CALL TO ORDER – Vice Chair Robert Brick called the meeting to order at 6:30 p.m.

ROLL CALL
Trustees present: Doug Bishop, Robert Brick, Cheryl Gore Follette, Walter “Jay” Hooper, Susan Sheldon
Trustees absent: K. Ross Childs, William Myers
Also present: Ed Bailey, Marguerite Cotto, Nicole Hastings, Paul Heaton, Cathy Jones, Mark Lundmark, Max Lundmark, Craig Mulder, President Timothy J. Nelson, Ty Patterson, Paul Perry, Alycia Rhein, Chris Ruszel, Karen Sabin, Stephen Siciliano, Cheryl Sullivan, Mike Surgalski, John Tanner

APPROVAL OF AGENDA – On a motion by Cheryl Follette, seconded by Doug Bishop, the agenda was approved.

REPORTS
Enrollment Report – Stephen Siciliano reported we are expecting a 6% increase in billing hours and a 7% increase in head count next fall and spring 2010-11. Vice Chair Bob Brick asked if trustees had any questions on the enrollment report. There were none.

Financial Report – There were no questions about the financial report.

Foundation Report – Kathleen Guy reported that we have exceeded goals on the annual fund campaign and that we have begun to regain some of our losses on investments.

Legislative Issues Report – There were no questions on this report.

UPDATES
Board Chair Update – Vice Chair Bob Brick thanked trustees for committing the time and energy to attend the retreat on February 4 and 5. He said that discussion of the NMC Strategic Agenda, review of key program progress including GLMA, Dennos, Water Studies, Viticulture and Renewable Energy, was good to have. Bob encouraged trustees to keep their materials for reference throughout the coming year. He thanked Ty Patterson, Director of Excellence in Tobacco Free Campus Policy, for joining the board for dinner and sharing his experiences. He noted that a budget session will be scheduled for sometime in March.

President’s Update – President Tim Nelson shared that as part of her FY 2010-11 budget recommendations, the Governor proposed a number of reforms to pensions for school employees, which includes a small pension incentive to retire, as well as a number of proposals that would serve both as an immediate disincentive for those eligible to remain employed and as long term methods to reduce the employer costs for retiree pensions and benefits. The proposed timeline in 2010 for those eligible would require retirement during the window of July 1 – August 31. NMC has approximately 60 employees who would be eligible, so this would require succession planning.
Regarding the State of Michigan budget cut, State Budget Director, Gary Olson, said he thinks community colleges will get cut, but not by a lot. The legislature is using $550,000 in Federal funding as part of the budget solution. Senator Bishop will ask that all public employees (including K12, universities and community colleges): 1) take a 5% pay cut for 3 years ($945,000 for NMC); 2) pay 20% of health care premiums ($390,000 for NMC). This is equivalent to a 15.4% reduction in State appropriation. Nelson said that, for budget development purposes, we are planning a 15% cut in State appropriations. The MPSERS rate has increased from under 17% to 19.41%, an increase of $600,000 funded totally by the institution. President Nelson said he would send a copy of his Senate testimony to trustees.

NMC just received a report from the Higher Learning Commission. We are evaluating the report and will share it with the Board after that, with an executive summary. The HLC stated we have complied with all requirements for accreditation purposes.

Regarding the Community College Baccalaureate, President Nelson reported that the floor leader will not put it on the docket at this point. MCCA is still hoping that we’ll get it passed this session, The Governor has said she will sign the bill.

DISCUSSION ITEMS – Budget
Cathy Jones gave a presentation regarding development of the FY11 budget to date and asked for responses to the initial assumptions including
  o an enrollment increase
  o an increase intuition
  o a decrease in property taxes
  o a decrease in state aid
  o an increase in salaries
  o an increase in benefits with some offset through employee contributions
  o a general increase in institutional expenses.
President Nelson stated he is comfortable taking more time to prepare the budget model and waiting to set tuition rates.

Cheryl Follette asked for additional conversation about capping enrollment. President Nelson said we will provide additional demographic data and economic growth projections. He pointed out our 80% efficiency rate and discussed secondary admissions program.

Trustees will be provided with a copy of the presentation for their use.

PUBLIC INPUT – There was no public input.

CONSENT AGENDA – On a motion by Cheryl Follette, seconded by Jay Hooper, the following items were approved: Minutes of the January 25 and February 2, 2010 meetings and February 4-5, 2010 retreat and amended January 15, 2010 closed session minutes; contributions for January 2010; Summary Report for general fund accounts as of January 31, 2010.
ACTION ITEMS

Carpet Replacement – Doug Bishop made a motion, seconded by Susan Sheldon, to authorize the administration to enter into a contractual agreement with Bouma Corporation in the amount of $43,450 (base bid of $39,492 plus a 10% contingency) for the purchase and installation of replacement carpeting in the Hagerty Center to be funded from the FY2010 Plant Fund. Motion carried.

Food Service for T.S. State of Michigan – Cheryl Follette moved to authorize a contract between NMC and ARAMARK for the provision of food services on the T.S. State of Michigan during the May 8 – June 25, 2010 training cruise for an amount not to exceed $60,000. Seconded by Doug Bishop, the motion carried.

Electronic Payment Gateway Services – Doug Bishop made a motion, seconded by Susan Sheldon, to authorize the administration to expend up to $80,500 ($76,665 plus a 5% contingency) for an electronic payment gateway through either CASHNet or TouchNet, to be funded from the FY2010 General Fund. Motion carried.

The meeting adjourned at 7:25 p.m.

Recorded by Karen Sabin

SIGNED

[Signature]
Douglas Bishop, Treasurer

ATTESTED

[Signature]
Robert Brick, Vice Chair