

**NORTHERN MICHIGAN UNIVERSITY  
BOARD OF TRUSTEES  
Minutes of the Formal Session  
of  
Friday, June 17, 2016**

A formal session of the Board of Trustees of Northern Michigan University was held on Friday, June 17, 2016 in the Don H. Bottum University Center of Northern Michigan University, Marquette, Michigan. The meeting was convened at 9:30 a.m. in the Marquette/Nicolet/Cadillac Rooms by Chair H. Sook Wilkinson.

Trustees present included:

Dr. H. Sook Wilkinson, Chair  
Mr. Scott L. Holman  
Dr. L. Garnet Lewis\*  
Mr. Robert E. Mahaney  
Mr. Steven M. Mitchell

Mr. Richard M. Popp  
Ms. Tami M. Seavoy  
Dr. Thomas H. Zurbuchen  
Dr. Fritz J Erickson, ex officio

*\*Participated via Zoom*

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

**MOMENT OF SILENCE IN MEMORY OF NMU STUDENT AND FACULTY**

Dr. Kerri Schuiling, Provost and Vice President for Academic Affairs, read memorials for the following:

- Ms. Kaylilyn Tansey, current student in the College of Business, majoring in marketing, who died on June 11, 2016.
- Dr. Alan Beauchamp, professor from the Psychology department, who died on May 12, 2016.

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

**INDIVIDUAL REQUESTS TO ADDRESS THE BOARD:**

There were none.

**PRESIDENT'S REPORT**

President Erickson reported on activities and accomplishments since the April meeting. His report is appended to these minutes. (Addendum #1)

### **ACTION ON FORMAL RECOMMENDATIONS**

The following action was taken:

**It was moved by Trustee Seavoy, seconded by Trustee Mahaney, and supported unanimously by the Board of Trustees, to approve the Formal Recommendations.**  
(Addendum #2)

### **FOCUS DISCUSSION – Tuition and Fees**

Mr. Gavin Leach, Vice President for Finance and Administration, provided a report on the analysis of the key factors that go into the tuition and fees setting process for fiscal year 2017. (Addendum #3)

Chair Wilkinson thanked Mr. Leach for the in-depth information contained within the slides. She said that we are in a critical juncture because of the budget shortfall, demographics, decreasing state funding, and our enrollment challenge. As we go into the discussion regarding this topic, all of us are in agreement that we need to do the right thing for this institution at this particular time.

**It was moved by Trustee Popp and second by Trustee Mitchell to approve the 4.2% tuition model that would include:**

- 1) **Restructuring the flat rate tuition from 18 credits to 16 credits**
- 2) **Implementing an upper and lower division tuition differential**

Discussion followed:

Trustee Mitchell stated that the fact that we requested taking a look at an enormous increase of 12.3% or 15% is an indication of the fact that we continuously fall further and further behind in the way that we get our money from the State of Michigan. If you look at the consumer price index, the \$52 million we received in 2002 adjusted to inflation is \$70 million today, so we have dropped from \$70 million in state aid down to \$46 million in state aid. That's a huge drop as our costs have gone up. When you take a look at our friends up at Michigan Tech, if they increase their tuition by 4.2%, that's \$630 more per student compared to the \$406 that we get. The system that we have right now with this tuition cap covering all universities is inherently unfair, it is inherently unequal, and inequitable. It seems to me that we have to try to do something to change that. Twenty years ago two-thirds of our funding came from the State, in 2005 half of it, now only one-third, and so parents look at us and say, and I hear it all the time as a member of a board, why do you guys constantly increase tuition. Well, we have to do it because the State has abrogated its responsibility to higher education by continuously lowering the amount of money that we receive and so, therefore, we as board members are faced with either we are going to provide a solid and strong education for the students that we have a responsibility to or we're not going to provide them with a solid education. So, therefore, we become the bad guys because we try to impose a significant amount of money increase to the parents and to the students who pay these tuition increases. But we have absolutely no alternative. Our goal is to provide the best education that we can to our students, to provide them an education that will allow them to graduate and get a job in the field that we have educated them in, or to a graduate program in a field in which we have educated them in. This is the fourth time I've voted for an increase in our tuition. I have done it unapologetically every time because I think my greater responsibility is to the students, to their parents, and to the people we are trying to educate. So as I

look back on these raises, yes, I understand that it imposes difficulty on everybody, but we have to look at how we do it. Gavin, the presidents that we've had, have done a remarkable job as stewards of not only the state's money, but as a steward of the parent's and student's money who come here. I think that we have to do something to change the unequitable and inherently unfair way in which this is done because there was a system that we had in place twenty years ago that provided a tier method of raising it and so a school like Michigan Tech, Michigan, and Michigan State University that had high tuitions would raise it at a lower percentage than schools like Northern Michigan University. We provide a tremendous value. The one thing as a graduate of Northern Michigan University that always concerns me is people say "oh, I'm just going to Northern." Well "just going to Northern" is not true. You're going to Northern because it's a tremendous university and it provides great education across the board. That's why I have seconded this and that's why I support an increase in tuition. More importantly, I support a change in the unfair and inequitable way in which schools can raise tuition under this cap.

Trustee Holman stated that he intends to support the motion because the legislature gives him no choice. We believe that the punitive measures related to tuition restraint 1) violates the constitutional autonomy of the institution, interfering with the fiduciary responsibilities of the Board of Trustees; 2) it does not recognize that NMU has held expenses to 1/10 of 1% per year for the past five years; 3) it constrains the ability for NMU to invest in modern, innovative programs that serve our students and our community; 4) in many cases, the program cuts result in requiring students to add a semester or a year to synchronize their required classes to get their degree. Lost income and added tuition and fees and room and board, how does that help the students? We will initiate an educational and informational effort that must change the higher education appropriation process that will result in common sense, fairness, and protect our constitutional autonomy.

Trustee Mahaney said that he echoes the comments made by Trustees Mitchell and Holman. He views our role as Trustees as fundamentally two things: to provide an affordable education that's also a quality education. In order to provide a quality education we need to be able to invest in new programming and facility upgrades. As Trustee Mitchell so appropriately described, the current system handcuffs us as Trustees. We are forced to abide by artificial caps that do not recognize the absolute dollar differential between tuition rates throughout the state. It's created a system of haves and have-nots. This is the second year that I have participated in the tuition rate setting. Once again, I will vote for the tuition cap, but we have to stop taking the band aid approach. We have to look at long-term solutions to this problem and we have to initiate that now.

Chair Wilkinson called for a roll call vote on the motion:

Aye

Nay

Scott Holman  
L. Garnet Lewis  
Robert E. Mahaney  
Steven M. Mitchell  
Richard M. Popp  
Tami M. Seavoy  
H. Sook Wilkinson  
Thomas H. Zurbuchen

**The motion was thus approved with eight (8) for and zero (0) against.**

**ANNOUNCEMENT OF INFORMAL CLOSED SESSIONS TO BE HELD IN CONNECTION  
WITH THE THURSDAY – FRIDAY, July 21 and 22, 2016, SESSIONS OF THE BOARD**

President Erickson made this announcement for the public record.

Trustee Mitchell said that one of the items from the formal recommendations approved at this meeting, was a change in the Residency Policy that includes grandchildren of NMU alumni are now eligible to receive in-state tuition.

**ADJOURNMENT**

Chair Wilkinson adjourned the meeting at 10:10 a.m.

Respectfully submitted,

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Cathy A. Niemi  
Secretary of the Board of Trustees