



OAKLAND
COMMUNITY
COLLEGE

**BOARD OF TRUSTEES
REGULAR MEETING
MINUTES
April 15, 2002
Oakland Community College
2480 Opdyke Road
Bloomfield Hills, MI 48304**

1. GENERAL FUNCTIONS

1.1 Call to Order and Welcome

The meeting was called to order by Chairperson Towar at 7:00 p.m., who welcomed all guests and staff members.

1.2 Attendance

Present

Jeanne Towar, Chairperson
Judith Wiser, Vice Chairperson
Sandra Ritter, Secretary
Pamala Davis, Trustee
Anne Scott, Trustee
Janice Simmons, Trustee
John Wangler, Trustee

1.3 Student Presentation

None

1.4 Review of Minutes

The minutes of the March 18, 2002, meeting were reviewed, and approval was tabled until the May Board meeting.

2. CHANCELLOR'S REPORT

2.1 Chancellor's Comments

- The Chancellor noted that a corrected Progress Report – Construction Projects was set at each Board members place.
- Also, revised personnel recommendations were set at each place.
- An Automation Alley mixer will be held on April 18. Chancellor Thompson noted that all educational providers will be exhibiting, but OCC's exhibit should be the largest.
- The Night Time Fire Academy graduation will be held on April 19 at the Troy Fire Training Facility. The student who received the Clyde Harneck scholarship will be graduating that evening.
- Excellence Day will take place on April 26 at the Northfield Hilton beginning at noon.
- Chairperson Towar will be honored this year at the Creative Arts Center's Second Annual Distinguished Citizen Awards dinner on Tuesday, April 30, and also at the Women's Foundation dinner on May 8.
- OCC will host the annual legislative luncheon at noon on April 30 at Karoub Associates in Lansing.
- The Economic Outlook Luncheon will be held on May 1 at the Northfield Hilton.
- OCC's Commencement ceremony will take place at The Palace of Auburn Hills on Friday, June 7, at 7:00 p.m.
- Three staff reports will be given this evening: Tami Perriello, Managing Director of KPMG Consulting, will report on the findings of the Datatel audit; Al Diebel from Comerica Bank will offer a presentation about refunding long-term debt; and Dan Cherwick, Director of Physical Facilities, will present the new College facilities report.
- The 2002-2003 General Fund Budget will be presented this evening by Vice Chancellor Clarence Brantley, and the Board will be asked to approve it at the May Board of Trustees' meeting.
- Mary Jane Bellaver, President of Phi Theta Kappa at the Highland Lakes Campus, will offer a student update to the Board.
- Chancellor Thompson publicly apologized to members of the AFSCME council for his remarks at the last Board meeting which he noted were "uncalled for and not representative of the people with whom he works."

Debbie Schmidt thanked the Chancellor for his apology.

2.2 Staff Reports

Tami Perriello, Managing Director of KPMG Consulting, reported on the findings, conclusions and recommendations of the audit conducted of the Datatel project. Ms. Perriello noted that she has worked in higher education for 17 years in finance and information technology. She holds a Masters and a Bachelors degree and has been working for KPMG Consulting for 13 years.

Ms. Perriello noted that a number of individuals were interviewed as noted in Appendix A of the *Final Report on Project Review* prepared by KPMG Consulting. They also looked at the project plans, and contacted other community colleges who have installed Datatel software. She noted that none of these colleges tracked costs as thoroughly as OCC. Ms. Perriello noted that the audit did not show anything outside of the norm in regards to time, methodology or cost for a college of this size. She also noted that costs were comparable with other colleges. KPMG Consulting was extremely impressed with what employees knew about the status of the project and the business processes. She reported that KPMG Consulting did not find anything to be of issue.

The Board discussed the results with Ms. Perriello. Chairperson Towar requested a list of implementation dates and a status of the project from the College. She also requested that a monthly status report be included on the regular Board meeting agenda.

Al Diebel of Comerica Securities reported on the refinancing of long-term debt as requested by the Board. Mr. Diebel reviewed the report, *Presentation to Oakland Community College Board of Trustees dated April 15, 2002*, which was previously mailed to all Board members. He summarized that it would not be beneficial to refund the long-term debt at this time. However, he did note that the 71 series bond shows some potential savings, and he recommended that if the College considers preserving cash and financing capital improvement, it would be logical to use the financing costs and fees to help make the 71 series bond cost refunding beneficial. Mr. Diebel also reported that Standard & Poors would be interested in a site visit, and it should be possible to achieve a bond upgrade. The College's bonds are currently at a high quality level.

The Board discussed the report.

Trustee Ritter MOVED to have the administration work with Comerica in examining the feasibility of completing the CREST project and incorporating the \$2 million in outstanding debt and the cost of refunding those bonds.

AYES: Towar, Wiser, Ritter, Davis, Scott, Simmons, Wangler

NAYS: None Motion Carried

tion Carried

Dan Cherwick, Director of Physical Facilities, and Clarence Brantley, Vice Chancellor of Administrative Services, provided an update on closing out the 1995 millage projects. Mr. Cherwick distributed an example of the new Progress Report – Construction Projects which the Board will begin to receive next month. Trustee Simmons noted that it is important to let the taxpayers know how their dollars have been spent. Chancellor Thompson reported that a press release has been developed for immediate release.

2.3 Introduction of New Staff

Chancellor Thompson introduced Andrew Hillberry (DO) Chief Information Officer.

3. COLLEGE RESOURCES

3.1 Personnel Recommendations

Trustee Scott MOVED to approve the Personnel Recommendation as submitted.

AYES: Towar, Wiser, Ritter, Davis, Scott, Simmons, Wangler

NAYS: None Motion Carried

Vice Chairperson Wiser requested that the Board be given the opportunity to meet with high-level people prior to being hired.

The recommendations for the Faculty appointment of Beverly Stanbrough (OR) Educational Counselor; the Classified appointment of Jessica Irwin (AH) Accounting Specialist, Louis Kilbert (HL) Science Paraprofessional and Anya Sanko (AH) EMT/PLS Paraprofessional were approved.

3.2 Business and Finance

3.2.1 Treasurer's Report

The Board reviewed the Treasurer's Report.

3.2.2 General Fund Budget Status Report

The Board reviewed the General Fund Budget Status Report.

3.2.3 Public Hearing: Presentation of the 2002-03 General Fund Budget

Vice Chancellor Clarence Brantley presented the 2002-2003 general fund budget for OCC. He distributed a copy of the report and a corrected page of student credit hour enrollment to the Board.

In his executive overview, he noted that the 2002-2003 budget responds to strategic endpoints developed by the Board of Trustees and meets the Board's commitments expressed in the 2003 millage campaign.

He also noted that the revenue budgets include property taxes, state appropriations, tuition and fees, investment income and miscellaneous revenue.

He reported that the expenditure budgets include expenditures of \$82,966,707 for personnel costs, utilities, staff development new initiatives, operating expenses, total non-personnel operating costs, facility and other projects, technology projects, capital equipment (computers), capital equipment (other) and rolling stock. This also includes a contribution to the fund balance.

Vice Chancellor Brantley reviewed a two-year budget comparison by expenditure category, and proposed a 5.6% increase in the

budget. He also discussed the impact of a tuition increase of 2.8% noting that state appropriations could be negatively impacted if we do not increase tuition.

He also noted that the College will have to reformat its financial statements and incorporate depreciation expenses under the GASB 34 reporting model. The Board will see this new format by November, 2002.

The Board discussed the presentation.

The Board requested that the College look at other ways to save money instead of increasing tuition. Trustees Simmons requested that the College hold focus groups with students to obtain their feedback on tuition increases and also asked every department to look at ways in which they could obtain a cost savings within their own department.

Chairperson Towar requested that the administration report at the May Board of Trustees meeting about three cost-saving options: reduce contingency, reduce travel costs, and other areas as Vice Chancellor Brantley sees fit. She asked that the piece on travel include the percentage that is Board travel and the percentage that is faculty and administration travel. Trustee Wangler also requested that the College consider establishing a 2% departmental decrease across the board.

3.3 College Facilities

CONSENT AGENDA

Items 3.3.1 – 3.3.4 listed below on the Consent Agenda are considered to be routine by the Board and will be enacted by one motion. There will be no separate discussions of these items unless a Board member or the Chancellor so requests, in which event the item will be removed from the general order of business and considered as the last item before Adjournment.

Trustee Simmons **MOVED** to approve items 3.3.1 – 3.3.4 under consent agenda.

AYES: Towar, Wiser, Ritter, Davis, Scott, Simmons, Wangler

NAYS:
otion Carried

None

M

3.3.1 College-Wide Deferred Maintenance Project
Roof Replacement – Building C
Auburn Hills Campus
OCC Project No. PF-AH03-002

The Board granted authority to the George W. Auch Company for the purpose of entering into a construction contract for the following project:

<u>Project Name</u>	<u>Project Cost</u>
Roof Replacement – Building C Auburn Hills Campus OCC Project No. PF-AH03-002	\$329,800

3.3.2 College-Wide Deferred Maintenance Project
Ductwork Cleaning -
Bldgs. D, E, F, FA, G, J, K, L & M
Orchard Ridge Campus
OCC Project No. PF-OR03-004

The Board granted authority to the George W. Auch Company for the purpose of entering into a construction contract for the following project:

<u>Project Name</u>	<u>Project Cost</u>
Ductwork Cleaning Bldgs. D,E,F,FA,G,J,K,L&M Orchard Ridge Campus OCC Project No. PF-OR03-004	\$358,900

3.3.3 College-Wide Deferred Maintenance Project
Ceiling and Lighting Replacement-Bldg. M
Orchard Ridge Campus
OCC Project No. PF-OR03-003

The Board granted authority to the George W. Auch Company for the purpose of entering into a construction contract for the following project:

<u>Project Name</u>	<u>Project Cost</u>
Ceiling and Lighting Replacement Bldg. M Orchard Ridge Campus OCC Project No. PF-OR03-003	\$321,200

- 3.3.4 College-Wide Deferred Maintenance Project
Roof Replacement-Maintenance Building
Royal Oak Campus
OCC Project No. PF-RO03-001

The Board granted authority to the George W. Auch Company for the purpose of entering into a construction contract for the following project:

<u>Project Name</u>	<u>Project Cost</u>
Roof Replacement – Maintenance Building Royal Oak Campus OCC Project No. PF-RO03-001	\$47,000

END OF CONSENT AGENDA

- 3.3.5 Progress Report - Construction Projects

The Board reviewed the Progress Report – Construction Projects.

- 3.4 Contracts and Purchases

CONSENT AGENDA

Items 3.4.1 – 3.4.4 listed below on the Consent Agenda are considered to be routine by the Board and will be enacted by one motion. There will be no separate discussions of these items unless a Board member or the Chancellor so requests, in which event the item will be removed from the general order of business and considered as the last item before Adjournment.

Trustee Wangler MOVED to approve items 3.4.1 – 3.4.4 under consent agenda.

AYES: Towar, Wiser, Ritter, Davis, Scott, Simmons, Wangler

NAYS:
ion Carried

None

Mot

3.4.1 Contract with New Horizons
Workforce Development Services

The Board of Trustees approved a contract with New Horizons, at a cost not to exceed \$41,720 for training and materials delivered through February 15, 2003.

3.4.2 Contract with Society of Automotive Engineers International
Workforce Development Services

The Board of Trustees approved a contract with Society of Automotive Engineers International at a cost not to exceed \$75,000 for automotive training through August 30, 2002.

3.4.3 Contract with Landis Corporation
Workforce Development Services

The Board of Trustees approved a contract with Landis Corporation at a cost not to exceed \$45,000 for training and materials delivered through June 30, 2002.

3.4.4 Contract with Valentine Robotics
Workforce Development Services

The Board of Trustees approved a modification of the contract with Valentine Robotics, for an additional \$40,000 for a total cost not to exceed \$95,950 for robotics training through June 30, 2002.

END OF CONSENT AGENDA

4. ACADEMIC AND STUDENT AFFAIRS

4.1 Academic Senate Reports

Gerry Faye reported that there will be an Academic Senate report at the May Board of Trustees' meeting.

4.2 Student Reports

Mary Jane Bellaver, Phi Theta Kappa President of the Highland Lakes campus, offered a student update to the Board. She noted that an annual international convention was held in Tennessee and a regional convention was held at Schoolcraft College. At each of these conventions, their chapter participated in the hallmark essays and yearbook competition. The chapter is currently preparing for orientation of new members. In 2002-2004, the chapter will be working to conquer cancer in conjunction with the American Cancer Society. Finally, the Orchard Ridge Campus was chosen to host next year's regional convention.

4.3 Academic Initiatives

None

5. OLD BUSINESS

Trustee Davis **MOVED** to bypass the Chancellor's standard evaluation and grant the Chancellor the same percentage that the faculty will receive (3.1%) for the 2002-2003 year.

A roll call vote was taken.

AYES: Towar, Wiser, Ritter, Davis

NAYS: Scott, Simmons,
Wangler Motion Carried

Trustee Ritter **MOVED** to establish the standards of progress for the upcoming year including, NCA, Datatel, CREST, and giving the Board information regarding Chancellor searches at the College including best practices.

A roll call vote was taken.

AYES: Towar, Wiser, Ritter, Davis, Wangler

NAYS: Scott, Simmons Motion Carried

Trustee Ritter also requested that an exit report be conducted when the Chancellor leaves and further, he is to report on the standards of progress each month.

Chairperson Towar suggested that the Board wait to hold a meeting regarding the search process until after the election. The Chancellor will supply the Board with information about the consultants the Board might want to consider prior to the May Board of Trustees' meeting.

Vice Chairperson Wisner requested that arrangements be made for a swearing in ceremony for the Trustees that win the election. Chancellor Thompson noted that the practice is to use the regular July meeting to swear in new Trustees and elect officers. A reception will be held immediately following the July Board meeting with punch and cookies.

Trustee Wangler **MOVED** to give Caponigro 30 days notice and have Caponigro make a report at the May Board meeting at which time the Board will decide whether or not to retain Caponigro's services.

AYES: Towar, Wisner, Ritter, Davis, Scott, Simmons, Wangler

NAYS: None **Mo**
tion Carried

Five Board members contributed money to purchase a ticket for the truck raffle for CREST.

6. NEW BUSINESS

None

7. COMMUNITY COMMENTS

7.1 Board Member Reports and Comments

Trustee Scott noted that she and Chancellor Thompson attended the MCCA regional meeting at Kalamazoo Community College. She noted that Governor Engler is restructuring the bill regarding Career Development.

7.2 Labor Organizations and Associations

None

7.3 Public Comments/Petitions

None

8. ADJOURNMENT

Trustee Towar adjourned the meeting at 9:30 p.m.

Respectfully Submitted,

Pamela Kramer

Date

Jeanne Towar, Chairperson

Sandra Ritter, Secretary