

**Lake Superior State University
Board of Trustees
Minutes of Meeting
Walker Cisler Student and Conference Center
Sault Ste. Marie, Michigan
January 25, 2019**

The Board of Trustees of Lake Superior State University met in regular session beginning at 8:30 a.m. on Friday, January 25, 2019, in the Lake Erie, Michigan and Ontario rooms, of the Walker Cisler Student and Conference Center, Lake Superior State University, Sault Ste. Marie, Michigan. The meeting was pursuant to Section 1.01. of the Bylaws of said Board with notice to the Board pursuant to Section 1.04., and public notice pursuant to Section 1.05. of the Bylaws.

The section numbers and headings of these minutes correspond to the agenda. A copy of the proposed agenda was distributed to each Trustee at the public session of January 25, 2019. The proposed agenda had been sent pursuant to Section 1.04. of the Bylaws. Copies of all such material are contained as appendices to these minutes.

At the call to order, there were several members in the audience and one member of the press.

I. Roll Call

Chair Rodney M. Nelson, called the meeting to order at 8:30 a.m. He asked Ms. Lauren Pierce, Secretary, to call the roll. The following members responded “present”:

Mr. Thomas C. Bailey
Mr. Richard Barch
Mr. Timothy Lukenda
Dr. Mark W. Mercer
Mr. Rodney M. Nelson
Ms. Ann Parker
Mr. Randy Pingatore
Ms. Sandi Frost Steensma
Dr. Rodney S. Hanley, President and ex-officio

Eight Trustees were recorded as present with Trustees Bailey, Barch, Nelson and Frost Steensma present via teleconference. Present for the University were, Mr. Thomas Coates, Director of Foundation; Ms. Mackenzie Edwards, Deputy Title IX Coordinator; Dr. Lynn Gillette, Provost and Vice President for Academic Affairs; Ms. Stacy Post, Director of Admissions; Dr. Chris Smith, Faculty Association

President; Mr. Maurice Walworth, Vice President for Finance and Operations; and Dr. Shelley Wooley, Interim Associate Dean of Student Life.

II. Appointment of New Chair to the Board of Trustees

Mr. Nelson welcomed everyone to the meeting and announced that he would be stepping down as Chair to the Board of Trustees. He commended the Board and University for their hard work and dedication. Mr. Pingatore moved to nominate Ms. Ann Parker as the new Chair to the Board of Trustees, starting immediately, along with Mr. Tim Lukenda as 1st Vice Chair and Mr. Tom Bailey to maintain role as 2nd Vice Chair; supported by Dr. Mercer. The motion carried with unanimous voice vote.

III. Approval of the Agenda for January 25, 2019

Mr. Bailey moved for Board approval to amend the agenda for January 25, 2019; for removal under VIII. Finance Committee, item 7. Authorization to Form the LSSU Campus Housing Corporation; supported by Dr. Mercer. The motion carried with unanimous voice vote.

III. Approval of the Minutes for November 9, 2018

Dr. Mercer moved for Board approval of the minutes for November 9, 2018, as presented; supported by Mr. Pingatore. The motion carried with unanimous voice vote.

IV. Addresses to the Board

Ms. Allison Innerebner, a teacher from JKL Bahweting school and a member of the Sault Competitive Aquatics Team (SCAT) presented the Board and President with a thank you card and SCAT photo with appreciation for keeping the LSSU pool open. Ms. Innerebner was “impressed that Lake State held up to the bargain” from the concerns made to the Board in June 2018. Ms. Innerebner reported that students and families were very happy and thankful for the relationship that SCAT and LSSU share. Chair Parker expressed her thanks for the comments and feedback.

V. Chair’s Remarks

Ms. Parker officially welcomed Mr. Tim Lukenda as Lake Superior State University’s newest Trustee. She wished for him to have the same great experiences that she herself has had.

Mr. Lukenda thanked Ms. Parker for the warm welcome and expressed his pleasure to be involved and looking forward to working with the Board.

Ms. Parker mentioned the recent Great Lakes Invitational hockey victory and her enjoyment of the annual banished word list released in early January. The media attention gives the opportunity to spread the Lake State name.

VI. President's Remarks

President Hanley welcomed Ms. Parker in her new position as Chair. He thanked former Chair Rodney Nelson for his guidance and counsel. Dr. Hanley also welcomed Mr. Lukenda to the Board.

Dr. Hanley reported a smooth start to the Spring 19 semester and a lot of snow on the first day. Dr. Hanley expressed his thanks to Steve Gregory, the grounds crew and the student workers for moving the snow all through the day and night.

Congratulations were given to the Laker Hockey team and their #18 National Ranking.

Dr. Hanley also shared a smooth Fall 18 semester end and music to his ears, with reports from the Provost that faculty grades were all submitted on time.

Dr. Hanley prepared the Board and audience to receive several reports and updates today, including;

- The P3 Housing Project – to include two new residence buildings. Many thanks from Dr. Hanley for the Board's deep involvement.
- The CFRE Project is on schedule – thank you to Dr. Ashley Moerke, her team, and Mr. Morrie Walworth for their time and energy on the CFRE project.
- A new program proposal – A grass root initiative driven approach by Lake State faculty – Cannabis Chemistry.
- HLC Updates – A special thank you to all the faculty and staff in every office for putting together the data and information towards completing the “herculean”, yet necessary tasks for HLC.
- Employee Evaluation System Updates – Dr. Hanley has received thoughtful and meaningful feedback.
- New recruitment strategy – numbers are up from last year.
- LSSU was awarded a \$25K grant from the Michigan State Police Campus Sexual Assault Grant.
- Dr. Ashley Moerke submitted a letter of intent to house the National Center of Expertise (NCOE) for Great Lakes Oil Spill Preparedness and Response at Lake Superior State University.
- United Way hosted their annual Giving Thanks Food Distribution in the Bud Cooper Gym at the Norris Center. Over 300 families were served with donated food items.
- Dr. Hanley congratulated Dr. Kimberly Muller on her recent appointment as Dean of LSSU's College of Innovation and Solutions.

- Dr. Hanley had a great time with the annual Banished Words list and participated in several radio interviews.
- JCI updates – the project is well underway, including a new 130-ton air conditioning chiller unit on the roof of the Cisler Center.
- Most recently, a \$100,000.00 grant was received from the Sage Foundation towards the Center for Freshwater Research and Education Center (CFRE).
- Lastly, Dr. Hanley announced a future statue unveiling of Dr. Madan Saluja for his 50-year teaching career. Several LSSU Alums have funded the project.

VII. Report of the Finance Committee

Mr. Walworth provided the Board with a finance dashboard, noting revenue and expenditures on par when compared to this time last year. The spring revenue from tuition and fees are down approximately 2%, however, summer sessions have consistently helped with performance. Mr. Walworth has been working with budget managers in areas (housing, snack-bar galley, catering and Walker Cisler Center) lacking in revenue and performance metrics, and providing detailed automated monthly reports. In Athletics, Men's Basketball has seen good revenue and Women's Volleyball has exceeded their revenue projection. Mr. Walworth mentioned that the LSSU and Foundation cash is comingled in cash funds. The stock market took a downturn at the end of 2018 resulting in some endowment loss. The finance committee is established to discuss and address any concerns. Regardless of the stock market activity, LSSU investments are doing well and performing at top level, allowing for \$1M to be allocated for scholarships. Mr. Bailey advised to keep an eye on the growth and allocation of the endowment. Mr. Walworth will provide more details and an update at the March meeting.

Mr. Walworth shared CFRE activities with the Board. Phase 400 documents were submitted to the state in early January, prior to the January 18 deadline. LSSU received a formal approval on January 14, putting the \$13.2M project 4 days ahead schedule. Mr. Walworth is working with the City of Sault Sainte Marie and expecting to have a completed survey within days from now. The city did receive a \$20M grant to improve the waterfront, which has caused some delay in the CFRE project as the city reassessed the need for the waterfront access. Phase 500 is in process, focusing on the cost of the facility and staying within budget.

Mr. Walworth provided an update on the Johnson Controls Performance Contract, stating the \$24M contract is ahead of schedule. Several upgrades have been completed around campus with a full listing of completed project and current projects provided in Appendices A & B.

Mr. Walworth provided an update on the P3 (Housing Development), stating contracts with RJA (Rieth Jones) and DW (Dickinson-Wright) have been approved and executed. The contract with PFM is on the Board's agenda. LSSU continues to examine a number of financial models, funding sources, and timelines.

Mr. Lukenda moved for Board approval for engagement of PFM as LSSU's financial advisor for the P3 Project as presented in the (Appendix C); supported by Dr. Mercer. The Chair requested a roll call vote. The results of the roll vote were:

Mr. Thomas C. Bailey	"Yes"
Mr. Richard Barch	"Abstain"
Mr. Timothy Lukenda	"Yes"
Dr. Mark W. Mercer	"Yes"
Mr. Rodney M. Nelson	"Yes"
Ms. Ann Parker	"Yes"
Mr. Randy Pingatore	"Yes"
Ms. Sandi Frost Steensma	"Yes"

The motion carried with seven affirmative votes and one abstain from Mr. Barch, who requested clarification on the content of the vote, due to poor phone connection.

Dr. Mercer moved for the Board to review a Pre-Development agreement (PDA) between LSSU and Corvias Development and to authorize execution of a pre-development agreement with respect to the University's housing system P3 program as presented in (Appendix D); supported by Mr. Pingatore. Mr. Lukenda asked for confirmation in the sequence of timing for the project. Mr. Walworth referenced the removed agenda item #7, stating that the intention to form the LSSU Campus Housing Corporation, would include addressing the legal language in the agreement and decisions made by that board. Mr. Pingatore requested the minutes reflect that Dr. Hanley be the President of the new Housing Corporation Board and LSSU board members participate on that new board as well. Mr. Walworth emphasized that the new LSSU Campus Housing Corporation is designed to be separate and distinct from LSSU to reduce risk to the main University. Mr. Walworth offered to have legal counsel in attendance at the March meeting for further discussion.

The Chair requested a roll call vote for item #6 and revisit of item #7 in March. The results of the roll call vote were:

Mr. Thomas C. Bailey	"Yes"
Mr. Richard Barch	"Yes"
Mr. Timothy Lukenda	"Yes"
Dr. Mark W. Mercer	"Yes"
Mr. Rodney M. Nelson	"Yes"
Ms. Ann Parker	"Yes"
Mr. Randy Pingatore	"Yes"
Ms. Sandi Frost Steensma	"Yes"

The motion carried with eight affirmative votes.

VIII. Report of the Human Resources Committee

Ms. Mackenzie Edwards introduced herself to the Board as LSSU's Title IX Coordinator. Ms. Edwards shared LSSU was recently awarded \$24K from the Michigan State Police Campus Sexual Assault Grant. This is the fourth consecutive year LSSU has received funding. Ms. Parker was curious to find if the University had a new campaign approach each year or continued to build yearly to qualify and receive the grant funding. Ms. Edwards did confirm that the University is continuously building with various trainings, partnerships, speakers and outreaches.

Ms. Edwards provided the Board with an Employee Evaluation System update. The new program is on course according to the timeline that was presented on the HR Dashboard. Training with supervisors have been completed and staff have begun setting their goals.

IX. Report of Academic Affairs Committee

Dr. Gillette presented two new Chemistry programs for Board review and approval, that is scheduled to start in the fall of 2019.

Dr. Mercer moved for Board approval for a Bachelor of Science Degree in Cannabis Chemistry; supported by Mr. Lukenda. The motion carried with unanimous voice vote.

Dr. Mercer moved for Board approval for an Associate of Science Degree in Cannabis Chemistry; supported by Mr. Lukenda. The motion carried with unanimous voice vote.

Dr. Mercer moved for Board approval of Eric Statt for tenure status effective fall 2019; supported by Mr. Pingatore. The motion carried with unanimous voice vote.

Dr. Mercer moved for Board approval of Kevin Kapuscinski for tenure status effective fall 2019; supported by Mr. Pingatore. The motion carried with unanimous voice vote.

Dr. Mercer moved for Board approval of Cynthia Butcher for tenure status effective fall 2019; supported by Mr. Pingatore. The motion carried with unanimous voice vote. Mr. Nelson provided a personal sincere congratulations to Ms. Butcher and commended her outstanding professionalism.

Dr. Mercer moved for Board approval for promotion of Jason Garvon to the rank of Professor, effective fall 2019; supported by Mr. Pingatore. The motion carried with unanimous voice vote.

Dr. Mercer moved for Board approval for promotion of Kevin Kapuscinski to the rank of Associate Professor, effective fall 2019; supported by Mr. Pingatore. The motion carried with unanimous voice vote.

Dr. Mercer moved for Board approval for promotion of David Leach to the rank of Assistant Professor, effective fall 2019, supported by Mr. Pingatore. The motion carried with unanimous voice vote.

Dr. Mercer moved for Board approval for promotion of James Schaefer to the rank of Professor, effective fall 2019, supported by Mr. Pingatore. The motion carried with unanimous voice vote.

Dr. Mercer moved for Board approval for promotion of Eric Statt to the rank of Associate Professor, effective fall 2019, supported by Mr. Pingatore. The motion carried with unanimous voice vote.

Dr. Mercer moved for Board approval for promotion of Herb Henderson to the rank of Professor, effective fall 2019, supported by Mr. Pingatore. The motion carried with unanimous voice vote.

Dr. Mercer moved for Board approval of R. Adam Mosey and George Voutsadakis to sabbatical status effective fall 2019 for two semesters as presented; supported by Mr. Pingatore. The motion carried with unanimous voice vote.

Dr. Gillette informed the Board of academic informational items including the HLC Institutional Focused Visit Report, scheduled to be submitted on January 25, 2019. Dr. Gillette expressed thanks to all the faculty and staff for working towards the HLC March 25 & 26 visit. Dr. Gillette stated it has been a pleasure working with FA President Chris Smith.

Ms. Parker recognized and notices the work that has and will be done to prepare for the upcoming HLC visit.

Dr. Smith encouraged faculty and staff to reach out to new spring faculty new hires, and assist with their transition into Lake State. The FA is currently preparing a new faculty handbook. Dr. Smith congratulated the recently promoted faculty, and shared appreciation for the amount of work all of the faculty have put towards preparing for the upcoming HLC visit. Dr. Smith gave a special recognition to all of the Academic Assistants for their work and effort towards supporting the faculty, they are critical to the HLC efforts.

Mr. Pingatore moved for Board approval of the recommendation for the appointment of the following individuals to their respective board of directors for the terms listed:

Kevin Ford to Advanced Technology Academy for a term expiring June 30, 2022;

Susan Baker to DeTour Arts and Technology for a term expiring June 30, 2021.

Michael Hale to Macomb Montessori Academy for a term expiring June 30, 2022.

Derrick Owens to Ridge Park Scholars Academy for a term expiring June 30, 2022.

Dr. Mercer supported the motion. The motion carried with unanimous voice vote.

Mr. Lukenda moved for Board approval of the recommendation to reauthorize the Innocademy Allegan Campus charter contract through June 30, 2024; supported by Dr. Mercer. The motion carried with unanimous voice vote.

X. Enrollment Report

Ms. Post provided the Board with a preview of the enrollment management and marketing update. Moving forward in 2019, the financial aid team is focused on developing enrollment management strategies and capabilities to allow LSSU to better utilize scholarship funding to help drive both enrolment growth and net tuition revenues. Ms. Post provided metrics relating to student applications, with fall 2019 enrollment goals seeking a 15%-20% increase in applications and a 10% -15% increase in the number of admitted students. YTD applications are up 31.7% versus fall 2017, with admitted students 11.0% ahead of Fall 2017. Free Application Form for Student Aid (FAFSA) submission for applicants are currently 11.9% ahead of last year.

XI. Report of the Student Affairs Committee

Ms. Wooley informed the Board of information items including winding down from Snow Fest events and focusing on retention and degree completion.

Dr. Mercer asked Ms. Wooley to provide her retention figures with the board, in which she shared an 84% retention, with some students moving from the area, military obligations and/or simply graduated.

Ms. Parker inquired on season Spring Hill Ski Passes for students. Ms. Wooley was pleased to share that many students were enjoying the opportunity.

XII. Report of the Development Committee

Mr. Coates informed the Board of information items including updates on the Capital Campaign Fundraising in support of the CFRE Project. The Foundation has been working towards fundraising and report \$3.3M raised with a \$1.7M gap to reach their goal. Mr. Coates commended Ms. Frost Steensma on her outstanding expertise as a fundraising consultant and injecting some renewed vigor and energy into what she has referred to as a “Campaign Reset”. A September 30, 2019 deadline has been set to raise the remaining funds. “This building is going up”.

Mr. Coates gave thanks to Derric Knight and Abbie Laajala, in the Norris Center, for facilitating and assisting the public and pool requests. As presented earlier, many members are satisfied.

XIII. Other Business

Mr. Bailey recognized Mr. Nelson for his prior duties as Chair. He thanked everyone and the Board for keeping LSSU strong and going. Mr. Bailey also recognized Ms. Parker as the new Chair.

Mr. Pingatore concurred with Mr. Bailey and sees that LSSU has a great team with a great future.

XIV. Adjournment

Mr. Pingatore moved for adjournment at 10:15 a.m.; supported by Dr. Mercer. The motion carried with unanimous voice vote.

Ann Parker
Chair

Rodney S. Hanley
President

Minutes prepared by Ms. Lauren Pierce, Secretary.
A draft of these minutes was completed on February 8, 2019.