

**Lake Superior State University
Board of Trustees
Minutes of Meeting
Walker Cisler Student and Conference Center
Sault Ste. Marie, Michigan
July 20, 2018**

The Board of Trustees of Lake Superior State University met in regular session beginning at 8:30 a.m. on Friday, July 20, 2018, in the Walker Cisler Student and Conference Center, Lake Conference Rooms, 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 July 20, 2018. The proposed agenda had been distributed 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 there was one member of the press.

I. Roll Call

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

Mr. Thomas C. Bailey
Mr. Richard Barch
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

Seven Trustees were recorded as present. Present for the University were Ms. Wendy Beach,; Human Resources Director; Mr. Waylon Charles, ESP Union Representative; Mr. Tom Coates, Foundation Director; Dr. Lynn Gillette, Provost and Vice President for Academic Affairs; Mr. John Kawauchi, Vice President for Enrollment, Marketing and IT; Dr. David Myton, Associate Provost; Dr. David Paitson, Athletic Director; Dr. Chris Smith, Faculty Association

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

II. Approval of the Agenda for July 20, 2018

Ms. Parker moved for Board approval to amend the agenda for July 20, 2018 to add under item VIII. Human Resources Committee Report to include a recommendation for an amendment to the President's employee agreement; supported by Dr. Mercer. The motion carried with unanimous voice vote.

III. Approval of the Minutes for May 11, 2018, June 7, 2018, and June 28, 2018

Mr. Bailey moved for Board approval of the minutes from May 11, 2018, June 7, 2018 and June 28, 2018 as presented; supported by Ms. Parker. The motion carried with unanimous voice vote.

IV. Addresses to the Board

Community member Allison Innerebner addressed the Board regarding her concern of the decision to close the Norris Center pool. The Chair thanked her for her remarks.

Community member Dyke Justin addressed the Board regarding his concern of the decision to close the Norris Center pool. The Chair thanked him for his remarks.

V. Chair's Remarks

Mr. Nelson welcomed all to the Board meeting and especially newly appointed Provost Dr. Gillette and VP for Enrollment, Marketing and Information Technology, Mr. Kawauchi. He informed all of the groundbreaking ceremony for the CFRE project today at noon and encouraged all to attend. He stated his thanks and appreciation to Dick and Theresa Barch for their generous donation to the CFRE.

VI. President's Remarks

Dr. Hanley welcomed all to the Board meeting. He informed the Board of his many community and campus meetings since June 1, 2018. He stated there are two reoccurring themes in these meetings and they are the CFRE project and the Norris Center pool discussion. Dr. Hanley informed the Board and audience that he and his administrative team are researching options for the pool to remain open. He stated the Norris Center pool will remain open at this time and he will inform the community as decisions are made.

Dr. Hanley welcomed Dr. Gillette and Mr. Kawauchi to LSSU and the administrative team. He also informed all that he applies the 3 R's to his leadership philosophy and they are recruitment, retention and rejuvenation.

VII. Report of the Finance Committee

Mr. Walworth informed the Board of informational updates including a financial update including a strong cash flow, approximately 2% revenue increase and approximately 2% expenditures decrease allowing for a balanced budget for fiscal year 2018 General Fund. He added that the Auxiliary Fund budget demonstrates a shortfall in revenues of approximately \$700,000 deficit and the physical plant fund demonstrates approximately \$40,000 deficit with some transactions still pending.

Mr. Walworth informed the Board that the University administration is reviewing insurance options for health care, prescriptions and worker's compensation in anticipation of some savings for the University.

Mr. Walworth provided the Board a fiscal year 2019 budget status report and several recommendations for approval of tentative budgets which would allow units to continue operations until final budget approval in September.

Ms. Frost Steensma moved for Board approval of the following tentative budgets: general fund as presented; housing and food service as presented; \$2.3 million for athletics pending further review; \$1 million for other auxiliary pending further review of internet communication services; student affairs as presented; and plant fund transfers as presented. The motion was supported by Mr. Bailey. The Chair requested a roll call vote. The results of the roll call vote were as follows:

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

The motion carried with six affirmative votes.

Ms. Frost Steensma moved for Board approval for the existing service agreement provided by Johnson Controls, Inc. for the sum of \$279,132 as presented; supported by Mr. Pingatore. The motion carried with majority voice vote and one abstention by Dr. Mercer.

VIII. Human Resources Committee Report

Mr. Charles, representing the ESP union informed the Board that the membership is currently at 71 members and that six members have been added recently. He stated that it is the first time in three years that the custodial staff is sufficiently staffed.

Ms. Beach informed the Board of informational items including recent legislative requirements for student and staff training regarding Title IX issues. She added that there is a campus-wide effort to update the policy and procedures.

Mr. Nelson informed the Board that he is appointing Trustee Parker to join President Hanley as the University officials for Title IX reporting requirements.

Ms. Parker noted that Board recognizes that moving a president from a distant location to LSSU is a costly and complicated process. She added that the current contract did not properly capture the complexity and as such she moved for Board approval to amend the employee agreement to clearly define reasonable moving expense, personal expenditure, business related expenditures and LSSU will provide payment to Dr. Hanley for those expenditures; supported by Dr. Mercer. The motion carried with unanimous voice vote.

IX. Academic Affairs Committee Report

Mr. Bailey moved for Board approval to confer the appropriate degrees upon the list of candidates for spring semester 2018 as certified by the Registrar as having completed their graduation requirements; supported by Mr. Pingatore. The motion carried with unanimous voice vote.

Dr. Gillette gave the Board an overview of informational items including HLC assessment, academic departmental meetings, faculty/student research and engagement. He stated that he is impressed with the mission statement and the campus dynamics.

Dr. Gillette recognized Dr. Martha Hutchins for her recent promotion to associate professor; however, she was unable to attend the May Board meeting. He also recognized Dr. Kimberly Muller in her interim role as Dean of the College of Innovation and Solutions.

Dr. Smith informed the Board of Faculty Association updates including its recognition of former President, Dr. Aaron Westrick. He stated that the Faculty Association Executive Council consists of Ralf Wilhelms, Sandi King, Martha Hutchins, Kristina Olson-Pupek, Steve Johnson, Herb Henderson and Joe Moening.

Mr. Oshelski informed the Board of informational updates including that the Charter School Office will provide an annual report at the September Board meeting, summer camp progress and educational positions in the CSO Office.

Mr. Pingatore moved for Board approval of the recommendation to appoint the following individuals to their respective Board of Directors for the term listed:

Bay City Academy

Lori Gainsforth nominated for appointment with a term expiring on June 30, 2021;

DeTour Arts & Technology Academy

Joshua Adams nominated for appointment with a term expiring on June 30, 2021.

Angela Leonard nominated for appointment with a term expiring on June 30, 2021;

Innocademy Allegan

William Alwin nominated for an appointment with a term expiring on June 30, 2021;

Macomb Montessori Academy

Samuel Bullock nominated for a reappointment with a term expiring on June 30, 2021;

Webber Media Arts Academy:

Alonzo Steele nominated for an appointment with a term expiring on June 30, 2020.

The motion was supported by Ms. Parker. The motion carried with unanimous voice vote.

Mr. Bailey moved for Board approval of the recommendation for an additional site for American International Academy located at 28955 Rosewood, Inkster, Michigan; supported by Ms. Frost Steensma. The motion carried with unanimous voice vote.

Mr. Bailey moved for Board approval of the recommendation of a relocation site at 60 S. Lyon Avenue, Waterford, Michigan for Momentum Academy; supported by Ms. Parker. The motion carried with unanimous voice vote.

X. Enrollment Report

Mr. Kawauchi informed the Board of enrollment projections for fall 2018 which is showing near 2000 students. He added that the applications for fall 2018 show a large increase of over 3600 applications.

Mr. Kawauchi informed the Board of the integrated marketing strategy he will be implementing going forward and the key elements of the strategy include the following:

- Marketing has changed more in the past 5 years than the previous 500 years, largely due to smartphones and inexpensive broadband.
- No “magic bullets”. Must do a lot of things well on an integrated basis (i.e., not in siloes or one-size-fits-all). Marketing is an on-going, dynamic process, not an event.
- Must work smarter through data, analytics, technology, process and targeting, not necessarily harder. Yield (i.e., productivity) throughout the admissions process is the key to bottom line results, not just greater front-end activity.
- Blue Ocean Strategy - Small schools cannot “fish in the entire ocean”, we must carefully pick and focus on our “fishing holes”. marketing strategies, targeted marketing for specific programs and admission trends.

XI. Student Affairs Committee Report

Ms. Parker moved for Board approval of a recommendation for a special liquor license as required by the State of Michigan as presented; supported by Mr. Pingatore. The motion carried with unanimous voice vote.

Dr. Wooley informed the Board of information items including housing applications are currently at 801 with 383 new students, 418 returning as of this date indicating an increase of 37 students from last year. She commended LSSU faculty and staff for their participation in the newly revamped orientation programs. She added that the e-sports proposal is in progress, retention task force implemented and sited significant progress with the 1st year experience program.

Dr. Paitson informed the Board of information items from athletics including staff stabilization, NCAA compliance officer position, and have received a NCAA grant for track team staff, strong student athletic academics with a cumulative GPA of 3.11. He added his appreciation for the sponsors in the community.

XII. Development Committee Report

Mr. Pingatore moved for Board approval of the recommendation to accept the donation of property from Dr. Constance Baker, at 1902 and 1904 Ashmun Street, Sault Ste. Marie, Michigan following the acceptance process by the LSSU Foundation Board as presented; supported by Ms. Parker. The motion carried with unanimous voice vote.

Mr. Coates expressed his appreciation to Dr. Baker for her generosity. Mr. Pingatore also thanked Dr. Baker for her donation to the CFRE project.

Mr. Coates informed the Board of informational items including the successful Lake State Golf Classic and thanked Trustees Mercer and Frost Steensma for their sponsoring of the golf classic. He informed of upcoming events including LSSU Alumni Association Detroit Tiger game and the Bud Cooper Golf Classic.

XIII. Report of the Board Meeting Calendar for 2018-19

Mr. Bailey moved for Board approval of the recommendation of the Board meeting calendar for 2018-19 as follows:

September 21, 2018
November 9, 2018
January 25, 2019
March 15, 2019
May 10, 2019
July 19, 2019

Mr. Pingatore supported the motion. The motion carried with unanimous voice vote.

XIV. Report of the Nominating Committee for Board Officers 2018-19

Ms. Frost Steensma moved for Board approval of the recommendation of the Nominating Committee for 2018-19 as follows:

Mr. Rodney Nelson, Chair
Ms. Ann Parker, 1st Vice Chair
Mr. Thomas Bailey, 2nd Vice Chair
Mr. Maurice Walworth, Treasurer
Ms. Kaye Batho, Secretary

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

XV. Other Business

Mr. Bailey stated that Ms. Parker led the search with Dr. Mitchell's leadership to hire Dr. Hanley and commended the committee for their selection. He also stated that the University is optimistic and will keep the momentum moving forward.

XVI. Adjournment

Mr. Pingatore moved for adjournment at 10:00 a.m.; supported by Dr. Mercer.
The motion carried with unanimous voice vote.

Rodney M. Nelson
Chair

Rodney S. Hanley
President

Minutes prepared by Ms. Kaye M. Batho, Secretary.
A draft of these minutes was completed on July 30, 2018.