



OAKLAND COMMUNITY COLLEGE®

**BOARD OF TRUSTEES  
SPECIAL MEETING/STUDY SESSION MINUTES  
Oakland Community College  
Auburn Hills Campus, Room G240  
2900 Featherstone Road  
Auburn Hills, MI 48326  
September 10, 2015**

**1. GENERAL FUNCTIONS**

1.1 Call to Order and Welcome

The meeting was called to order at 7:18 p.m. by Vice Chair Bryant who welcomed all staff and guests. The purpose of the meeting was to hold a study session to discuss tuition and delegation of authority.

1.2 Attendance

Present

Shirley Bryant, Vice Chairperson  
John P. McCulloch, Treasurer  
Pamala Davis, Secretary  
Thomas Kuhn, Trustee

Absent

Thomas Sullivan, Chairperson  
Daniel Kelly, Trustee  
Christine O'Sullivan, Trustee

1.3 Tuition and Delegation of Authority Study Session

Dr. Meyer stated this evening's session would be focusing on tuition and fees and would not be discussing the delegation of authority topic.

Dr. Meyer stated the Board of Trustees has the authority to set tuition and fees. We need to balance the budget, so who pays? Tuition is a form of revenue. Dr. Meyer stated he and Vice Chancellor of Administrative Services Peter Provenzano will address this.

Dr. Meyer noted most tuition practices consider market comparison, differential tuition and/or fees, and residency.

The Fiscal Concept:  
Cost = Revenue

The Operating Concept:  
Average Cost = Tuition + Property Taxes + State Appropriations.

The Tuition Concept:  
Tuition and Fees = Cost – Property Taxes – Other Revenue.

Mr. Provenzano addressed the average operating cost per credit hour. Three community colleges were chosen with an average operating expense of \$100 million or more. Lansing CC came in at \$258, OCC at \$247, and Macomb CC at \$221, with an average of \$242. Mr. Provenzano said we need to take into consideration that OCC has five campuses to run and, therefore, higher costs. He also pointed out the average total revenue per credit hour with Lansing CC at \$310, OCC at \$293, and Macomb CC at \$264, an average of \$289. In both of these charts, OCC is in the middle.

Looking at 2014, Mr. Provenzano reported on the revenue sources for the three community colleges. Where OCC relies on 50.76 percent on property taxes, Lansing relies on only 30.38 percent and Macomb at 28.70 percent. Tuition and fees at OCC constitutes 35.39 percent, Lansing at 43.17 percent, and Macomb being the highest at 43.41 percent. Lastly, state appropriations allotted to Macomb are 24.67 percent, Lansing at 24.84 percent, and OCC only receiving 13.72 percent.

When addressing the tuition concept regarding residency, Mr. Provenzano stated:

In-District: Tuition = Cost – Property Taxes – State Appropriations  
Out-of-District: Tuition = Cost – State Appropriations  
Out-of-State: Tuition = Cost

In comparison with the other 28 Michigan community colleges, OCC has the lowest In-District rate (2014-15). For Out-of-District fees, OCC falls to the bottom middle portion of the scale among the other 27 Michigan community colleges.

Lastly, Mr. Provenzano discussed Course Fees = course cost – standard tuition subsidy. It is a suggestion for OCC to charge a course fee when the cost for a specific course exceeds the cost of the College's average course.

Dr. Meyer concluded with offering some Value Statements for the Board to consider:

- Operating revenues should not exceed a reasonable cost of education

- Establishment of tuition and fees considers revenues from property millage, state appropriations, and ongoing college reserves
- Tuition for resident and nonresident students considers relative contribution of state and local revenue subsidy
- Fees represent the offset of course costs minus a revenue subsidy
- Board of trustees has authority to establish both tuition and fees

He said this is the beginning of the conversation on how tuition should be set, and suggested it be done on an annual basis.

Trustee McCulloch suggested changing value statement four to read: “Fees should be considered when establishing course costs”

Trustee Davis asked for clarification on current course fees. Vice Chancellor of Academic Affairs Cathey Maze noted for each semester a \$25 registration and technology fee is charged, along with a \$10 course fee.

1.4 Public Comments/Petitions - None

## 2. ADJOURNMENT

Trustee Davis MOVED to adjourn the meeting. Trustee McCulloch seconded.

AYES: Bryant, Davis, Kuhn, McCulloch

NAYS: None

Motion Carried

The special meeting was adjourned by Vice Chair Bryant at 7:59 p.m.

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Cherie A. Foster

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Date

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Shirley J. Bryant, Vice Chair

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Pamala M. Davis, Secretary