

**NORTHERN MICHIGAN UNIVERSITY
BOARD OF TRUSTEES
Minutes of the Formal Session
of
Friday, May 5, 2017**

A formal session of the Board of Trustees of Northern Michigan University was held on Friday, May 5, 2017 in Cohodas Hall of Northern Michigan University, Marquette, Michigan. The meeting was convened at 9:00 a.m. in the Board Room, 602 Cohodas Hall, by Chair Scott L. Holman.

Trustees present included:

Mr. Scott L. Holman, Chair	Mr. Steven M. Mitchell
Ms. Lisa I. Fittante	Mr. Richard M. Popp
Ms. Alexis M. Hart	Ms. Tami M. Seavoy
Mr. James K. Haveman	Dr. Fritz J Erickson, ex officio
Mr. Robert E. Mahaney	

Senior Staff and Counsel present included:

Mr. R. Gavin Leach, Vice President for Finance and Administration and Treasurer of the Board
Dr. Kerri Schuiling, Provost and Vice President for Academic Affairs
Dr. Steven A. VandenAvond, Vice President for Extended Learning and Community Engagement
Ms. Cathy A. Niemi, Secretary of the Board of Trustees
Mr. Kurt McCamman, Legal Counsel

Senior Staff absent included:

Mr. Brad Canale, Chief Executive Officer – NMU Foundation

AMENDMENT TO AGENDA

Trustee Seavoy said that she is asking for permission to abstain from voting for Item #D-8 in the Formal Recommendations as her law firm represents the City of Marquette. Although there is no conflict of interest, and she is not directly involved nor does she have any financial remuneration, in order to avoid the perception of any conflict of interest, she would like permission to abstain from this vote.

The following action was taken:

It was moved by Trustee Popp, seconded by Trustee Hart, and supported by the full Board, to amend the meeting agenda as follows:

Remove Item #D-8 – that property transfers be authorized to grant the City of Marquette additional right of way for road construction at the intersection of Wright and Lincoln Streets – to be considered separately and allow Trustee Tami Seavoy to abstain from the vote.

MOMENT OF SILENCE IN MEMORY OF NMU STUDENT AND FACULTY

Mr. Gavin Leach, Vice President for Finance and Administration, read a memorial for Mr. Mark Miller, plant operations electrician, who died on April 28, 2017.

The Board of Trustees observed a moment of silence in his memory.

INDIVIDUAL REQUESTS TO ADDRESS THE BOARD

Mr. Nathan Frischkorn addressed the Board regarding the Indigenous People's Day Resolution. The Trustees thanked the Mr. Frischkorn for his comments.

INDIGENOUS PEOPLE'S DAY RESOLUTION (Addendums #1 and #2)

Mr. Tristan Ruiz, President of the Association Students of Northern Michigan University (ASNMU), and Ms. Jeulani Gahiji, Chair of the Assembly – ASNMU, provided a report on the Indigenous People's Day Resolution and petition. Mr. Ruiz and Ms. Gahiji responded to questions and comments from the Trustees. The Trustees thanked the presenters and said they would take the resolution under advisement. A copy of the report and resolution is appended to these minutes.

SUSTAINABILITY UPDATE (Addendum #3)

Dr. Jessica Thompson and Mr. Brandon Sager provided a report on the Sustainability Advisory Council. The presenters responded to questions and comments from the Trustees. A copy of the report is appended to these minutes.

FOCUS DISCUSSION – Tuition and Fees (Addendum #4)

Vice President Gavin Leach provided a report on the value of higher education, the university budget, state budget, and tuition and fees. A copy of the report is appended to these minutes.

Mr. Leach said that as we look at next year, the administration is recommending that NMU stay within the tuition cap outlined by the State, and increase tuition at \$237.50 per semester which equates to \$475 for the fiscal year. He said that we would still have the second lowest tuition and fees in the state, it would allow NMU to invest in some key academic programs, students, recreational activities, athletics, aligning and strengthening our community engagement throughout the region, expanding on the Educational Access Network, and ensuring we have the appropriate staffing levels for our courses and needs across campus. Mr. Leach said the one caveat the administration would ask to include would be to authorize the administration to adjust the tuition and fees should the tuition restraint language be changed by the State to ensure NMU stays within the constraints of the language.

President Erickson said this is very much about investments – whether its facilities, academic programs, community services opportunities, etc. We need to make the kinds of investments that will move the institution forward.

Chair Holman said he likes the timing of this action. In the past we have waited until June or July to set tuition and fees. Setting this now enables students and their families to know what it will cost to attend the University in the fall. He also reemphasized how well NMU has contained its costs and kept them below inflation.

It was moved by Trustee Mitchell and seconded by Trustee Seavoy that Northern Michigan University increase tuition for fiscal year 2017 – 18 as follows:

- **That the university remain in compliance with tuition restraint language and increase the resident undergraduate tuition and fees rate by \$237.50 per semester and to authorize the administration to adjust tuition and fees to remain in compliance with tuition restraint language should the language change in the final fiscal year 2017-18 higher education appropriation bill.**
- **That non-resident undergraduate tuition and fees also increase the same \$237.50 per semester.**
- **That graduate tuition increase by \$24 per credit hour (includes the Doctoral of Nursing Practice Program)**
- **That extension/online lower division and upper division tuition rates increase by \$19 per credit hour and graduate tuition rates increase by \$24 per credit hour.**

Discussion followed.

Trustee Mitchell said this is the fifth time he has voted on tuition increases and continues to believe that we have been good stewards – we take a look at spending as opposed to increases in the consumer price index; we have always been consistently lower than that; we have been good stewards of State's money and have been good stewards of the students and the parents of the students who provide tuition at NMU. He stated that he unapologetically continues to support it because we have to make investments if we're going to have the strong university that we have today. With the leadership that we have with President Erickson, with the innovative ideas like the EAN, and the new private public partnership for the dormitories, we are showing some real progress. He said he feels firmly that if we are going to continue to provide an excellent education, we have to continue to invest.

Trustee Mahaney said that on the tuition and rate increase option, effectively we are saying the greater of the absolute dollar amount of \$475. Assuming that holds true, it's worth pointing out that if we were at the average tuition for the State and we applied this 3.8% State tuition cap, we would be increasing tuition \$472 per year. By applying the flat \$475 rate, which is designed to help us narrow the gap between NMU and the average State tuition, we are looking at a \$3 difference per year. This is not a radical change from the past but a minor effort to reduce that gap. He said he supports this because the affect to our students is \$3/year. Mr. Mahaney also said that we are able to talk about investing in innovation at this time because of the fiscal discipline that the administration has exercised for a long period of time as state support has declined. We are able to be in a position today where we have positive energy and are looking

forward and are able to invest. It's really exciting as a Trustee to see the new programs that we are investing in.

Being no further discussion, Chair Holman called the question and the following action was taken:

The motion passed with eight (8) for and zero (0) against.

FOCUS DISCUSSION – Educational Access Network (EAN) Buildout (Addendum #5)
Vice Presidents Leach and VandenAvond provided a report on the buildout of the Educational Access Network (EAN) initiative, the LTE network, and the on-line programs currently available. The program will deliver education broadband throughout the Upper Peninsula to rural areas. This will provide access to those areas who currently do not have that service readily available. The Trustees thanked the team who have been at the forefront of this initiative – Gavin Leach, Steve VandenAvond, Dave Maki, Chris Lewis, John Marra, Eric Smith, Karl Mulder, Stephanie Penhale, Don Salo, Don Duquette, Jim Juopperi, Jr., Eric Johnson, and Scott Krah. A copy of the report is appended to these minutes.

The team responded to questions and comments from the Trustees.

INTRODUCTION OF GRADUATING SENIOR SPEAKING AT SPRING COMMENCEMENT

Provost and Vice President for Academic Affairs, Dr. Kerri Schuiling, introduced Ms. Jeulani Gahiji, from Chicago, Illinois, who will represent the graduating class at Commencement ceremonies tomorrow, Saturday, May 6, 2017. She is graduating with an Entrepreneurship Major. On behalf of the Board, Chair Holman congratulated Ms. Gahiji and presented her with a plaque. A photo was taken.

INTRODUCTION OF HONORARY DEGREE RECIPIENT AND COMMENCEMENT SPEAKER

President Erickson announced that Mr. Jason Jennings, NMU alum, business leadership researcher, and best-selling author, will be the Spring 2017 Commencement Speaker. Mr. Jennings will also receive an Honorary Doctor of Business.

ASNMU REPORT (Addendum #6)

Mr. Tristan Ruiz, President of the Associated Students of Northern Michigan University reported on the ASNMU election and said that he was reelected for another term and Mr. Connor Loftus was reelected as the Vice President. He also reported on activities that have occurred within ASNMU over the past few months. A copy of his report is appended to these minutes.

Mr. Ruiz responded to questions and comments from the Trustees.

PRESIDENT'S REPORT

President Erickson reported on activities and accomplishments since the February meeting.

- This has been an amazing year for us on campus – some of which are visible and some that are not. This week we had the Strategic Planning and Budgeting Committee meeting – this is the only committee he is aware of that has an audience present at the meetings. He thanked Dr. Leslie Warren and Dr. Brent Graves for their work as co-chairs who have fostered a discussion and promoted the idea of innovation and transformation.
- The EAN team has done an extraordinary job – this is something that no other institution in the country has thought of, and could not have happened without the creative energy of this group.
- He appreciates the work that Dr. Jessica Cruz and the President's Council on Diversity have achieved – the levels of interaction that happen are important to the life of the university.
- Mr. Jeff Korpi has done great things with housing on campus. It's what happens in all of the residence halls that contribute to the vitality, energy, learning opportunities on campus – the living, learning environment that Mr. Korpi's team have created have been extraordinary.
- Thankful for the work of Mr. Jon Barch and the team that work with the Student Leader Fellowship Program – this is an amazing program that adds to the life of the university.
- The grand opening of the Behavior Education Assessment Research (BEAR) Center is happening on campus today. This is part of the energy that is coming from our faculty and staff to do something that is going to make a difference in the lives of both our students for educational opportunities and in the lives of children and families across the Upper Peninsula. He said we are delighted that Lt. Governor Brian Calley will be part of the dedication ceremony and is very appreciative of his support and outreach with this program.
- Dr. David Wood was named as one of three recipients of the Michigan Distinguished Professor of the Year award. This is no small feat and quite an honor for Dr. Wood.
- Georgia Harrison, a biology student, was named a 2017 Newman Civic Fellow by Campus Compact. This is a nationwide award that is given to students that are committed to social interaction and social change and engage and inspire others in the community.
- NMU Cat Packs program was honored with the Innovations and Community Impact from the Michigan Campus Compact. The program began in 2014 and provided between 5 – 7 well-balanced meals on the weekend and holiday food packs to over 70 K-12 students in our community, many of who are homeless.
- We are delighted by the support the MEDC has provided for the EAN – we have received \$6.5 million grant to build out the system.
- Rokerthon – this event happened because one student had an idea. He took that idea to the NMU Marketing Department who helped produce an amazing video and send it in. Out of more than 100 universities in the country that submitted videos – NMU was selected to be part of Rokerthon 2017.
- Athletics – our coaches do an extraordinary job – we have amazing student athletes – new coaches on staff – all of this has contributed to an enthusiasm and energy on campus. Athletics plays an important role in how that energy translates throughout the community.
- President Erickson thanked the Board for their support and efforts as we continue to push the university forward.

COMMITTEE REPORTS

Academic Affairs

Mr. Mitchell, Chair of the Academic Affairs Committee, reported on a meeting held Thursday, May 4, 2017. A copy of the report is appended to these minutes. (Addendum #7)

Finance

Ms. Seavoy, Chair of the Finance Committee, reported on meeting held on Thursday, May 4, 2017. A copy of the report is appended to these minutes. (Addendum #8)

Executive

Mr. Holman, Chair of the Executive Committee, reported on a meeting held on Thursday, May 4 2017. A copy of the report is appended to these minutes. (Addendum #9)

Based on a recommendation by the Executive Committee, the Board took the following action:

It was moved by Trustee Mahaney, seconded by Trustee Seavoy, and passed unanimously, to approve the following Kaye house improvements with an estimated cost of \$22,000:

- **Concrete pad and sidewalk from garage area to pavilion for ADA accessibility of university guests and food service**
- **Pavilion furniture for university guests**
- **Minor maintenance (including door replacement, dry wall repairs, electrical, and painting)**

It was moved by Trustee Mitchell and seconded by Trustee Seavoy to amend President Erickson's contract as follows:

- **Extend contract 1 year, ending June 30, 2020 (Article 2)**
- **Change 75% of base salary to 9/11ths of base salary if President assumes full tenured position (Article 2(C))**
- **Increase annual base salary for July 1, 2017 – June 30, 2018 to \$262,000 (Article 4(A))**
- **Increase current \$20,000 University contribution to deferred compensation plan to total of \$35,000 for three year period July 1, 2017 – June 30, 2020. The President will only receive the additional deferred compensation if he remains employed through June 30, 2020 (Article 4(C)).**

Discussion followed:

Trustee Holman said that this reflects the confidence the Board has in the President and the work and creative innovations that he has done and will result in a good transition and future for the university.

Trustee Mitchell said that it is clear when you walk around campus that there has been tremendous changes; the EAN which is providing a real beachhead for Northern Michigan University to provide education for people in areas who otherwise would not have broadband; the salary increase is only 5% above what he was paid last year, so that is not a significant increase in the salary the President has. In terms of the 9/11ths change, it was 75%. It has been the policy of Northern Michigan University to pay administrators who leave their positions and go back to the faculty at a 9/11ths compensation, so this provides the President with the same type of compensation that is provided to all other administrators. Finally, one of the concerns that this university has had is enrollment. Trustee Mitchell said he has been watching enrollment closely in the 4-1/2 years he has been on the Board, and it appears we are doing better in our freshman recruitment this year – a great effort by Gerri Daniels, the professors, and all of the staff. He said he believes enrollment will still show a decline from fall 2016 to fall 2017, but believes we are beginning to turn the corner. He said these are the reasons he makes the recommendation and the motion.

Trustee Holman said that over the last 5- 6 months, he has had the opportunity to either talk on the phone or meet on a weekly basis, or more often with President Erickson. He said the President is working very hard and traveling around the U.P. and the country on behalf of NMU and many of the innovations that he has put in place will result in a great future for the University.

Trustee Popp said that it is consistent with our comments about investing – and investing in places where you get a return. He said he uses the word “confidence” – that he is confident that this added investment in the President will definitely pay off in the return by President Erickson’s continued leadership and passion for NMU, and whether we are investing in some of these great new programs, or some of our staple programs, or athletics – things we know are core to the entire experience of what makes Northern special – Fritz is a special leader so he also supports the motion.

Trustee Haveman said that he is a new Board member and has worked with President Erickson when he was a board member at Ferris State. He said he always looks at the culture of the Board members and how they work together, focus on the issues, and being supportive of Northern. He said he also looks at the leadership team – from the provost, to finance, to the outreach programs, the communication with the student government, relationship with academic senate and President’s Council – and it’s all moving in a healthy direction. He said he supports the motion and believes we are moving in the right direction and the future continues to be one of high momentum and it’s a pleasure to be part of the Board.

Trustee Seavoy said that she is excited that we are extending the contract to 2020 and that she likes the fact that we have the deferred compensation piece included. She said it’s a nice tie-in that we have an extra strength of commitment for having President Erickson here longer.

Being no further discussion, Chair Holman called the question and the following action was taken:

The motion passed with eight (8) for and zero (0) against.

ACTION ON FORMAL RECOMMENDATIONS (Addendum #10)

The following action was taken:

It was moved by Trustee Haveman, seconded by Trustee Popp, and supported by the full Board, to approve the Formal Recommendations as amended.

PROPERTY ITEM

Mr. Leach provided information regarding the property item that was pulled from the Formal Recommendations. He said the item is a conveyance of land to the city of Marquette so they can construct a roundabout at the corner of Wright Street and Lincoln Avenue. They believe this is positive for the university, promotes safety, slows down traffic, and allows for better movement of students and traffic throughout the area. The administration is supportive of moving forward with this in partnership with the city.

The following action was taken:

It was moved by Trustee Mahaney, seconded by Trustee Hart, that the property transfer be authorized to grant the City of Marquette additional right of way for road construction at the intersection of Wright Street and Lincoln Avenue, be approved. The motion carried with 7 in favor and 1 abstention.

2017 BOARD OF TRUSTEES MEETING CALENDAR

Trustee Holman said that the Board needs to amend the 2017 meeting calendar to cancel the meeting currently scheduled for June 15 – 16, 2017 and approve the dates selected for the July 13 – 15, 2017 Retreat.

The following action was taken:

It was moved by Trustee Mitchell, seconded by Trustee Haveman, and supported by the full Board, to approve the amended 2017 Board of Trustees Meeting Calendar.

ANNOUNCEMENT OF INFORMAL CLOSED SESSIONS TO BE HELD IN CONNECTION WITH THE THURSDAY – FRIDAY, SEPTEMBER 21 – 22, SESSIONS OF THE BOARD

President Erickson made this announcement for the public record.

ADJOURNMENT

Chair Holman adjourned the meeting at 10:49 a.m.

Respectfully submitted,

Cathy A. Niemi
Secretary of the Board of Trustees