**MCCBOA Spring 2013 Workshop Minutes**

**James B. Henry Center for Executive Development - Lansing, MI**

**March 7 & 8, 2013**

Thursday, March 7

MCCBOA President Rosemary Zink welcomed the group to the MCCBOA Spring 2013 Workshop and made announcements. As there were several new faces at the conference, everyone introduced themselves and stated where they were from.

Traci Moon and Duane Reyhl of Andrews, Hooper & Pavlik, CPA’s spoke to the association about the risk tolerance and complexity of internal controls, from both a financial and compliance perspective. They reviewed the five elements of internal controls and discussed SAS 70 changes and successors.

Darnell Jackson, Bennet Scauzzo and Michael Casciano from Morgan Stanley shared interest rate history and future expectations. They conveyed the difficulty of earning investment income with traditional investments in today’s marketplace. They also communicated about both the domestic and global viewpoints.

George Erickcek of the Upjohn Institute for Employment Research spoke about consumers’ confidence, spending and debt. He relayed that businesses are holding cash which is holding back employment growth. He shared the rebounding of the auto industry in Michigan and its multiplier effect throughout the economy. He believes Community Colleges are an important part of Michigan’s recovery and future.

Wendi Burleson from Chase Paymentech conveyed the education landscape of credit cards including today’s challenges of costs, PCI compliance and hosted solutions.

The agenda was modified to add a GASB 68 state meeting update from Libby Argiri of Macomb Community College. The MCCA presidents group has asked Plante Moran to speak regarding this issue and about the effect on all of the community college’s fund balances. The MCCBOA group has many questions and concerns as there are many unresolved issues with this huge change.

A presentation was given by Kirk Frownfelter of Walbridge and Mark O’Connell of Kellogg Community about whether or not to self-manage during a construction project. There are many variables including time, skills, complexity, safety, LEED, team approach, communication, budgets, and analyses.

Friday, March 8

The Michigan Department of Treasury Director for the Office of Revenue and Tax Analysis spoke to the group about positive signs in the state and national economies. He also when into details regarding the personal property tax reform that starts in 2014. The base year is 2013 and it would be helpful for the community colleges to know which types of personal property they have. There may be a vote in the future to earmark a portion of use taxes to repay local governments’ losses due to the personal property tax changes, but it would only be a portion, not in total and would have to go before the voters.

Steve Crippen of the Michigan Office of Retirement Services (ORS) spoke to the group about the Michigan Public School Employees Retirement System. The group shared many questions and concerns with Steve regarding the upcoming GASB 68.

Erin Schor of MCCA communicated upcoming expectations from the state budget including capital outlay. She shared the importance of veteran’s issues to the legislature and continued discussion about a 4 year nursing degree by community colleges. Erin also touched on GASB 68, ORS will not reconsider and have the liability at the state level, and therefore, a deficit reduction plan would have to be filed by the community colleges when GASB 68 is recorded.

During the Lansing updates, it was reported by Michigan Community Colleges Services that the ACS databook is becoming more automated and less manual.

Rhonda Edwards of the Michigan Community College Virtual Learning Center (MCCVLC) shared that there is a new website. A proposal was made to the State Budget Director for infrastructure and software with tools that would link all colleges in a course aggregator. They are going for a one-time only appropriation of $1.1 million of which some would go to the colleges for implementation costs.

Richard Scott moderated the Bull Session. There were many surveys passed around during the Spring Conference that Rick shared with the group. Under millage updates; Muskegon’s was defeated. Libby Argiri provided a CCBO update and shared the benefits and pertinence of the national CCBO group as an alternative to the NACUBO conferences that are made of mostly four year colleges. She also encouraged the group to join NACAS for auxiliary services as currently only four Michigan Community Colleges belong to this. MCCBOA listserve e-mail changes, please get to Ilene Scherer. Gibson Survey update, there are concerns about the data being correct. Please check your college’s information and get changes to Rick. Everyone uses the Gibson survey extensively. Regarding enrollment, several colleges have declines, some are flat, while no one has increased enrollment. The average enrollment decline last year was 6%.

**Association Business**

Fall 2012 minutes were approved, the motion was made by Rick Scott and seconded by Ilene Scherer.

The Treasurer’s update was provided by Ilene Scherer. An enormous thank you to Ilene for stepping into the vacant Treasurer’s position. Just a note to the group that we will be looking to fill two officer positions next year instead of the normal one position per year.

Respectfully submitted

Cheryl Sullivan, MCCBOA Secretary