

**Lake Superior State University
Board of Trustees
Minutes of Meeting
Kenneth J. Shouldice Library
Sault Ste. Marie, Michigan
September 15, 2023**

The Board of Trustees of Lake Superior State University met in regular session beginning at 8:30 a.m. on Friday, September 15, 2023, in the Walker Cisler Student 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 September 15, 2023. 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

Mr. Timothy Lukenda, Chair, 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 Bailey
Mr. Richard Barch
Ms. Patricia Caruso
Ms. Sheri Davie
Mr. Jon P. DeRoo
Mr. Timothy L. Lukenda
Ms. Cynthia Williams
Dr. Lynn G. Gillette, Interim President and Ex-officio

Seven Trustees were recorded as present, with Trustee DeRoo joining via Zoom. Present for the University were Dr. Michael Beazley, Dean of Student Affairs; Ms. Kate Bergel, Director of Human Resources, Safety and Risk; Ms. Abbie Laajala, Interim Deputy Director of Athletics; Dr. Kimberly Muller, Interim Provost and Vice President for Academic Affairs; Mr. Fred Pierce, Dean of Admissions and Marketing; Mr. Scott Smith, Vice President of Advancement; Ms. Mackenzie Stockwell, President of Student Government; and Mr. Morrie Walworth, Interim Vice President for Finance and Operations.

II. Approval of the Agenda for September 15, 2023

Mr. Bailey moved for Board approval of the agenda for September 15, 2023, as presented, supported by Ms. Caruso. The motion carried with unanimous voice vote.

III. Approval of the Minutes for July 14, 2023

Ms. Williams moved for Board approval of the minutes for July 14, 2023, as presented, supported by Mr. Bailey. The motion carried with unanimous voice vote.

IV. Addresses to the Board

Dr. Joseph Moening, President of the Faculty Association (FA) provided the Board with an update. Dr. Moening acknowledged Dr. Muller's efforts in improving Marketing. Dr. Moening acknowledged the improved communication and transparency and expressed concerns about the communication and transparency surrounding the College of Great Lakes Ecology and Education.

V. Chair's Remarks

Mr. Lukenda announced a full and important agenda and shared appreciation for those attending the Board meeting. Mr. Lukenda acknowledged the importance of transparency and stated that the presented reports will include additional information related to enrollment and finances. Mr. Lukenda acknowledged the challenges facing institutions and stated that the Board and University will work hard to move the institution in the right direction. Multiple group listening sessions took place in early September with faculty, staff, students, alumni, and local community members.

Mr. Lukenda provided an update on the Presidential search, and acknowledged search committee Chair, Trustee Williams, for her continued campus communication and updates. Mr. Lukenda welcomed and encouraged comments or questions to be submitted to the search committee.

VI. President's Remarks

Dr. Gillette thanked Dr. Moening for his comments and stated that an email would be going out next week, announcing that the Board materials would be posted online after each Board meeting. In addition, Coffee with the President will continue. Dr. Gillette invited faculty, staff, and students to schedule meetings with him, and to feel free to invite him to school meetings and events.

Dr. Gillette stated there are plans for a stronger push toward Greek organizations, bringing back Greek housing to campus.

Dr. Gillette shared recent events and activities since the last Board meeting, including:

- Professional Development Day – Dr. Kathleen Shea Smith, Associate Provost for Academic Advising at the University of Oklahoma, presented two sessions on coaching, along with multiple faculty and staff working to develop additional expertise in this area.
- A 9/11 event, commemorating those who lost their lives 22 years ago, was held on campus. Multiple student-athletes and coaches placed thousands

of U.S. flags around campus. The U.S. Coast Guard presented the colors, Dr. Gillette, Sault Sainte Marie Mayor, Don Gerrie, and Dr. Kathy Berchem each spoke at the well-attended event.

- The College of Great Lakes Ecology and Education has been established. Logistical issues are being worked out. Dr. Muller and Moerke have worked with numerous faculty and staff across campus to get this started. Dr. Gillette thanked Chairman Lukenda for the generous pledge and donation from the Lukenda Foundation.
- The Barch Center for Freshwater Research and Education (CFRE) was awarded a large grant that will be announced soon. In addition, Dick and Theresa Barch gave a large gift of stock in support of their CFRE pledge.
- Dr. Gillette recognized Dr. Joe Susi for helping Athletics and the University when a Trainer was needed to start practices.
- In Student Affairs, several new staff members have joined LSSU, including, Joshua Stanhope, Director of Housing and Residence Life; Kathryn Evans, Residence Hall Coordinator; and Leonard Erickson, Residence Hall Coordinator. Plans are moving forward to make campus the place to be for all students, including more outdoor-oriented programs, and an on-campus Greek Community, with plans to provide on-campus housing by the Fall of 2024, if not sooner.
- Many activities and events are planned for Great Lake State Weekend, all are encouraged to attend.
- As part of the Strategic Plan to incorporate Native American history, culture, and contemporary issues, LSSU will recognize Orange Shirt Day with Veronica Pasfield, Indigenous Peoples' Day with Sault Tribe Chairman and LSSU alum, Austin Lowes, and the welcome return of author, Angeline Bouley.
- Since the retirement announcement of Athletic Director David Diles, a national search has been in process, with final arrangements for the next Athletic Director announcement to be made in the near future.

VII. Enrollment Report

Mr. Walworth presented to the Board, information on LSSU's enrollment by category and program over the last ten years. The student count used in the report is persisting students. Persisting students are those students that enroll and persist to the end of a given term. Mr. Walworth presented data based on three distinct groups, continuing students, new students, and high-school students. Data shows a consistent declining trend in all groups. Overall student enrollment has declined by 35% over the last ten years. A reasonable new student goal of 477 was established for fall 2023, compared to the previous goal of 600. Looking toward FY25, LSSU will begin to map out strategies for FY25, examine retention rates, launch new programs and recruitment initiatives, and set enrollment goals.

VIII. Finance Report

Mr. Walworth provided the Board with a review of FY23 financials. Presented tables show the General Fund (GF) revenues of \$35.5M, a shortfall of \$3.3M. Expenditures are at \$36.3M and will continue to grow as required end-of-year

adjustments are made. The deficit is expected to be about \$1.2M. It was determined that pooled fringe accounts were not monitored throughout the year and the pool has an excess of \$600K available for redistribution back into all payroll funds. Payroll was not affected by the lack of monitoring, just the recording of fringe benefits.

The Housing budget will have an improved fund balance gain of \$57K. Revenues are at 103% and expenditures are at 96% of budget. Cisler Operations revenues are at 90% of the budget, and expenditures are at 114% of the budget. No expected change to the \$525K deficit. Athletic revenues are at 74% of budget and expenditures are at 111% of budget. The deficit of \$922K is not expected to change.

In other financial events, FY24 budgets are being developed. Efforts were made to restore operating practices that existed prior to FY22. The FY24 budget development for Auxiliary areas is also being developed, with plans to present the final General Fund and Auxiliary Fund budget for approval to the Board at the November meeting. The final report from Standard and Poors was received in late July. Overall, the outcome was satisfactory. S&P downgraded the future outlook from stable to negative but retained the BBB+ rating. Nothing noted in the report was unexpected.

Mr. Walworth presented to the Board for approval of a provisional budget for the General Fund (GF). The use of budget planning software was discontinued and LSSU has been using a predominately manual process for generating and loading budget components. At the time of loading, errors in the salary budgets were noted and will take significant time to address. The errors need to be addressed before other budget processes can take effect. Budget planning has still moved forward using the following assumptions:

- 4% tuition increase
- 5% increase in State appropriations
- 1,652 students (continuing students, new students, high school students)

Given the assumptions, FY24 GF revenue is estimated to be \$36.5M. Based on LSSU's Fall 2024 enrollment, and projected expenses, the GF is anticipated to have a deficit below \$500K.

Mr. Barch moved for Board approval of the provisional General Fund budget as presented, and that LSSU present a final GF budget to the Board at the November meeting which reduces the annual deficit to a value less than \$500K; supported by Ms. Caruso. The Chair requested a roll call vote. The results of the roll call vote were:

Mr. Thomas Bailey	"Yes"
Mr. Richard Barch	"Yes"
Ms. Patricia Caruso	"Yes"
Ms. Sheri Davie	"Yes"
Mr. Jon P. DeRoo	"Yes"
Ms. Cynthia Williams	"Yes"

Mr. Timothy L. Lukenda “Yes”

The motion carried with seven affirmative votes.

Mr. Walworth presented three grant-funded purchase requests over \$250K to the Board for approval. The requests are for the USDA Distance Learning Grant, National Science Foundation Grant, and the Natural Resources Canada Grant.

Mr. Bailey moved for Board approval of the purchase of any equipment, execution of any contracts, engagement of any consultants, or initiation of any construction approved by the respective granting agencies in the respective aforementioned grants and further authorizes the President, Provost, and Vice President for Finance, together as one body, whether currently sitting, or appointed in the future, to collectively approve and sign on behalf of the Board of Trustees for any and all purchases related to the presented grants; supported by Ms. Caruso. The motion carried with unanimous voice vote.

Mr. Walworth provided the Board with LSSU’s plans to update the ten-plus-year-old LSSU Purchasing Policy and to engage with Board in discussion before considering final action. Potential modification would relate to emergencies, grants, and reporting requirements.

Mr. Walworth presented to the Board to appoint LSSU Board of Trustee members to the LSSU Campus Housing Corporation (CHC) as required per the CHC by-laws. Previous appointees were Trustees Bailey, Barch, and Lukenda.

Mr. Bailey moved for Board approval that the LSSU Board of Trustees appoint Trustees Davie, DeRoo, and Lukenda to the LSSU Campus Housing Corporation; supported by Ms. Williams. The motion carried with unanimous voice vote.

Mr. Walworth presented to the Board, for approval of a multi-year lease agreement with the Kaizen Education Foundation, which operates Summit High School (Leona Group) for LSSU property located at 728 East McDowell Road, Phoenix, Arizona.

Ms. Caruso moved for Board approval of the lease agreement as presented and further authorizes the President or Vice President for Finance to sign on behalf of LSSU; supported by Mr. Barch. The motion carried with unanimous voice vote.

Mr. Walworth provided the Board with an update on the progress made in developing three-year budget plans. Some progress has been made in building three-year budgets for the General Fund, starting with revenue estimation using enrollment data, expectations, and estimations.

Mr. Walworth provided the Board with an update on activities related to campus-wide facilities, including several housing improvements and IT upgrades.

IX. Academic Affairs Report

Mr. Bailey moved for Board approval of the conferral of the appropriate degrees upon the list of candidates for Summer 2023 as certified by the Registrar as having completed their graduation requirements; supported by Ms. Caruso. The motion carried with unanimous voice vote.

Dr. Muller provided the Board with an update on the development of the College of Great Lakes Ecology and Education (CoGLEE). Since the establishment of CoGLEE, Dr. Gillette held a Coffee with the President, Dr. Muller held several listening sessions on the new college, and a press release was initiated.

Dr. Muller provided the Board with an update regarding the upcoming Higher Learning Commission (HLC) site visit for the MBA program in early October. The Michigan Association of State Universities (MASU) approved the current program proposal. Peer institutions have also shared positive feedback. If approved by HLC, students may enroll in the program in fall 2024.

Dr. Muller provided the Board with an update for the upcoming HLC Evaluation Focused Visit in late October. The HLC team will want to know LSSU's plans for increasing enrollment, evidence of a clear financial plan that aligns with LSSU's Strategic Plan goals, and assurance of transparency and engagement with faculty and staff in the budgeting process.

Dr. Muller provided highlights from the area of Academic Affairs:

- Professor Thomas Meacham, presented "Teaching the Humanities through Role Immersion – Past and Present" at the *New Direction in the Humanities* conference held at the Sorbonne Université in Paris.
- The MCOLES 55th recruit class graduated with 100% first-attempt success rates on the Michigan licensing exam.
- Barch CFRE hosted multiple events, including LT. Governor Gilcrest's visit to LSSU, and Senator Stabenow's community open house.
- Richard and Theresa Barch donated 2,000 shares of stock in support of CFRE and the College of Ecology and Education.
- The Native American Center will be holding multiple events in the fall.

Mr. Chris Oshelski, Director of Charter Schools, provided the Board with an update on dashboard items and annual Charter Schools update.

Ms. Caruso moved for Board approval of the appointment or reappointment of the presented nominees to their respective Board of Directors for the terms listed.

Grand Traverse Academy:

David Deneau nominated for an appointment with a term expiring on June 30, 2024.

Innocademy Allegan Academy:

Leanne Geisterfer nominated for an appointment with a term expiring on June 30, 2026.

WAY Academy Flint:

Sanford J. Edwards III nominated for an appointment with a term expiring on June 30, 2026.

Venetta Watt Tucker nominated for an appointment with a term expiring on June 30, 2026.

The motion carried with unanimous voice vote.

X. Enrollment Management Report

Mr. Pierce provided the Board with an update on the progress associated with enrollment management, highlighting applied, admitted, and new student enrolled dashboards. First Time in Any College (FTIAC) yield continues to be lower than historical data. LSSU identified strategies to diversify the student body, including, International Recruiting, Stop Out Populations, Prison Education Program, and Micro-Credentials. LSSU will increase effective efforts in admissions representations across territories, and continue to focus on partnerships with the local EUPISD.

XI. Student Affairs Report

Dr. Beazley presented preliminary retention data to the Board, stating that the 2022-2023 1st-2nd year retention rate was 68%, down from 73%. Dr. Beazley provided a general update on Student Affairs operations and programs. Several successful Lake Week events took place in late August. Plans are in place to keep students engaged while on campus, including, outdoor-oriented programs, on-campus Greek community, and new and revitalized campus activities.

In late August, the Health Care Center went live with its electronic medical record system, improving workflow, communication, security, and reporting. The residence hall updates are almost all complete with new mattresses, furniture, laundry machines, hot water heaters, and renovations.

Dr. Beazley provided the Board with information on an initiative in development to broaden the client base for living in a campus residence hall from only students to faculty, staff, and the broader public. This includes the possibility of using University Housing for Air B&B/VRBO accommodations.

Dr. Beazley provided information on a new working group designed to determine how to capitalize on the Health Care Center as a healthcare clinic and as a revenue-generating unit of the university.

Student Government (SG) President, Mackenzie Stockwell provided the Board with updates from Student Government. The SG recently held their first meeting, to discuss expectations and goals for the next year. Some initiatives include sponsoring new lab coats, a study buddy mentor program, supporting the arts, funding for a campus art mural, gift bags for the holidays, having a campus murder mystery dinner, and free haircuts for students.

XII. Athletics Report

Ms. Laajala provided the Board with an update on the Department of Athletics staff. New staff members include, Mike Collins, Head Men's and Women's Tennis Coach, Kathryn Hills, Assistant Athletic Director for Compliance and Internal Operations, and Maggie Corbett, Head Athletic Trainer.

Ms. Laajala presented to the Board a list of current loft holders, the wait list for the lofts, and a list of corporate sponsors and promotions.

Ms. Laajala reported on the status of Sports Medicine at LSSU and the NCAA. Collegiate athletics has had a 48% turnover rate of Athletic Trainers, in the past two years. Issues with finding and keeping Athletic Trainers are being discussed among stakeholders.

LSSU is up for an NCAA Multi-Divisional review of compliance standards, starting in mid-September, and should be complete by early 2024. This occurs every five years. There were no significant findings or cause for concern during the last report.

XIII. Fundraising Report

Mr. Smith presented, to the Board, a dashboard on fundraising within the first two months of the fiscal year.

Mr. Smith provided an update on major gift activity, including a gift of stock value at approximately \$1M made by Richard and Theresa Barch in support of their \$1M CFRE pledge, and a gift of \$150K towards the College of Great Lakes Ecology and Education from the Lukenda Charitable Foundation.

Mr. Smith provided a summary of the LSSU Hall of Fame 2023 Inductees (Mark Vermette and Kelly Gerritsen-Michano) and three Alumni to receive awards (Ashley (Ryckman) O'Dwyer – Paul Ripley Award, Anita Saluja – Kenneth J. Shouldice Award, and Doug Weight – Outstanding Alumnus Award).

Mr. Smith provided a summary of upcoming annual fundraising and alumni relations activities.

XIV. Human Resources Report

Ms. Bergel provided the Board with an update on cases reported to the Title IX Office from July 1, 2023, to September 3, 2023, as required by the State of Michigan. Since the last Board meeting, the Title IX Office received three reports of alleged prohibited conduct. Two reports are closed and one is currently open.

Ms. Bergel provided the Board with a summary of the university's recent efforts in creating a better-prepared campus community for possible crises including active shooter response and prevention. The training was well received and will be offered again in the near future.

Ms. Bergel provided the Board with updates from the Offices of Human Resources, Safety & Risk, Public Safety, and Title IX. Kimberly Swailes joined the HR team in early September as the new Assistant Director of Human Resources and Payroll Administration. The Title IX office launched the annual mandatory responsible employee training for all faculty, staff, and students.

Ms. Bergel provided the Board with an update on the search for an Athletic Director. Over fifty applications have been received. The search committee held three virtual interviews and two on-campus interviews with finalist. The final candidate is expected to be selected soon.

XV. Other Business

Mr. Bailey stated that this was his last meeting as a Board member and shared thanks and appreciation for his eight years serving LSSU.

Ms. Davie moved for Board approval of the 2023 -2024 Board meeting schedule as presented; supported by Mr. Barch. The motion carried with unanimous voice vote.

XVI. Adjournment

Mr. Bailey moved for adjournment at 11: 24 a.m.; supported by Ms. Williams. The motion carried with unanimous voice vote.

Timothy L. Lukenda
Chair

Lynn G. Gillette
Interim President

Minutes prepared by Ms. Lauren Pierce, Secretary.