

**Draft Minutes of the
Alpena Community College Board of Trustees Retreat Meeting**
February 18, 2020
Great Lakes Maritime Heritage Center Education Room
500 W. Fletcher Street, Alpena, MI 49707

On Tuesday, February 18, 2020, the Alpena Community College Board of Trustees gathered for a retreat meeting. The meeting began at 12:07 p.m.

Present: John Briggs, Teresa Duncan, Joseph Gentry II, Lisa Hilberg (arriving at 12:12 p.m.), Susan Stender, Florence Stibitz, and Tom Townsend. Absent: None.

Seated at the table: Board Secretary Jay Walterreit. President MacMaster joined the meeting via conference call.

Introduction of the Retreat Activity

Trustee Duncan thanked the trustees for attending the retreat, then introduced the retreat activity. The impetus for the retreat was a request from the ACC Foundation Board for a list of College objectives which could be used to direct fundraising activities.

Trustee Duncan gave a brief overview of the documents provided for the meeting, calling special attention to a two-page document written by President MacMaster in which he outlined his vision for the College for the next five to 10 years. Discussion on that document and other topics ensued.

Discussion

Trustee Townsend asked the other trustees for their opinion on how specific the objectives should be. Trustee Duncan suggested that keeping the objectives broad, such as how they were listed in President MacMaster's document, would be desirable.

Trustee Townsend then asked President MacMaster how the College normally goes about funding new academic programs and initiatives. President MacMaster replied that the College assesses the amount of money coming in and going out of the College, then create a list of assumptions (such as needing to hire a full-time faculty member for a new academic program) which will need to be costed out. Usually, adding a new program is coupled with identifying programs that may need to be revised or discontinued. There are a number of considerations to be thought through, said President MacMaster, including research on employability of students to go through new programs, curriculum development, etc.

Trustee Townsend asked if the retreat was intended to be a venue for brainstorming new academic programs. President MacMaster responded by saying that usually the Foundation doesn't directly fund faculty positions; the College would need to think through any new programs and how to fund and manage them.

Chairman Briggs noted that if the College wanted to build up support for the Foundation, the College needs to demonstrate value and accountability to the community. President MacMaster

agreed with that statement and noted the addition of the new alumni director position is well timed and that part of that position's responsibilities would be to communicate the College's value proposition. Part of that value proposition is the Oscoda Campus and all the things ACC does for that area. Chairman Briggs suggested the College needs to figure out how to fund improvements at the Oscoda Campus.

Trustee Stibitz asked how the ACC Board of Trustees should go about communicating its priorities to the ACC Foundation Board. She wondered how specific the ACC Board should be in its objectives.

Chairman Briggs suggested the ACC Board could set a specific dollar figure as a goal for an endowment fund.

President MacMaster said the dreams of ACC are the things that need to be cooperatively pushed with the help of the ACC Foundation. The ACC Foundation is looking for a specific goal attached to a specific intention.

President MacMaster went on to talk about the topic of funding for staff in the ACC Foundation office as an example of a specific need. He also listed renovating the old auto body lab for use by another academic program. He asserted that it might be appropriate to get the Foundation's agreement on broad categories of activities but not dwell on dollar figures.

Trustee Duncan then turned the trustees' attention to President MacMaster's priorities document. She asked President MacMaster if he thought it was appropriate to segregate the listed priorities by time frame — five- and 10-year goals.

President MacMaster responded by saying he feels highly motivated to address all of the priorities listed in his document as soon as is reasonable. Ten years may be too long. Trustee Townsend agreed that some projects, such as student housing and renovating the Natural Resources Center will need to be addressed as soon as is possible, while other projects will take longer for various reasons.

Chairman Briggs agreed that the College will need to approach different projects in different ways. He said the College will raise money to maintain and renovate facilities to remain relevant to the community.

Trustee Hilberg asked how the ACC Foundation goes about researching prospective donors and fundraising. Trustee Duncan explained the process of nurturing relationships, identifying prospects, and asking for donations. She said there is a structure and organization in the ACC Foundation for addressing prospective donors.

Chairman Briggs asked if there are vacancies on the ACC Foundation Board. President MacMaster said the ACC Foundation is seeking five new members, one from Besser Company and four others. Invitations have been extended and some have been enthusiastically accepted. The ACC Foundation is a powerhouse group who is supportive of Brenda Herman and is eager to lean forward into ambitious projects.

Trustee Duncan asked if the ACC Foundation Board was trying to think more broadly about community representation. President MacMaster confirmed the ACC Foundation was interested in recruiting younger members and more high-end earners. The ACC Foundation could add up to seven new members. Recently the ACC Foundation Board brainstormed potential new members, ranked the candidates, and then approached five of the top seven. The goal was to add three to five new ACC Foundation Board members in a staged way, then approach the next group of prospective members.

Chairman Briggs asked for clarification on if the ACC Foundation fundraising activities overlap with that the Community Foundation does. He suggested ACC and the ACC Foundation should narrowly define our goals so as to not overlap with the Community Foundation. Trustee Gentry said the Community Foundation does not actively fundraise. He went on to say that ACC and the ACC Foundation want to be connected to people more likely to give legacy gifts and financial advisors so that we can encourage people to give legacy gifts in their wills. The new way of fundraising is going away from supporting organizations and going to setting up endowments to support causes.

Trustee Stender mentioned that she never considered technology to be a cause to be supported.

Trustee Hilberg asked the other trustees if they thought the categories in President MacMaster's vision document were specific enough to be used to solicit money. Trustee Stibitz responded by asking how the items in President MacMaster's document could be prioritized. Trustee Duncan opined that people will give money to projects they want to support. She went on to say that ACC Foundation funding stability and sustainability might be a priority for the College.

Trustee Stibitz asked if the trustees needed to have more conversation about the topic of student housing. Can more information on that topic be supplied? President MacMaster replied that he recently spoke with Facilities Director Nick Brege and discussed some general dollar figures for expanding the College Park Apartments; the low-end figure could be around \$1.5 million, but we don't have a solid figure right now. Trustee Townsend noted that contractors who would put up a housing facility are different from the contractors currently working on the Van Lare Hall renovation project, and the College needs to talk to the right contractors about student housing.

President MacMaster mentioned the possibility of renovating the current auto body lab to accommodate a different academic program. He said the College has a general idea of how much it might cost to renovate the space.

Referring back to his vision document, President MacMaster noted that all five areas he mentioned have urgent aspects and he would struggle to prioritize one area over another.

Chairman Briggs noted that need and opportunity are flexible things, and the College should work towards its goals without being constrained by a predetermined order to the projects.

Trustee Stibitz asked if the ACC Foundation will want to have input on how the fundraising will work. President MacMaster said the ACC Foundation first wants the ACC Board's vision, and then to have dialog with the ACC Board on proposed projects.

President MacMaster noted that up to 66% of the money listed in his vision document may be obtainable through federal and state grants and other funding sources. The College needs to be opportunistic when these funding sources become available. He went on to say that the ACC Foundation Board next meets at the end of April [confirmed to be April 23]. That gives us a timeline for preparing to engage with the ACC Foundation Board. We just need to tell the ACC Foundation what we want to do and ask them how they'd like to proceed.

President MacMaster then noted Northwestern Michigan College's efforts to establish an endowment to support their operations.

[\[https://www.nmc.edu/about/foundation/campaign/index.html\]](https://www.nmc.edu/about/foundation/campaign/index.html)

Trustee Stibitz asked how the ACC Board's ideas will be conveyed to the ACC Foundation Board. Chairman Briggs suggested a summary of the ACC Board's retreat be shared with the ACC Foundation Board. Trustee Stibitz asked if President MacMaster's vision document could be used as the basis for communication, and if so, could it be condensed to bullet points? Trustee Duncan suggested that the ACC Board's communication include a written document as well as an oral presentation with conversation. There was general agreement on that point from all of the trustees.

Trustee Duncan then asked if the needs of the Oscoda Campus have been adequately addressed in President MacMaster's vision document. Trustee Hilberg suggested that the trustees keep the needs of both campuses in mind as they go about creating bullet points.

Chairman Briggs noted that it would be nice to have a fund for the Oscoda Campus that people in that area could contribute to since ACC does not collect any millage revenue there. It could be an endowment fund for the Oscoda Campus.

The trustees then agreed to take a short break until President MacMaster could physically join the meeting. Chairman Briggs recessed the retreat at 1:27 p.m.; at 1:51 p.m. the retreat was reconvened.

Trustee Duncan then asked who should be responsible for communicating with the ACC Foundation Board. She noted that she will not be able to attend the April 23, 2020, ACC Foundation Board meeting. President MacMaster volunteered to lead the communication and will provide a written document for inclusion in the ACC Foundation's meeting packet. He also encouraged more interaction with the ACC Foundation, saying the more the ACC Board meets with them the better.

Trustee Duncan suggested that each of the five categories noted in President MacMaster's vision document take the Oscoda Campus into consideration, and that fact be noted to the ACC Foundation. Trustee Stibitz then asked if it was desirable to create a bullet point list in addition to President MacMaster's vision document to give to the ACC Foundation Board. Chairman Briggs suggested that any communication with the ACC Foundation Board state the ACC Board has considered all input, including feedback from ACC staff and the Strategic Planning and Budgeting Committee.

Trustee Gentry then passed around a handwritten summary of President MacMaster's vision document which condensed the document to bullet points and included dollar figures in each area.

The trustees then discussed ACC's academic programs, the needs of the community, some Alpena Public Schools activities and needs, and ways in which the Oscoda Campus could be physically improved.

Wrapping up the retreat discussion, Trustee Duncan asked if there should be an informational campaign to let people know all of the things ACC does for the community? The trustees noted the College:

- Provides leadership in community groups
- Cultivates cultural activities
- Supplies a variety of employment and training needs to people and employers
- Has robust partnerships with K-12 systems, universities, and other educational entities

The trustees agreed that communicating the College's value proposition is an important part of cultivating giving.

Adjournment

At approximately 3:25 p.m. Chairman Briggs ended the Board retreat meeting.

Jay Walterreit
Secretary of the Board of Trustees
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Visioning Session--MacMaster

February 18, 2020

Executive Summary

My vision for the College 5-10 years out distills down into five broad categories, each requiring varying amounts of external funding to accomplish. I propose we set a \$15 million fundraising target in an ACC Campaign for the Future to address these long-term challenges and opportunities.

(1) Facilities Upgrades including additional Student Housing

Rationale: Seeking additional local millage to fund facilities upgrades is probably a non-starter for at least the next decade or longer due to the APS campaign, regardless of whether the vote passes. That said, we have ongoing facilities upgrade needs that can't be postponed indefinitely. A short list of projects: a) renovating the autobody lab space for productive reuse; 2) upgrading and modernizing NRC; and c) additional student housing. We can't ignore these projects waiting on local tax dollars or Capital Outlay to fund them, and they are substantial enough investments that squeezing what we can transfer into Maintenance and Replacement during good times likely will not fully fund their completion in a timely manner. After the Van Lare Hall project is done, my sense is we should reconvene the ACC Foundation fundraising team, prioritize our list of projects, focus our alumni coordinator efforts on new prospects, embark on federal, state, and foundation money chasing, and keep the momentum going.

Fundraising target: \$5 million

(2) ACC Foundation Sustainability

Rationale: The ACC Foundation Board is a powerhouse team of local leaders invested in the College and its success, proven most recently by their raising \$3 million for the Van Lare Hall project. With a fund balance approaching \$7.5 million, developing a permanent source of sustainable funding for Foundation staff has been somewhat obscured over the years. In short, a limited pool of unrestricted dollars available in the Foundation budget that funds half of the Foundation director and clerical positions is being depleted at a rate that will last about 4.5 more years. The Foundation Board is disinclined to raise the 1 percent administrative fee negotiated with existing donors, many of whom have made sizeable donations multiple times over the years and could look upon a fee increase unfavorably. But if nothing is done, the General Fund of the College soon will be on the hook for additional staff costs for Foundation personnel at a time when pressure on the General Fund budget is ongoing and intense. The solution I favor is approaching the Foundation sustainability question like an endowment. The annual staff cost in salary and fringes for Foundation personnel is approximately \$225,000, which is five percent of \$4.5 million. If \$4.5 million in unrestricted dollars were raised for the purpose of funding long-term Foundation sustainability, the Foundation as it is currently staffed would be self-supporting for the foreseeable future. I think this can and should be done to get this issue off the table.

Fundraising target: \$4.5 million

(3) Technology and Innovation

Rationale: Investing in technology is imperative for ACC to continue to deliver quality educational opportunities to students and the NE Michigan communities we serve. Failing to invest resources in the right technology will impair opportunity and leave us increasingly uncompetitive against the growing array of higher educational options available to students. Innovation is how we deploy our investment in technology to its greatest effect, the move toward VCS delivery being the most recent example. ACC will need both, technology and innovation, working in tandem to thrive in the future. This will cost more money every year.

Fundraising target: \$2 million

(4) Student Success

Rationale: Student success is a fundamental part of our mission. In many ways, it is the most important thing we do. Food insecurity, scholarship support, transportation, child care, crisis intervention, substance abuse, suicide prevention, career counseling, job placement, the challenges ALICE students face: all of these complex issues impact student success and they all require staff time, expertise, and commitment of resources. We run lean in this area in my view. More resources would be extremely helpful. I think donors would respond to an appeal for resources for this purpose if they knew more of our students' stories. Imagine bottling up the positive energy from the Scholarship Luncheon and communicating it beyond those in attendance in the APLEX ballroom. With our new alumni coordinator, I believe this can be done and we should begin this spring.

Fundraising Target: \$2 million

(5) Ambient Learning and Campus Beautification

Rationale: College staff and the community are fired up about ambient learning. Internally, people are excited about making the college look more inviting and collegiate. They want to do more and go faster. I count myself among this group. Allocating resources to fund more ambitious beautification projects is a current challenge. I believe we could fundraise for this purpose beyond our regular donors and should begin immediately.

Fundraising Target: \$1.5 million

Final thoughts: Thank you for considering these ideas and for devoting time to the upcoming visioning session. As always, I appreciate your commitment to the College and your engagement with community, staff, and students. I look forward to our discussion.

Alpena Community College Board of Trustees

Vision Statement

February 18, 2020

It is the vision of the Alpena Community College Board of Trustees to focus our attention into the following five broad categories. Each category requires varying amounts of external funding.

1. Facilities Upgrades

- Additional student housing
- Oscoda Campus: Nursing program and space port
- Auto Body lab renovation
- Natural Resources Center renovation

Goal: \$5 million

2. ACC Foundation Sustainability

Goal: \$4.5 million

3. Technology and Innovation

- VCS delivery
- New technology

Goal: \$2 million

4. Student Success

- ALICE issues
 - Food insecurity
 - Transportation
 - Housing
 - Technology
 - Health care
- Crisis intervention
 - Suicide prevention
 - Substance abuse
- Scholarship support
- Career counseling
- Job placement

Goal: \$2 million

5. Ambient Learning

- Alpena Campus
- Oscoda Campus

Goal: \$1.5 million