

Lake Michigan College
Board of Trustees Meeting Minutes
September 21, 2021
5:00-5:30 pm
<https://LakeMichiganCollege.zoom.us/j/91979882290>

CALL TO ORDER

Chair Curry called the Meeting of the Lake Michigan College Board of Trustees to order at 5:00 p.m. Chair Curry opened the meeting with the Pledge of Allegiance.

ROLL CALL

Present: Jeff Curry, John Grover, Debra Johnson, Joan Smith, Vicki Burghdoff
Absent: Mary Jo Tomasini, Michael Lindley

PRESIDENT'S REPORT

Dr. Trevor Kubatzke introduced Ms. Candice Elders, Executive Director of Marketing and Communications who gave an update on the College's upcoming 75th anniversary. Ms. Elders also shared photos of the renovated entrance on the Benton Harbor campus.

SETTING OF THE AGENDA

The agenda stands as presented.

APPROVAL OF MINUTES

Minutes of the August 24, 2021 Board meeting were approved as presented with a voice by all trustees present.

PETITIONS AND COMMUNICATIONS FROM THE FLOOR

None

PRESIDENT'S REPORT

Dr. Kubatzke introduced Ms. Marla Clark, Dean, Health Sciences Education and Dr. Gary Roberts, Dean, Arts and Sciences Education who introduced the College's new faculty members, **Megan Hinkelman**, Nursing Faculty; **Dr. Patrick King**, Drama/Theatre Faculty; **Mary Knickerbocker**, Nursing Education Center Specialist; **Rebecca Potter**, Nursing Education Center Specialist; **Katherine Sundberg**, Director of Dental Assisting; **Susan Wilczak**, Art Lecturer; **Dr. David Martin**, Sociology Faculty; and **Michella Bethea-Jones**, Nursing Faculty.

Dr. Kubatzke introduced Ms. **Rita Whise**, Director, Early Middle College who gave an update on Early Middle College student enrollment.

Student Affairs

Mr. Nygil Likely, Vice President of Student Affairs gave an update on enrollment for fall and spring. He also introduced the College's Director of Enrollment Management, **Carolyn Tubbs**, and Director of Upward Bound, **Adrian Hill**.

Academic Affairs

Dr. Leslie Kellogg, Provost and Vice President, Academic Affairs reported on the College's partnership with Benton Harbor High School, the cohort of 40 students and the classes that are held on the College's campus. Transportation is provided by Benton Harbor Schools.

OLD BUSINESS

POLICIES-2ND READ

The following new policies were presented to the Board of Trustees as a second read for review and/or approval.

Second Read

1. Gifts and Gratuities-name change to Receipt of Gifts and Gratuities
2. Purchasing
3. Resignation

ACTION:

College Administration recommended that the Board of Trustees approve the policies as presented.

MOTION by Mr. Grover with support by Ms. Burghdoff to approve the policy revisions as presented.

ROLL CALL VOTE

Yeas: Jeff Curry, John Grover, Debra Johnson, Joan Smith, Vicki Burghdoff

Nays: None

Absent: Michael Lindley, Mary Jo Tomasini

APPROVED

RECEIPT OF GIFTS & GRATUITIES

Office of Origin:	Finance
Responsibility:	Chief Financial Officer
Original Date Adopted:	8/24/10
Dates Reviewed:	1/15/12, 11/20/17, 1/23/18, 7/28/21(C)
Last Date Approved by Board:	9/21/21

This policy establishes direction for acceptance of gifts, gratuities, and honoraria that might arise in the course of Lake Michigan College (the College) employee relationships with vendors, consultants, contractors, and others providing goods and services to the College.

This policy does not seek to unreasonably restrict or interfere with maintaining good relationships with such entities but rather to ensure that College interests are not compromised by establishing expectations for ethical business practices, including avoidance of actual or appearance of conflicts of interest, and to provide direction for disclosing offers and receipt of gifts and gratuities.

Employees are expected to conduct all business according to the highest legal and ethical standards. For protection of the College as well as the employee, employees must maintain a high degree of integrity in dealing with all past, current, and potential vendors providing goods and services to the College. It is essential to both the College that all decisions and actions regarding purchasing are based upon proper business considerations and not influenced in any way by personal obligations.

As a basic condition of employment, employees have a duty to act in the College's best interest regarding business relationships related to their employment. This duty means that employees must not engage in any business practice that will interfere with their College obligations, damage the College's reputation, compromise the independence of College business activities, or reasonably be seen as doing so.

Policy

In general, acceptance of any gift or gratuity by employees from an outside entity is

prohibited; this includes merchandise, cash, services, entertainment, and other courtesies. However, insignificant non-monetary gifts (defined below) may be accepted in the interest of maintaining positive business relationships, subject to compliance with the requirements below.

Except for fund-raising activities where gift solicitation has been formally approved, employees are strictly forbidden from soliciting gifts of any type or value for themselves, their family, friends, or favorite organizations.

Requirements

1. Monetary Gifts – Acceptance of monetary or near-money items such as cash, gift cards, gift certificates, business credits, tokens, and other cash substitutes is strictly prohibited other than as discussed below.
2. Insignificant Non-Monetary Gifts – Insignificant non-monetary gifts are those valued at \$25 or less. These may be accepted without disclosure, subject to the remaining guidelines.
3. Acceptable Gifts – Certain gifts are considered acceptable due to their nature, such as:
 - Calendars, desk novelties, or similar marketing items
 - Reasonably priced meals accepted in settings where College business is conducted
 - Books, media, software, or similar work-related items for which there is not charge
 - Perishable gifts such as candy, fruit baskets, or flower arrangements that cannot easily be returned should be shared or distributed among department employees.
 - Gift cards or gift certificates that will be used by receiver's department for supplies, equipment or for a department meal (e.g., gift card for pizza) may be accepted. Disclosure must be made when accepting these for department use.
 - Event tickets, golf outing invitations, convention and seminar admission fees, and similar as long as such are rotated among department or other employees.
4. Initial Response – Upon offer or receipt of any gift (other than Insignificant Non-Monetary or Acceptable Gifts), the employee should attempt to either not accept or to return the item to the provider, reminding provider of the College policy discouraging receipt and acceptance of gifts.
5. Disclosure Process – Employees must fully disclose receipt of any non-monetary gift (other than insignificant non-monetary gifts) in writing via the *Gift Disclosure Form*. This form should be submitted to the employee's supervisor or the supervising Cabinet

member as soon as possible after receipt of gift. Disclosure should include details such as name of provider, item description, and estimated value. The supervisor or Cabinet member must acknowledge in writing the disclosure and identify recommended disposition.

6. Participation in Sponsored Activities – Employees who participate in vendor-sponsored events or activities during the employee’s regular work day must have supervisor approval. Such participation may require the time away be charged as vacation leave.

References: Internal Revenue Service limits on business gift deductions per IRS *Publication 463, Travel, Entertainment, Gift, and Car Expenses*

PURCHASING

Office of Origin:	Purchasing & Risk Management
Responsibility:	Manager, Purchasing & Risk Management
Date Adopted:	10-26-93
Dates Reviewed:	8-16-12, 5-2-16, 8-4-21(C)
Last Date Approved by Board:	9-21-21

Lake Michigan College (the College) is committed to maintaining financial and business practices that assure equal opportunity to all those who provide goods and/or services to the College.

The College is an Equal Opportunity institution, as described in the *Non-Discrimination* policy.

The Purchasing Department (Purchasing) is responsible for conducting purchasing functions in a manner that results in the greatest benefit to the College while upholding the ethical practices of the purchasing profession. Purchasing subscribes to the National Association of Educational Buyers’ (NAEB) Code of Ethics, which governs the relationships between purchasing professionals and vendors.

The College may not be financially obligated to a vendor unless an approved purchasing method is used.

EMPLOYEE RESPONSIBILITIES

It is the responsibility of employees to know and abide by this policy. If an employee is

found not to be compliance, the following progressive options are available depending on the nature of the non-compliance:

1. Verbal reminder and review of the procedure with the employee
2. Verbal warning to the employee by Human Resources
3. Written warning to personnel file
4. Discipline up to and including termination

Employees are expected to conduct business according to the highest legal and ethical standards; see *Conflict of Interest - Employee* policy.

Employees are to avoid accepting any kind of gratuity, tips, or gifts, including merchandise, cash, services, entertainment, etc.; see the *Gifts & Gratuities* policy.

Purchases may only be made if there are adequate budgeted funds over which the purchaser has authority, or with written approval from the Executive Director, Finance or Chief Financial Officer (CFO) to exceed budget.

All contracts/agreements are to be sent to Purchasing to be maintained in the master contract file. It is the responsibility of the employee to ensure compliance with a contract/agreement.

AUTHORITY TO PURCHASE

In accordance with the *Authority to Bind the College to External Agreements* policy, certain purchases require Board of Trustee (the Board) approval in advance of the purchase commitment; see "*Authority to Bind College to External Agreements*" (Authority to Bind) policy.

COMPETITIVE PRICING, QUOTE & BID REQUIREMENT THRESHOLDS

The following outlines requirements for initiating purchases:

- Less than \$5,000 (less than \$10,000 for Facilities and IT departments) – no requisition or comparison pricing is required, although comparison pricing is always expected to occur as a prudent purchasing standard. Purchases should be completed by direct pay (i.e., check request) or procard.
- \$5,000-\$24,999 (\$10,000-\$24,999 for Facilities and IT departments) – a requisition and minimum of 3 written quotes are required. The quotes may be solicited by Purchasing or the requestor if approved by Purchasing. The purchase will be awarded to the vendor whose quote is most advantageous, using price, quality, and other factors as considerations.
- \$25,000 or more – require a requisition and competitive sealed bids solicited by

Purchasing. Solicitations require advertising through appropriate media (e.g., mail, e-mail, internet, public notice in newspaper of general circulation.)

If it is neither practicable nor advantageous to solicit bids due to the unique or unquantifiable nature of the good or service (e.g., professional services), the Request for Proposal or Request for Qualifications methods may be used.

EXCEPTIONS TO THE COMPETITIVE PRICING, QUOTE & BID REQUIREMENTS

Exceptions to the competitive pricing/quote/bid requirements are:

- Advertising contracted services
- Approved sole source purchases
- Cooperative purchasing program purchases up to \$100,000
- Emergencies *
- Goods and services for resale by Mendel Center
- Library books and subscription renewals
- Mendel Center Mainstage show contracts
- Utility services

*An emergency is an occurrence that is believed to be disruptive to College operations or to create a hazard to the health or safety of persons or to property if not corrected as soon as possible. When an emergency occurs during working hours, Purchasing must be contacted for an emergency PO. If an emergency occurs after hours, purchase of emergency items may be done with the approval of the President, Chief Financial Officer, or Executive Director, Facilities. Purchasing must be notified within 2 working days of the purchase so that it can be properly documented as an emergency purchase. If an emergency purchase exceeds \$100,000, the President will inform the Board at or before the next Board meeting of the purchase and the reason.

SOLE SOURCE PURCHASES

Procurement of goods and services without competition is only done under exceptional and limited circumstances. The requestor must complete a *Justification for Sole Source Procurement Request* form (Sole Source Form) prior to purchasing the good or service.

Sole source purchases may be made only if the request is made using the Sole Source Form, the request meets one or more of the criteria on the Sole Source Form, and the Sole Source Form has all required approvals.

Cost analysis must be performed by the requestor to ensure that the cost charged by the

vendor is reasonable and customary by comparison the cost with:

- competitive published price lists, market indexes, etc.,
- independent market research,
- proposed prices received in response to a competitive solicitation, or
- previously proposed prices for the same or similar items.

Purchases and/or contracts requiring Board approval per the *Authority to Bind* policy that are awarded as a sole source must be so indicated in the materials provided to the Board.

BONDING REQUIREMENTS

Bid Bonds, Performance Bonds, and Labor/Material Bonds are required on all construction or maintenance project bids that are estimated at \$100,000 or more. Bid bonds are normally required in the amount of 5% of the vendor bid. Performance and Labor/Material Bonds are normally required to be 100% of the vendor's total bid. Exceptions to this requirements must be approved by the President.

All bonds must be from bonding companies licensed to do business in Michigan. All bonds in effect are to remain in Purchasing and are the responsibility of the Purchasing Manager.

OTHER REQUIREMENTS

Agreements to Maintain Academic Equipment

Maintenance agreements may not be a prudent use of College resources, and must be approved in advance by the supervising Cabinet Member.

Alcohol

Only the following departments may purchase consumable alcohol and only for the following purposes:

- Culinary – for direct instructional purposes
- Enology & Viticulture – for direct instructional purposes
- Hospitality – for direct instructional purposes
- Mendel Center Operations – for resale business purposes
- Mendel Center Mainstage – to satisfy production rider requirements
- President's Office – Upon occasion it may be appropriate to purchase alcoholic beverages when entertaining College guests or when hosting a College-related group activity. All such occasions must be hosted by the President or the expense must be authorized in writing by the President.

Capital Purchases

A requisition and purchase order is always required for a capital purchase or a purchase that is part of a capital project, regardless of dollar amount, to ensure proper tagging as a capital asset. See *Capital Asset* procedure for what qualifies as a capital asset.

Computers, Peripherals & Software for College Use

All requests for technology items must be approved by the IT Department prior to or upon requisitioning. Certain grant programs where equipment and software do not become College property and/or are not installed on the College network are an exception to this requirement. The grant administrator is required authorize such purchases prior to or upon requisitioning.

Donations

Donations to other organizations using College monies or assets are prohibited unless approved by the supervising Cabinet member and CFO.

Personal Goods or Services

The College will not purchase goods or services for employee personal use nor will arrangements be made by Purchasing to create any buyer-seller arrangements between employees and vendors.

Publications (Printing and Graphics)

All publications (brochures, newsletters, catalogs, forms, etc.) that will be distributed outside the College must be approved by the Marketing Department to ensure consistent, high-quality publications and graphics standards.

Purchases by Pro Card, Expense Reimbursement, and Direct Pay Check Request

Purchases by procurement card, reimbursement for out-of-pocket purchases, and direct pay check request are for purchases for which a purchase order is not required or accepted. These purchasing/payment methods may not be used to circumvent this policy or the purchasing procedures, for services provided by an employee (which must go through payroll), and may not be used to circumvent this policy.

References: *Authority to Bind the College to External Agreements* policy
Justification for Sole Source Procurement Request form
Non-Discrimination policy
Purchasing procedure

RESIGNATION

Office of Origin:	Human Resources
Responsibility:	Executive Director, Human Resources
Original Date Adopted:	9-27-05
Dates Reviewed:	7-12-08, 7-28-21(C)
Last Date Board Approved:	9-21-21

To meet the operating needs of Lake Michigan College (the College), a reasonable period of advance notice is necessary to facilitate the replacement process for the voluntary separation of an employee by resignation or retirement.

All resignation or retirement notices must be submitted in writing to Human Resources (HR.) The *Voluntary Resignation Form* may be used for this purpose.

Administrative, Professional/Technical, and Classified staff must provide advance notice to the employee's direct supervisor with a copy to HR at least 14 calendar days prior to the effective date. Cabinet members must submit advance notice at least 28 calendar days prior to the effective date.

The advance notice period must include at least 14/28 calendar days of time actually worked. Vacation, personal days, and/or sick leave ("paid time off") may be included in the advance notice period as long as at least 14/28 calendar days are actually worked as well. Paid time off may not be included in the advance notice period requirement to shorten the 14/28 calendar days, unless express permission to do so is given by the Executive Director, HR due to extraordinary circumstances.

All unused paid time off is forfeited upon any type of separation from employment, and will not be paid out to the employee.

Failure of an employee to provide the required advance notice will result in the employee being ineligible for rehire, and could impact the employee reference.

Any employee who is absent from work for 3 consecutive days without approval may, at the College's discretion, be deemed to have resigned without notice, unless the employee can show that a request for approval was not possible due to circumstances beyond the employee's control.

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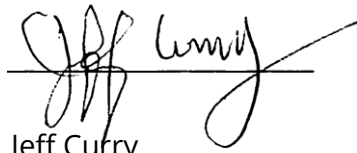
References: *Voluntary Resignation Form*

NEW BUSINESS

None

ADJOURNMENT

MOTION by Ms. Smith to adjourn the Regular Meeting of the Lake Michigan College Board of Trustees at 5:35 p.m.

A handwritten signature in black ink, appearing to read "Jeff Curry", is written over a horizontal line. The signature is stylized and cursive.

Jeff Curry
Lake Michigan College Board Chair