself against the claims of adjudication including how often it happens now. Logan will also provide the ASC contract and policy at a glance to the Board members.

The Board Chair asked Executive Director Nunamaker, Vice President Frick, and President Hammond for their opinion on self-funding. All three felt it was appropriate to move to self-funding to alleviate the cost pressures for employees, but that due diligence in researching self-funding and finding out all liability should be practiced before moving to this model.

The Board directed appropriate administrators to enter into negotiations with Blue Cross Blue Shield for a self-funded plan to gather more information, subject to be reviewed at a future board meeting.

Agenda Item V-B: CORRESPONDENCE AND ANNOUNCEMENTS

President Hammond reviewed the Thank you letter from Richard J. Smith, MMCC Off-Campus Program Coordinator.

President Hammond introduced Christopher Stanton, Veteran Resource Representative. Mr. Stanton is part of the Veterans Initiative that was discussed at the January 2015 meeting. The Michigan Veteran Education Initiative was
launched from a partnership with the Michigan Veterans Affairs Agency and Michigan College Access Network. This program offers educational institutions the opportunity to host a Veteran Resource Representative who will assist veterans with their benefits and connect them with appropriate institutional, local, state and federal resources as they transition from military to college life. Mr. Stanton is sharing his time between MMCC and Kirtland Community College.

Mr. Stanton introduced himself to the Board and explain that being passionate about the job you have is a big deal. He is a veteran and a past MMCC student who moved on to CMU to complete a bachelor’s degree. Mr. Stanton has firsthand knowledge on how hard it is to navigate the various websites and phone numbers that veterans need to access their benefits. He is honored to be helping his fellow veterans and is currently meeting with Veteran’s Affairs personnel in the local counties. Mr. Stanton is also assisting the College in becoming a military-friendly school. This will help in retention and recruiting of local veterans.

Agenda Item V-C: RECORD RETENTION AND DISPOSAL SCHEDULE

Dorothy Boge, Payroll Technician, presented the Record Retention and Disposal Schedule to the Board. The Record Retention and Disposal Schedule represents every department working together to create this document and is needed because Michigan Law (MCL 399.5 and 750.491) requires that all public records be listed on an approved Retention an Disposal schedule that identifies the minimum amount of time the records must be kept to satisfy administrative, legal, fiscal and historical needs. The State of Michigan approved MMCC’s Record Retention and Disposal Schedule on June 2, 2015.

A motion was made by Trustee Pertongelli to approve the Record Retention and Disposal Schedule. Seconded by Trustee Allen. All ayes; motion carried.

Agenda Item V-D: ASSOCIATE RISK MANAGEMENT RENEWAL

Vice President Frick led a discussion concerning the Associated Risk Management, Inc. renewal.

The College has been a member of the Michigan Community Colleges Associated Risk Management, Inc. for many years and Vice President Frick is one of the current Directors. Associate Risk Management, Inc. (ARM) includes casualty, property, automotive and liability insurance for the College. There are many benefits for belonging to this collaborative and it is specifically designed for community colleges. There is a pool of attorneys that are well versed in community colleges. VP Frick reported that ARM is flexible and easy to work with. She also reported that, despite the fact that the College added two new buildings, premiums decreased this year.

The total cost for the renewal is $143,416.00. The renewal will be paid for out of the general fund.

A motion was made by Trustee Metzger to authorize continuation with Associated Risk Management, Inc. unless the College has a reason to withdraw. Seconded by Trustee Allen. All ayes; motion carried.

Agenda Item V-E: ACADEMIC CALENDAR

Board Policy 301.01 Calendar states the Board of Trustees shall approve the academic calendar each fiscal year.

Dean Barnes reviewed the calendar that covers 2015-2019 and stated the College must follow the CMU calendar per the Faculty Senate Contract.

A motion was made by Trustee Bay to approve the Academic Calendar as presented. Seconded by Trustee Allen. All ayes; motion carried.
Agenda Item V-F: RESOLUTION TO CERTIFY MILLAGE LEVY AND BUDGET FOR THE 2016 TAX YEAR

It is recommended the Board approve the resolution as reflected in the packet. A motion was made by Trustee Petrongelli and supported by Trustee Bay to approve both per administration’s recommendation to do so. A roll call vote showed ayes from Trustees Jacobson, Allen, Bay, Metzger, and Petrongelli, with Mussell and Kreckman absent. Resolution and Budget adopted.

A motion was made by Trustee Allen to accept the budget for the 2015-2016 fiscal year. Seconded by Trustee Metzger. No discussion. All ayes; motion carried.

Agenda Item V-G: OIL AND GAS LEASE

The College has had an Oil and Gas Lease on the property in the past. It was not renewed. A new company has approached the College providing a proposed Oil & Gas Lease.

Discussion took place concerning political issues and interest in pursuing an Oil & Gas Lease. The Board is open to exploring a favorable lease. Trustee Metzger voiced hesitation and indicated there needs to be heavy clearance around the grounds that are currently in use at the College.

The Board is not opposed to exploring a favorable lease and directed the President to work with a local attorney to review the lease.

Agenda Item V-H: ADMINISTRATIVE SALARY PROPOSAL

Contracts for the ESPA and Faculty Senate state a 2.5% salary increase for 2015-2016 academic year. There is a request to increase administrator salaries by 2.5% for the 2015-2016 academic year.

A motion was made by Trustee Petrongelli to approve a 2.5% salary increase for administrators for the 2015-2016 academic year. Seconded by Trustee Bay. All ayes; motion carried.

Agenda Item V-I: NURSING LICENSE REVIEW PURCHASE

As stated at the June 2, 2015 Board of Trustees meeting, the nursing students will now complete a three-day Hurst Live Review Course during the final semester for their program in an effort to increase pass rates on the Nursing State Board Test.

The cost for this review was charged to students as part of their course fee. Total cost for the review for all students involved was $22,300. The costs will be paid for out of the nursing instructional expense account.

A motion was made by Trustee Bay to approve the purchase as presented for a cost of $22,300. Seconded by Trustee Metzger. All ayes; motion carried.

Agenda Item VI-A: CALENDAR OF EVENTS

The Board Chair reviewed the calendar of events for upcoming months, an informational item.
Agenda Item VI-B: OTHER BUSINESS

The Board Chair recommended that he remain the appointed MCCA Trustee Director and Trustee Mussell will serve as the Alternate Trustee Director. A motion was presented by Board Chair Jacobson to approve the appointments as stated. Support by Trustee Allen. All ayes; motion carried. Ms. Clayton will report appointments to the MCCA.

The Board Chair stated that the Trustees will move into Executive Session for the purposing of discussing property.

A motion was made by Trustee Pertongelli to adjourn to Executive Session at 9:39 p.m. Supported by Trustee Allen. Roll Call vote showed ayes from Trustee Jacobson, Allen, Metger Bay, and Petrongelli.

The Board returned to regular session at 10:02 p.m.

A motion was made by Trustee Allen to authorize the purchase of residential property for a cost of $110,000. Seconded by Trustee Petrongelli. All ayes; motion carried.

A motion was made by Trustee Allen to authorize the President and appropriate Vice Presidents to explore the potential buyer offer in excess of $4.25 million for the Pickard property. If the buyers are no longer interested, the Saginaw Chippewa Indian Tribe will purchase the property for $4.25 million in cash after the facilities committee reviews the purchase documents. Purchase documents must state that the only college allowed to operate on the property is the Tribal College. Seconded by Trustee Metzger. All ayes; motion carried.

Meeting adjourned at 10:05 p.m.

Recording Secretary,
Tonya Clayton
Exec. Asst. to the President and Board of Trustees

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Douglas A. Jacobson, Board Chair       Richard S. Allen, Jr., Secretary