

**Lake Superior State University
Board of Trustees
Minutes of Meeting
Walker Cisler Student and Conference Center
Sault Ste. Marie, Michigan
January 24, 2020**

The Board of Trustees of Lake Superior State University met in regular session beginning at 8:30 a.m. on Friday, January 24, 2020, in the West Superior Room, 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 24, 2020. 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.

I. Roll Call

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

Mr. Thomas C. Bailey
Mr. Timothy Lukenda
Dr. Mark W. Mercer
Ms. Ann Parker
Dr. Rodney S. Hanley, President and ex-officio

Four Trustees were recorded as present with Trustee Bailey connected via Zoom conference. Trustee Frost Steensma joined via Zoom conference three minutes after roll call. Trustees Richard Barch, Rodney Nelson and Randy Pingatore were recorded as absent. Present for the University were Mr. Steve Atkinson, President of the Education Support Personnel; Ms. Wendy Beach, Director of Human Resources, Safety and Risk; Dr. Michael Beazley, Dean of Student Affairs & Interim Dean of Admissions and Marketing; Mr. Thomas Coates, Foundation Director; Dr. Jason Garvon, Faculty Association President; Dr. Lynn Gillette, Provost and Vice President for Academic Affairs; Mr. Steven Hettinga, Head Men’s Basketball Coach; Mr. Fred Pierce, Dean of Admissions and Marketing; Ms. Katie Smith, Student Government President; and Mr. Maurice Walworth, Vice President for Finance and Operations.

II. Approval of the Agenda for January 24, 2020

Mr. Bailey moved for Board approval to amend the agenda for January 24, 2020 as follows:

Under VIII. Academic Affairs Committee, add item 4. Approval of Sabbatical Leave.

The Motion was supported by Mr. Lukenda. The motion carried with unanimous voice vote.

III. Approval of the Minutes for November 8, 2019

Mr. Lukenda moved for Board approval of the minutes for November 8, 2019 as presented; supported by Dr. Mercer. The motion carried with unanimous voice vote.

IV. Approval of the Minutes for the Special Board Meeting, November 27, 2019

Mr. Lukenda moved for Board approval of the minutes for November 27, 2019 as presented; supported by Dr. Mercer. The motion carried with unanimous voice vote.

V. Addresses to the Board

There were no addresses to the Board.

VI. Chair's Remarks

Ms. Parker acknowledged the special Board meeting that took place on November 27, 2019, approving the agreement between Lake Superior State University and the Lake Superior State University Faculty Association. Ms. Parker gave praise to both the administration and faculty for their hard work towards the approval of the agreement.

Ms. Parker reflected on her eight years as an LSSU Trustee and gave special acknowledgment to exiting Trustee Rod Nelson and their time serving together.

VII. President's Remarks

Dr. Hanley shared appreciation to Ms. Parker and Mr. Nelson for their time and work as LSSU Trustees.

Dr. Hanley gave a special thank you to the LSSU facilities crew for their hard work and efforts in keeping the campus clear of snow. In addition, Dr. Hanley

commended the facilities department for their work in creating the ice rink in Pleger Commons and highlighted the new lighting and sound system surrounding the commons.

Dr. Hanley introduced Fred Pierce, III as the new Dean of Admissions and Marketing.

Dr. Hanley provided various updates including:

- Acknowledging the Strategic Planning Committee; Michael Beazley, Jason Garvon, Kimberly Muller, Janine Murray, Stephanie Roose, Katie Smith and Ali Van Doren. Dr. Hanley praised their work in holding campus listening sessions and crafting a draft strategic plan with the intent to present the final plan at the March meeting.
- Dr. Hanley echoed Ms. Parker's comments surrounding the recent approved Faculty Association agreement and commended those who were involved with negotiations.
- For the first time, LSSU formally celebrated Dr. Martin Luther King Jr.'s birthday with a campus in-service day along with some students serving within the community.
- A special home hockey game will be held in February in Sault, Ontario at the GFL Memorial Gardens.
- Athlete GPA's have made tremendous accomplishments over last year with the current average at 3.278. Dr. Hanley commended Athletic Director David Paitson and all of the coaches that have been driving that success.

VIII. Report of Academic Affairs Committee

Dr. Gillette opened with acknowledging the LSSU faculty and their commitment to student success and the opportunity to recommend tenure, promotions and sabbaticals.

Dr. Mercer moved for Board approval to award tenure status to Dr. Zakaria Muhamud effective fall 2020; supported by Mr. Lukenda. The motion carried with unanimous voice vote.

Dr. Mercer moved for Board approval for promotions of Katherin Berchem to the rank of Professor; Robert Hildebrand to the rank of Professor; Andrew Jones to the rank of Professor; and Mindy McCready to the rank of Associate Professor; effective fall 2020; supported by Mr. Lukenda. The motion carried with unanimous voice vote.

Dr. Mercer moved for Board approval of Chris Smith to sabbatical status effective fall 2020 for two semesters as presented; supported by Mr. Lukenda. The motion carried with unanimous voice vote.

Dr. Mercer moved for Board approval of deletion of the Associate Degree in Applied Science in Chemical Technology program; supported by Mr. Lukenda. The motion carried with unanimous voice vote.

Mr. Lukenda moved for Board approval of course and program fee changes for the summer 2020 and Academic Year 2020-2021 as presented; supported by Dr. Mercer. The motion carried with unanimous voice vote.

Dr. Gillette provided the Board with informational items including the HLC Multi-Location visit report, stating that their visit to LSSU's Iron Mountain and Hessel-Les Cheneaux locations both received adequate reviews in all areas of the report.

The request for approval of an additional location in St. Helen is slowly moving through the HLC process. The earliest HLC would approve this request is mid-March 2020. The contractual agreement continues to be worked on while waiting for HLC approval and is anticipated to be ready by the March meeting for approval. Courses are ready to offer for the fall 2020 schedule if approval is granted.

Dr. Gillette highlighted academic affairs updates including:

- LSSU is nominating Dr. Jason Garvon for the Michigan Association of State Universities (MASU) 14th Annual Michigan Distinguished Professor of the Year Award.
- Dr. Steven Johnson has worked towards gathering contributions to the Cannabis Chemistry and Cannabis Science programs from several companies and foundations.
- The first Cannabis Chemistry Advisory Board meeting took place in early January. The agenda included program updates, discussion on philanthropic support of the degrees, curriculum review and development of an internship program. Planning is continuing for the first annual Cannabis Education Conference on the campus of LSSU.
- LSSU alum, Rebecca Missler was one out of forty in the U.S to receive the Milken Educator Award.
- Dr. Gillette praised Deans and faculty for improving the submission of mid-term grades from 70% to 90% this past fall.
- CFRE recently hired Alejandro Molina-Moctezuma, a fisheries scientist who is grant funded and who will be LSSU's first post-doctoral research associate.
- Dr. Ashley Moerke and Beth Christiansen were awarded a highly competitive NOAA B-Wet grant to support Great Lakes k-12 programs.

Dr. Garvon stated that he reached out to LSSU faculty, seeking any positive comments or announcements to share. In response, Dr. Garvon thanked Ashley Bishop in Human Resources for incorporating the new faculty pay compensation into Payroll, quickly after the new Faculty Association agreement was approved

by the Board. Dr. Garvon praised faculty for donating their sick time for a faculty colleague in need of additional sick time. Dr. Garvon congratulated faculty that were granted tenure, promotion and sabbatical. The Aquaponics Club is up and running in the basement of Crawford Hall.

Dr. Mercer moved for Board approval of the recommendation for the appointment or reappointment of the following individuals to their respective board of directors for the terms listed:

Erin Wilson to Grand Traverse Academy with a term expiring on June 30, 2022.

Gerald Armbrister to Macomb Montessori Academy with a term expiring on June 30, 2021.

Patricia Moesner to WAY Detroit Academy with a term expiring on June 30, 2022.

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

IX. Report Finance Committee

Mr. Walworth provided to the Board, a review of the FY20 finance dashboard, noting general and auxiliary fund updates. General Fund (GF) revenue is where it is expected to be this time of year, compared to previous years. Spring and fall revenue for tuition is at 100%. Based on tuition, fees and state appropriations, approximately 97% of revenue has been collected.

Expenditures are where they are expected to be this time of year, compared to previous years. Overtime/temp accounts show overages. The Business Office will be working with those units to reduce the overages.

Auxiliary Funds (AF) show overall consistent revenue trends for Housing (98% of budget) and Food Service (100% of budget), with the Walker Cisler Center showing slightly behind in revenue. AF expenditures are where they are expected to be this time of year, with the exception of Knot's Café Plus and Catering – having expended over 50% of their budget and have revenues below 50% of their budget. The Business Office will be following up with those units to be in sync with expectations for this time of year.

Athletic revenue and expenses are trending currently around 50% each with most sports in the middle of their seasons.

The cash report balance sits at \$17M; these funds are comingled with LSSU and Foundation cash.

LSSU received notice that the University is required to return Perkins Loan funds since the program is no longer active. \$277,707 is required to be returned by February 18. This is the first in a series of actions that will be required by the U.S. Department of Education as Perkins is closed out.

Mr. Walworth provided an update on activities related to the Center for Freshwater Research (CFRE) Capital Outlay Project and request approval to increase the Brownfield Loan to \$1M, and to request approval to increase the project budget to \$14.2M. Slight project delays due to winter weather conditions are anticipated. Crews have continued to work on site; removing underground structures and bringing in fill material, along with adding 87 auger cast pilings into the ground directly under the building footprint.

Work Plan #2a was approved by the Michigan Department of Environment, Great Lakes, and Energy (EGLE). This plan expanded the reimbursement of the demolition costs from \$28K to about \$130K. Work Plan #3 was submitted and approved by EGLE. The plan provides reimbursement for the treatment of 11 million gallons of water, which is estimated for dewatering and treating activities. SmithGroup completed design work for the special foundations due to poor soil conditions and completed the redesign of the floors/foundation due to the sheet pilings, which were under the building and could not be removed.

Work Plan #4 was submitted and approved by EGLE. This plan provides Brownfield reimbursement for the special foundations due to poor soil conditions. With this plan, LSSU exceeded the total approved grant and loan funding of \$1.541M (\$1M Grant & \$541,000K Loan). Local EGLE staff suggested an application be submitted to increase the loan amount to the maximum of \$1M. EGLE headquarters was contacted, and after reviewing the site issues, it was determined that the project could submit a request to increase the loan amount.

Mr. Walworth provided rationale for the loan terms with the intent to not spend all of the loan amount and to sequester 1/5 (\$250K) of the loan expenses to meet five years of equal interest free payments.

Mr. Lukenda moved for Board approval of the presented recommendation by the President (Appendix A), that the Board approve additional EGLE Brownfield Loan funding to the maximum amount of \$1,000,000 for soil removal, special foundations, site demolition and vapor mitigation as necessary for the Center for Freshwater Research and Education and authorize the President to execute the First Amendment (Appendix B) to the EGLE Brownfield Grant and Loan Agreement between LSSU and the City of Sault Sainte Marie; supported by Dr.

Mercer. The Chair requested a roll call vote. The results of the roll call vote were:

Mr. Thomas C. Bailey	“Yes”
Mr. Timothy Lukenda	“Yes”
Dr. Mark W. Mercer	“Yes”
Ms. Ann Parker	“Yes”
Ms. Sandi Frost Steensma	“Yes”

The motion carries with five affirmative votes.

Mr. Walworth stated that DTMB has indicated that LSSU must submit a request to the state to increase the project cost to accurately reflect the true cost of the building. The application to the state for a \$13.2M building included a foundation for the building. The cost of the foundation has now been determined to be more than expected due to the site conditions. Even though neither DTMB nor LSSU is directly paying for the increased cost of the foundation (EGLE is paying), DTMB will eventually bond the building and the value needs to match the approved budget (Appendix C). The original foundation cost is part of the \$13.2M project. The additional cost needs to be captured as part of the overall project cost. This, plus other DTMB related components, brings the total project to \$14.2M

Mr. Lukenda motioned for Board approval to increase the CFRE budget from \$13.2M to \$14.2 M (Appendix C) and that the Board authorize Dr. Hanley to sign any document required to satisfy the State, and DTMB, or any legislative body in order to secure approval for the new budget amount; support by Dr. Mercer. The Chair requested a roll call vote. The results of the roll call vote were:

Mr. Thomas C. Bailey	“Yes”
Mr. Timothy Lukenda	“Yes”
Dr. Mark W. Mercer	“Yes”
Ms. Ann Parker	“Yes”
Ms. Sandi Frost Steensma	“Yes”

The motion carried with five affirmative votes.

The CFRE team continues to work closely with the city of Sault Ste. Marie, in construction of the new roadway to the project. Site work will move to pile caps and grade beams as the foundation work continues. This work will be conducted in parallel with structural steel and metal decking. LSSU will attend the next City Commissioner’s meeting to address any questions regarding the increase to the Brownfield Loan.

Mr. Walworth provided a background on the original development of the P3 Housing Project and Campus Housing Corporation, which was created to pursue

the USDA financing and has been involved in contract negotiations with Corvias, review of the Pre-Development Agreement (PDA), and pursuit of the USDA financing. The USDA questioned the process by which Corvias and other vendors had been selected and this resulted in a short-term agreement with

Corvias prior to execution of the PDA, putting LSSU at financial risk since no financing had yet been secured. The PDA with Corvias has not yet been executed, but a temporary contract was executed and has since expired. The USDA also requested historical and environmental information related to the project. This information was sent, but no response has been received.

It is unlikely that the USDA will be providing the necessary feedback in order to begin development this summer; however, it is still the University's desire to move the project forward with some aspect of the project this summer. LSSU and P3 consultants developed a few possible pathways for consideration. If the project were to continue on course with the current timeline, the financing model would need to be different from USDA. Some options presented included:

- Continue to pursue USDA financing with a delayed project start for the following summer.
- Pursue tax-exempt bonds and phase the project.
- Conventional financing, no longer a P3 project.
- Seek USDA financing to reimburse LSSU and finance remainder of project.

Mr. Walworth presented the motion of the President's recommendation that the Board authorize and direct management of the University in consultation with the LSSU Campus Housing Corporation, Board of Directors to

- (i) seek proposals from lenders for interim construction financing for Residence Hall 1 to be secured by a pledge of the University's general revenues,
- (ii) negotiate such modifications to the contractual arrangements among Corvias, Spence Brothers and Cornerstone as may be required to allow for a University ownership and development of Residence Hall 1 during the University interim construction financing phase, and
- (iii) bring a recommendation back to this Board for either
 - (A) approval of a University plan of interim construction financing for Residence Hall 1 that will permit commencement of construction in April 2020, or
 - (B) deferral of commencement of construction of Residence Hall 1 until Spring 2021 to allow sufficient time for LSSU CHC to obtain approval from USDA Rural Development for financing of the P3 Program, or
 - (C) approval of a different plan that meets the needs of the University.

Mr. Lukenda moved for Board approval of the P3 motion presented; supported by Dr. Mercer. The motion carried with unanimous voice vote.

Mr. Lukenda stated that the P3 Housing Project is a priority for the University and looking into alternative financing is a prudent step in the process of progressing the project. The pathway that will ultimately be pursued will be the most appropriate to be successful. Mr. Lukenda shared his support of the present action and is confident that the Campus Housing Corporation will be able to bring back concise alternatives to the Board of Trustees.

X. Enrollment Report

Mr. Pierce provided a background and priorities as newly appointed Dean of Admissions and Marketing effective December 2019 and gave thanks to the campus and community for his transition to town and campus.

Mr. Pierce provided informational items to the Board, stating that today, recruitment efforts for fall 2020 have generated roughly the same number of applications for first time freshman as the 2019 cycle. Processing speeds have increased resulting in a 17% increase in admitted students compared to the same time last year. Staff team and individual goals have been set with intensified efforts in outreach, through various forms of communication.

Mr. Pierce stated that the fall 2020 FAFSA counts are up 25% over fall 2019 and commended the Interim Financial Aid Director Katelynn Coon and the Financial Aid office for their efforts and efficiency in packaging and awarding new first-time students. At the start of January, 335 students had been packaged versus 88 for 2019.

The Marketing and Communication staff replaced all digital and social media advertisements in December 2019 in an endeavor to refresh the University's digital presence. The exploration process has begun to join the Common Application, which will enhance the University profile and presence in territories outside the immediate market. The platform is expected to be live by August 2020.

XI. Report of Human Resources Committee

Ms. Beach echoed thanks to Payroll Administrator, Ashley Bishop for her hard work and dedication in implementing the new faculty pay raises and shared appreciation for the patience of faculty and staff.

Ms. Beach provided a Title IX dashboard update to the Board, referencing data from the current fiscal year compared to the previous fiscal year; along with

information on cases reported to the Title IX office from September 2019 to December 2019.

To date for FY20, 13 reports have been received in the Title IX office, of which six of the reports were determined to have met the definition of Title IX and referred, if necessary, to the appropriate department for review. The LSSU Title IX office practices continued education to meet State requirements and is pursuing hearing board training for faculty and staff that comprise the LSSU Title IX Hearing Board. Efforts have been made to pursue the MSP Campus Sexual Assault Grant, which if awarded, would fund additional security cameras for housing units and help fund online training and on campus speakers.

Ms. Beach shared Human Resource Initiatives for 2020, including:

- Leadership Development Program: The Human Resources Office, in collaboration with CETAL (the Center for Engaged Teaching and Learning), is developing a model for a campus leadership program to be offered to staff and faculty members of the university. The nine (9) month program will include meeting with leaders across campus to learn different leadership styles, and interactive programming to engage participants in concepts of leadership. The target date for implementation is fall 2020.
- Improvements for the Recruiting and Hiring Process: The Human Resources Office has identified areas of improvement for the recruiting and hiring process and has begun updating the Recruiting and Hiring Policies and Procedures. The updated policies and procedures will standardize the search process across campus, improve the diversity of search committees, and lead to a better quality and diverse candidate selection for positions. The team's target date for submitting the updated policies and procedures to the Senior Management Team is early March 2020.
- Online Employee Evaluation Process: The Human Resources Office is in the process of researching an online process for administering employee evaluations. Moving to an online system will streamline the input of data for both employees and managers. It will also allow for targeted email to managers when part of the process is due and make tracking of completion of evaluation easier for Senior Management and Human Resources. Human Resources is currently working with Lightwork Talent to research options for an online evaluation system. If the online system is financially feasible for the university, the plan is for implementation in July 2020. This process would not affect the faculty evaluation process.
- Campus Wellness Committee: Looking to have a February kick off and reboot for the Campus Wellness Program. Surveys were taken on campus to gather a consensus of the wants and needs in the campus community.

Mr. Atkinson shared with the Board that the Education Support Personnel (ESP) met before Christmas break and discussed upcoming contract negotiations. Surveys have been submitted to members for contract input. The MEA rep will

be in contact with Human Resources and the ESP is looking forward to smooth negotiations.

XII. Report of Development Committee

Mr. Coates acknowledged Ms. Parker and her efforts and contributions to LSSU.

Mr. Coates presented to the Board the major gift dashboard for FY 20. At year-end of 2019, three major gifts for the CFRE project were received, totaling \$185K. Foundation efforts continue for the CFRE project with just over \$43.9M raised to date.

The Laker Club remains the official annual fund for Laker Athletics with just over \$48K raised to date, equating to a 30% increase in gross revenues from last year. The LSSU Foundation has integrated the Culinary Arts program as a component of its annual fundraising and prospect development strategies for FY20. The annual LSSU phone-a-thon has started with \$4K raised in just the first night. The Cannabis Business & Chemistry programs have been an active fundraising opportunity for the Foundation with recent classroom naming opportunities in Crawford Hall and R.W. Considine Hall. Many gifts-in-kind for instrumentation and research equipment are in process. The “Giving Tuesday” campaign for 2020 supported the Bud Mansfield Student Emergency Fund, resulting in 36 gifts raised in one day.

XIII. Report of Student Affairs Committee

Dr. Beazley provided informational items to the Board with retention as the primary focus by raising the first-year to second-year retention rate goal to 75%. Some recent campus life and student activities included Snowfest 2020, Martin Luther King Jr. in-service day, the new temporary ice rink on Pleger Commons, and the upcoming annual snowman burning in March.

The Housing department has started to receive returning student applications for academic year 2020/21, with 180 submitted applications to date. A partnership with Sugar Daddy Bakery of Brimley, MI is dining services newest initiative with the focus to support a local business and new options for the campus.

IPASS became integrated with the appeal process of the Scholastic Standards Committee in spring 2020. If a student’s appeal is granted, the student is schedule to meet with an IPASS coordinator to devise a success plan.

The LSSU Health Care Center is finalizing marketing plans to raise awareness and increase client base to include the campus community as well as the public. Targeted outreach will focus on the military service members and their families.

The LSSU Native American Center is revitalizing the Native American Student Organization, which will be hosting a Pow Wow on campus in the Student Activity Center in mid-April.

The Summer Camps schedule has been released with the introduction of two new camps, along with Charter School, and K-12 camps.

The City of Sault Sainte Marie has reached out to the University to become a Super Precinct for area voters to have one central location to vote.

Ms. Smith stated that just over 500 students have signed up for Searchmont passes. Students are looking forward to using the new temporary ice rink in Pleger Commons. The Student Government is working to encourage students to register and vote this election season. Planning is taking place for the Leadership Banquet in April.

Ms. Parker asked for a report on Ms. Smith's role and participation on Secretary of State Benson's Advisory Committee.

Ms. Smith stated that her focus surrounded voter registration to take place online, partnership with State and Universities, and to make voting more accessible and eliminate barriers – polling places on campus, drop-boxes, and user-friendly forms.

Mr. Hettinga provided an overview of the Athletic Department's updates, highlighting student athlete GPA's at a 3.278 surpassing the goal of 3.18. The women's tennis team came in at the highest with a GPA of 3.66.

The GFL Gardens Laker vs. Alabama Huntsville hockey game is scheduled for, February 15. The game will be held in Sault Canada and has been a primary focus for Athletics. The event will celebrate Laker Hockey as well as the hockey heritage of the twin Soo's

XIV. Other Business

Dr. Mercer moved for Board approval of the following officers for the Lake Superior State University Board of Trustees; Mr. Thomas Bailey as Chair; Mr. Timothy Lukenda as 1st Vice Chair; Ms. Sandi Frost Steensma as 2nd Vice Chair; Mr. Maurice Walworth as Treasurer and Ms. Lauren Pierce as Secretary; support by Mr. Lukenda. The motion carried with unanimous voice vote.

New Board Chair, Mr. Bailey acknowledged Ms. Parker's leadership and contributions to LSSU and shared thanks to all of the Board members.

Chair Bailey asked Board Secretary, Lauren Pierce to read the resolution for Ms. Ann Parker.

Mr. Bailey moved for Board approval of the prepared resolutions for Ms. Ann Parker and Mr. Rodney Nelson; supported by Ms. Frost Steensma. The motion carried with unanimous voice vote.

Dr. Hanley presented a plaque of appreciation for both exiting Trustees, Ann Parker and Rodney Nelson.

XV. Adjournment

Mr. Bailey moved for adjournment at 10:31 a.m.; supported by Ms. Frost Steensma. The motion carried with unanimous voice vote.

Thomas C. Bailey
Chair

Rodney S. Hanley
President

Minutes prepared by Ms. Lauren Pierce Secretary.
A draft of these minutes was completed on February 3, 2020.