

## Alpena Community College Board of Trustees

125-C Besser Technical Center, 665 Johnson Street, Alpena, MI 49707  
(989) 358-7215

### Notice of Regular Meeting

**Date of Notice:** Friday, June 19, 2020

**Meeting Date:** Thursday, June 25, 2020  
**Meeting Time:** 6:00 p.m.  
**Location of Meeting:** Granum Theatre, Room 107, Newport Center,  
665 Johnson Street, Alpena, Michigan, 49707  
**Date of Notice:** Friday, June 19, 2020

The Alpena Community College Board of Trustees will gather for its regular monthly meeting on Thursday, June 25, 2020, at 6:00 p.m. **Please note the date, time, and place change from the previously published calendar.** The meeting will be held in Granum Theatre, room 107 in the Newport Center, 665 Johnson Street. The public should use the west entrance to the Newport Center, located in front of Park Arena.

The meeting will begin at 6:00 p.m. and then will go into closed session to conduct the president's yearly evaluation. The regular portion of the meeting is expected to start at approximately 7:00 p.m.

Alpena Community College provides access for individuals with disabilities to both the Roger C. Bauer Board Room and the Charles R. Donnelly Natural Resources Center. Individuals with a disability who need a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the meeting, can contact Jay Walterreit, Secretary of the Board of Trustees, at (989) 358-7215 at least one week prior to the meeting or as soon as possible.

All official proceedings and agendas are kept in the Office of the Board of Trustees, 125-C Besser Technical Center, on the Alpena campus, and can be viewed upon request between the hours of 8:00 a.m. and 4:30 p.m. Monday through Friday.



Jay Walterreit  
Secretary of the Board of Trustees, (989) 358-7215

REGULAR MEETING AGENDA  
ALPENA COMMUNITY COLLEGE BOARD OF TRUSTEES  
Thursday, June 25, 2020, 6:00 p.m.  
Granum Theatre, Room 107, Newport Center  
665 Johnson Street, Alpena, MI 49707

- 1) Call to Order
- 2) Pledge of Allegiance
- 3) Approval of Agenda
- 4) Approval of the Proposed Minutes from the May 21, 2020, Regular Meeting
- 5) Introduction of Guests and Public Comment
- 6) Communication(s)
- 7) Board Member and Subcommittee Reports
- 8) Student Report
- 9) Faculty Report
- 10) President’s Report
- 11) Action Items

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- 12) Information Items

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- 13) Board Discussion
  - Moving the date of the regular August Board meeting to August 13
  - Practice of two readings for approving policy changes
  - Possible special meeting for August 6
- 14) New Business
- 15) Suggested Future Agenda Items
- 16) Next Regular Meeting: To be determined
- 17) Adjournment

## 2.773 Nonprofit Customer Relationship Management (CRM) Software Bid

Based on an award from the 2019 round of funding, Alpena Community College (ACC) administers a \$2.25 million Strengthening Institutions Program (SIP) grant from the U.S. Department of Education. One of the tracks within this grant relates to developing the Office of Alumni Relations and associated activities.

Part of those activities includes upgrading ACC's Customer Relationship Management (CRM) software. Specifically, the software will enable the Office of Alumni Relations to locate, track, and keep current records of ACC alumni and friends of the College. The software will assist in the relationship building process between alumni and staff through cultivation, solicitation, and procuring philanthropic support of the College.

ACC officials created a request for proposals (RFP) seeking vendors to submit bids for CRM software to be used by the ACC Foundation and the Office of Alumni Relations. The software should be an intuitive and user-friendly interface for the Foundation and Alumni Relations staff to learn and utilize. The purchase is to be funded 100% by the SIP grant.

The RFP was sent to three comparable software vendors: Blackbaud, Ellucian, and Jenzabar. The vendors were all invited to an Optional Bidders' Conference Call, which provided for consistency and clarity of answers to questions and when providing additional information. Blackbaud was the only vendor to call in during the Optional Bidders' Conference Call. There was no contact from Ellucian or Jenzabar during the procurement process. On June 8, one proposal was received from Blackbaud. There were no other proposals received.

<u>Vendor</u>	<u>Location</u>	<u>Cost</u>
Blackbaud	Charleston, SC	\$13,632.00
Ellucian	Reston, VA	No bid
Jenzabar	Tulsa, OK	No bid

During the review process, Blackbaud's Raiser's Edge NXT software was determined to meet all but two specs from the RFP and would meet the needs of the ACC Foundation and Office of Alumni Relations. Blackbaud is recognized as a well-known and respected software provider with lots of training and support.

Based on the evaluation process ACC officials are recommending ACC enter into a three-year subscription for Blackbaud's Raiser's Edge NXT software. The yearly cost of the subscription would be \$13,632.00.

Therefore, the following resolution is proposed:

The Alpena Community College Board of Trustees approves the purchase of a three-year subscription of Raiser's Edge NXT, a nonprofit CRM software solution from Blackbaud at a cost not to exceed \$13,632.00 per year for three years. All purchases shall be made from SIP grant funds.

## 2.774 Fiscal Year 2021 Tuition Rate

Alpena Community College receives revenue from three main sources: appropriations from the State of Michigan, a 2.5 mills assessment on properties in the Alpena Public Schools district, and tuition and fees. In recent years, revenue from state appropriations and property taxes have been limited due to downward economic influences in Michigan. In order to maintain a balanced budget, Alpena Community College looks first to managing expenses wherever feasible. Secondly, the College looks to bring in additional revenue to maintain high standards of service to students and community members.

The College is always mindful of the cost of education and its impact on students. There are a number of scholarship and grant opportunities available to students to help defray the cost of education, including a number of scholarships given annually by the ACC Foundation.

In light of the economic difficulties that many students may be facing due to the COVID-19 pandemic, ACC officials are proposing to keep the Fiscal Year 2021 tuition rate the same as Fiscal Year 2020. In this way ACC hopes to keep a college education as accessible and affordable as possible to all students.

ACC continues to be a great value to students especially compared to four-year institutions, and continues to provide quality education to all in Northeast Lower Michigan. ACC's costs are also competitive with similar community colleges who enjoy better property tax revenues.

College officials will continue to monitor its revenues and expenditures and will review the tuition rate for Spring Semester 2021.

Therefore, the following resolution is proposed:

The Alpena Community College Board of Trustees approves the following tuition rate for Fiscal Year 2021 effective with Fall Semester 2020.

<u>Tuition</u>	<u>FY20</u>	<u>FY21</u>
In-District Tuition (per contact hour)	\$137.00	\$137.00
Out-of-District Tuition (per contact hour, applicable to students from the rest of Michigan, all other states, and foreign countries, with the exception of dual-enrolled and early college students, whose high schools are all charged In-District Tuition)	\$217.00	\$217.00

**2.775 Fiscal Year 2021 Technology Fee**

In addition to tuition, Alpena Community College charges fees which generate revenue to be used by the College for specific purposes.

ACC charges the following fees:

- Student Services Fee .....\$6 per contact hour
- Facilities Maintenance Fee .....\$6 per contact hour
- Technology Fee.....\$4 per contact hour
- Online Courses Fee .....\$30 per contact hour
- Special Course Fees .....\$75 per art course (also applies to other courses requiring a large amount of additional supplies, non-college facilities, equipment, or services (physical education, music, etc.)
- Records/Registration Fee .....\$30 per semester
- Transcript Rush Service Charge .....\$10 charge

The Technology Fee is assessed on all enrollments for classes held at the Alpena Campus and the Oscoda Campus and is used to expand, improve, and maintain the utilization of technology in the fulfillment of the overall mission of the College.

This fee was last changed in April 2002. Since that time ACC has added and upgraded a number of technology services which are used in the core operation of the institution and the delivery of courses to students. A short list of those technology improvements includes the Ellucian student information system, WebAdvisor, Blackboard, regular updates to the student computer labs on campus, and the implementation of video conferencing systems and remote course offerings.

To help keep pace with ever-changing and increasing technology needs, College officials propose to increase the Technology Fee to \$6 per contact hour effective Fall Semester 2020.

<u>Effective Fall 2020</u>	<u>From</u>	<u>To</u>
Technology Fee	\$4 per contact hour	\$6 per contact hour

Therefore, the following resolution is proposed:

The Alpena Community College Board of Trustees approves the change in the Technology Fee from \$4 per contact hour to \$6 per contact hour effective Fall Semester 2020.

## 2.776 Fiscal Year 2021 Administrative Salary Schedule

An examination of the current Administrative Salary Schedule indicates that modifications are appropriate in order to maintain the competitive position of the institution for the upcoming fiscal year and to provide adjustments to the base of these respective salary schedules that are comparable to increases that other employees will receive.

In light of these conditions, modifications are proposed that will raise the respective administrative salary levels by 3.0% and give administrators a one-step increase (if available).

<u>Level</u>	<u>Positions</u>	<u>Lower End</u>	<u>Upper End</u>
A	Alumni Relations Director, Assistant Controller, Volunteer Center Director, Bookstore Manager, Director of Student Life	\$51,238	\$80,139
B	Registrar, Learning Technology Director, Admissions Director, Wellness Center Director, SIP Grant Director	\$56,303	\$86,216
C	ACC Foundation Executive Director, Controller, Human Resources Director, Facilities Management Director, Financial Aid Director, Public Information & Marketing Director, Workforce Development Dean, MIS Directors, and Educational Talent Search Director, Institutional Research Director	\$65,901	\$96,214
D	Dean of Students, Nursing Director	\$78,345	\$109,614
E	Vice Presidents	\$105,831	\$138,858
F	President	\$142,515	\$177,199

Therefore, the following resolution is proposed:

The Board of Trustees approves the proposed Administrative Salary Schedule for Fiscal Year 2021 and authorizes the president to issue contracts to all affected parties in accordance with their performance at the College.

## **2.777 Fiscal Year 2021 Proposed Budget**

### **FY21 Budget**

#### **General Operating Fund, 2020-2021**

The General Operating Fund provides those resources necessary to carry out the day-to-day activities of the College. Several major economic factors impact FY 2021 budgeting. State aid is estimated to be level with FY 2020, property taxes are estimated to increase by 2.8%, and student enrollment may decrease by 2% due to high graduation rates in recent years and more available employment. Pay increases for all bargaining units will be at a step, if available, as contractually obligated. There will be a 0.5% increase in the State's retirement system contribution starting in October as compared to last year's budget. The College's health care cost increases are capped at only 3.3% due to continued legislative action. Property Tax budget requires the use of the full 2.5 mill levy for the foreseeable future. At this time there is no provision for a cut in state aid as is expected unless there is a federal funding action. With that in mind no provision has been made for the Payroll Protection Program funding made available for FY 2020 and FY 2021. Therefore, the 2020-2021 year will require continued close monitoring of the budget throughout the entire year and adjustments may be necessary to be brought before the Board of Trustees. In addition, the College will focus on accomplishing the following objectives:

- 1) Provide an adequate schedule of course offerings to serve a projected annualized enrollment of approximately 2,200 enrollees (1,000 F.T.E.)
- 2) Continue the assessment process of assuring the delivery of quality instruction and student services programs.
- 3) Continue refinement of selected career programs to assure that the offerings are attuned to modern technology and graduates are job ready.
- 4) Provide more defined and focused attention to recruitment and admission and retention activities in all areas through the marketing plan.
- 5) Further increase enrollments and refine services to be delivered by the Oscoda Campus that will meet the needs of Iosco County.
- 6) Further implement personnel realignments to continue to improve the effectiveness of the capacity to deliver education services.
- 7) Address the needs of our K-12 partners and the home-schooled students in the area of early college and dual enrollment.
- 8) Reassess the Campus Master Plan while considering the future use of the College's full 680 acres.
- 9) Continue implementing other aspects of the College's strategic plan.

The various objectives specified have been identified with input from the Strategic Planning and Budgeting Committee and will be achieved through the proposed financial plan for the General Operating Fund for 2020-2021.

**2020-2021 Proposed Revenue Budget -- General Operating Fund**

Description	Budget 2019-2020	Proposed Budget 2020-2021
Taxes	\$ 2,673,240	\$ 2,747,890
Tuition/Fees	6,033,082	6,171,780
State Aid	5,916,080	5,956,080
Other/Miscellaneous	158,895	167,744
Totals	<u>\$ 14,781,297</u>	<u>\$ 15,043,494</u>

**Proposed Expenditure Budget -- General Operating Fund**

Description	Budget 2019-2020	Proposed Budget 2020-2021
Fine Arts	\$ 249,255	\$ 206,054
Communications	856,568	869,213
Social Sciences	669,172	676,496
Mathematics	641,949	675,133
Sciences	1,243,771	1,160,478
Physical Education	20,927	31,300
Health Education	5,408	3,256
Business	286,421	299,646
Data Processing / Computer Science	263,892	273,084
Secretarial & Office	100,386	80,085
Law Enforcement / Public Service	105,449	109,910
Media Production Technology	8,200	7,000
Design Technology	154,434	156,845
Mechanical Trades & Service Technology	381,785	428,516
Construction Trades Technology	294,815	273,319
Electrical & Electronic Trades	540,295	616,776
UAV Technologies	0	3,312
Apprenticeship Instruction	47,951	55,284



**Proposed Expenditure Budget -- General Operating Fund - Continued**

Description	Budget 2019-2020	Proposed Budget 2020-2021
Marine	70,426	73,361
Electrical Bachelors	145,829	144,636
Nursing	799,165	894,023
Other Health Related	129,986	134,758
Traditional Classroom	12,168	13,565
Learning Labs	20,927	22,126
Career Guidance / College Skills	4,732	6,512
Library / Media Services	237,658	249,425
Off-Campus Admin. / Huron Shores	231,151	238,481
Instruction Administration	887,467	892,809
Student Services	168,610	183,419
Financial Aid	495,185	469,022
Admissions / Records	648,372	650,656
Data Processing	976,361	991,498
General Administration	374,539	396,056
Word Processing	50,733	28,263
Institutional Administration	1,304,053	1,292,390
Public Relations / Development	203,585	209,909
Resource Development / Grant Writing	154,934	194,038
Physical Plant	1,639,792	1,671,932
Transfers	354,946	360,908
Total	\$ 14,781,297	\$ 15,043,494

Unrestricted General Operating Fund Balance	Budget 2019-2020	Proposed Budget 2020-2021
Beginning Balance	\$ 1,484,515	\$ 1,484,515
Proposed Surplus	0	0
Ending Balance	\$ 1,484,515	\$ 1,484,515

## **Designated Fund, 2020-2021**

The Designated Fund encompasses a variety of funds that service the non-curricular activities of students, staff and faculty. Specifically, this fund supports activities in six categories:

### Athletics/Student Activities

All co-curricular activities of the institution are supported from this budget, which derives its revenue primarily from a student services fee that the student pays upon enrolling in classes at the College. The budget provides support for a broad range of student needs, including student activities, athletics, intramurals, and the Wellness Center.

### Madeline Briggs University Center

In order to provide additional educational opportunities for our graduates who wish to stay close to home, partnerships were established with four-year institutions to offer classes on campus. This year's budget is \$7,250.

### Technology

This fund is for the acquisition of new or updated technology. This fund is instrumental in acquisition and installation numerous Video Conferencing Systems. Because of the expansion in technology needs, a two dollar (\$2.00) increase in the Technology Fee is needed. A budget of \$205,500 has been established with approximately \$66,021 earmarked for MIS technician support.

### Workforce Development

Workforce Development is charged with carrying out a varied array of contracted services for area business and industry. The World Center for Concrete Technology falls under its supervision.

### Special Events/Staff Development

Each year the College supports with \$16,000 for a wide range of activities that enhance the capacity of our staff to be more productive and valuable employees. The College is able to support a number of special events to assist the College in better communicating its leadership role to the service area (e.g. Science Olympiad, counselor workshops, etc.) A budget of \$8,500 is projected for these activities.

### Community Education

An aggressive approach to community education in a short course format began several years ago. In this next year, the College estimates \$13,000 in revenues with \$8,000 going to support the Volunteer Center that directs its activities.

**2020-2021 Designated Fund – Athletics / Student Activities**

<u>Proposed Revenue Budget</u>	<u>Budget 2019-2020</u>	<u>Proposed Budget 2020-2021</u>
Fees	\$ 187,566	\$ 189,524
Gate Receipts / Miscellaneous	1,000	1,000
Fitness Wellness Center Fees	16,000	16,000
Transfers	142,559	156,858
Total Revenues	<u>\$ 347,125</u>	<u>\$ 363,382</u>

<u>Proposed Expense Budget</u>	<u>Budget 2019-2020</u>	<u>Proposed Budget 2020-2021</u>
Administration	\$ 69,938	\$ 71,506
Men's Basketball	40,096	43,096
Women's Basketball	40,096	43,096
Women's Volleyball	18,432	18,432
Women's Softball	20,432	20,432
Cross Country	11,801	11,801
Subtotal (Athletics)	<u>200,795</u>	<u>208,363</u>
Fitness Wellness Center	136,330	145,019
Campus Activity Board	10,000	10,000
Subtotal (Student Activities)	<u>146,330</u>	<u>155,019</u>
Total Expenses	<u>\$ 347,125</u>	<u>\$ 363,382</u>

**2020-2021 Designated Fund - Madeline Briggs University Center**

<u>Proposed Revenue Budget</u>	<u>Budget 2019-2020</u>	<u>Proposed Budget 2020-2021</u>
Sales and Service	\$ 6,000	\$ 7,000
Reimbursements	250	250
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Total Revenues	\$ 6,250	\$ 7,250
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<u>Proposed Expense Budget</u>	<u>Budget 2019-2020</u>	<u>Proposed Budget 2020-2021</u>
Other	\$ 6,250	\$ 7,250
Transfer	0	0
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Total Expenses	\$ 6,250	\$ 7,250
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**2020-2021 Designated Fund – Technology**

<u>Proposed Revenue Budget</u>	<u>Budget 2019-2020</u>	<u>Proposed Budget 2020-2021</u>
Technology Fee	\$ 136,000	\$ 205,500
<u>Proposed Expense Budget</u>	<u>Budget 2019-2020</u>	<u>Proposed Budget 2020-2021</u>
Transfer	80,692	66,021
Equipment and Services	55,308	97,000
Total Expenses	\$ 136,000	\$ 163,021

**2020-2021 Designated Fund - Workforce Development**

<u>Proposed Revenue Budget</u>	<u>Budget 2019-2020</u>	<u>Proposed Budget 2020-2021</u>
Sales & Services	\$ 118,112	\$ 139,000
Facility Rental	20,000	20,000
Total Revenue	\$ 138,112	\$ 159,000
<u>Proposed Expense Budget</u>	<u>Budget 2019-2020</u>	<u>Proposed Budget 2020-2021</u>
Wages	\$ 74,575	\$ 100,229
Fringe Benefits	26,066	46,516
Contract Services	25,000	19,500
Supplies	5,500	5,500
Total Expenses	\$ 131,141	\$ 171,745

**2020-2021 Designated Fund – Special Events / Staff Development**

<u>Proposed Revenue Budget</u>	Budget 2019-2020	Proposed Budget 2020-2021
Special Events - Gen. Fund Transfer	\$ 8,500	\$ 8,500
Staff Development - Gen. Fund Transfer	16,000	16,000
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Total Revenues	\$ 24,500	\$ 24,500
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<u>Proposed Expense Budget</u>	Budget 2019-2020	Proposed Budget 2020-2021
Special Events - Supplies / Awards	\$ 8,500	\$ 8,500
Staff Development - Workshops / Grants	16,000	16,000
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Total Expenses	\$ 24,500	\$ 24,500
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**2020-2021 Designated Fund – Community Education**

<u>Proposed Revenue Budget</u>	Budget 2019-2020	Proposed Budget 2020-2021
Participation Fees	\$ 13,000	\$ 13,000
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<u>Proposed Expense Budget</u>	Budget 2019-2020	Proposed Budget 2020-2021
Wage and Fringe Benefits	\$ -	\$ 0
Program Costs	5,000	5,000
Transfer to Volunteer Center	8,000	8,000
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Total Expenses	\$ 13,000	\$ 13,000
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**TOTAL DESIGNATED FUND**

	Budget 2019-2020	Proposed Budget 2020-2021
Revenue	\$ 664,987	\$ 772,632
Expense	\$ 658,016	\$ 742,898

## **Auxiliary Enterprises Fund, 2020-2021**

The Auxiliary Enterprises Fund consists of those activities that directly generates revenue to accomplish their objectives. The following five areas constitute “enterprises” within the fund:

### College Bookstore

The Bookstore continues to contribute a positive margin while providing a high level of service to the College community. The Bookstore projects a net operating surplus of \$22,590, \$11,000 of which is transferred to the General Fund to offset its utility costs.

### Food Service

The College has contracted with Fremont Catering of Alpena, Michigan, for operation of the cafeteria. A management fee of \$10,000 per year is budgeted out of the vending proceeds and General Funds.

### Auto Service

The College operates various special services keyed to individual instructional areas to improve the economic viability and quality of life throughout Northeast Michigan. There are \$30,000 in services to be delivered in FY21.

### Transportation

Transportation covers all College functions related to the use of College-owned vehicles and is paid for through interdepartmental transfers. The revenue budget for 2020-2021 activities is estimated at \$7,000.

### Housing

The College has available 16 units of affordable housing for 64 students. The monthly rent will increase by \$50. This is the first increase in three years. It is anticipated that rental income will exceed \$246,000 with expenses to be approximately \$208,000.



**2020-2021 Auxiliary Enterprises Fund – Bookstore**

<u>Proposed Revenue Budget</u>	<u>Budget 2019-2020</u>	<u>Proposed Budget 2020-2021</u>
Book Sales	\$ 348,000	\$ 365,400
Book Sales - Fin. Aid and Interdepartmental	383,000	401,150
Sales Tax Remittance	(33,669)	(34,856)
Total Revenues	<u>\$ 697,331</u>	<u>\$ 731,694</u>
<u>Proposed Expense Budget</u>	<u>Budget 2019-2020</u>	<u>Proposed Budget 2020-2021</u>
Purchases for Resale	\$ 441,000	\$ 472,730
Salaries	133,353	136,720
Fringe Benefits	60,882	62,249
Equipment	0	0
All Other	37,105	37,405
Transfers	11,000	11,000
Total Expenses	<u>\$ 683,340</u>	<u>\$ 720,104</u>

**2020-2021 Auxiliary Enterprises Fund – Food Service**

<u>Proposed Revenue Budget</u>	<u>Budget 2019-2020</u>	<u>Proposed Budget 2020-2021</u>
Sales & Service	\$ 3,000	\$ 3,000
Transfer	7,000	7,000
Total Revenues	<u>\$ 10,000</u>	<u>\$ 10,000</u>

  

<u>Proposed Expense Budget</u>	<u>Budget 2019-2020</u>	<u>Proposed Budget 2020-2021</u>
Contract Service	\$ 10,000	\$ 10,000
Total Expenses	<u>\$ 10,000</u>	<u>\$ 10,000</u>

**2020-2021 Auxiliary Enterprises Fund – Auto Service**

<u>Proposed Revenue Budget</u>	<u>Budget 2019-2020</u>	<u>Proposed Budget 2020-2021</u>
Sales and Service	\$ 45,000	\$ 30,000
Total Revenues	<u>\$ 45,000</u>	<u>\$ 30,000</u>

  

<u>Proposed Expense Budget</u>	<u>Budget 2019-2020</u>	<u>Proposed Budget 2020-2021</u>
Cost of Goods / Services Sold	\$ 45,000	\$ 30,000
Total Expenses	<u>\$ 45,000</u>	<u>\$ 30,000</u>

**2020-2021 Auxiliary Enterprises Fund – Transportation**

<u>Proposed Revenue Budget</u>	<u>Budget 2019-2020</u>	<u>Proposed Budget 2020-2021</u>
Total Revenues	\$ 7,000	\$ 7,000
<u>Proposed Expense Budget</u>	<u>Budget 2019-2020</u>	<u>Proposed Budget 2020-2021</u>
Maintenance	\$ 7,000	\$ 7,000
Total Expenses	\$ 7,000	\$ 7,000

**2020-2021 Auxiliary Enterprises Fund – Housing**

<u>Proposed Revenue Budget</u>	<u>Budget 2019-2020</u>	<u>Proposed Budget 2020-2021</u>
Apartment Rental	\$ 213,900	\$ 240,450
Apartment Cleaning Fee	6,000	6,400
Total Revenues	\$ 219,900	\$ 246,850
<u>Proposed Expense Budget</u>	<u>Budget 2019-2020</u>	<u>Proposed Budget 2020-2021</u>
Wages	\$ 53,961	\$ 57,887
Fringe Benefits	18,878	19,829
Services	7,500	8,000
Utilities	19,600	20,100
Maintenance and Other	50,100	42,400
Depreciation, Interest, Overhead	49,314	59,311
Total Expenses	\$ 199,353	\$ 207,527

<b><u>TOTAL AUXILIARY ENTERPRISES FUND</u></b>	<b><u>Budget 2019-2020</u></b>	<b><u>Proposed Budget 2020-2021</u></b>
Revenue	\$ 979,231	\$ 1,025,544
Expense	\$ 944,693	\$ 974,631

**Restricted Fund, 2020-2021**

Various external grants from both private (e.g., foundations) and public (e.g., state and federal) sources support several activities of the College that are critical to providing quality educational experiences for our students. Eight primary areas are directly affected by these grants and individual budgets are provided for each. Funding has been in place for many years for Educational Talent Search, the only remaining TRIO grants at the College, in other areas, regulations are changing and competition is increasing (e.g., private and governmental contract training), and in selected areas, new territories are being successfully explored to provide external support for important College objectives (e.g., Christmas Wish). It should be noted that funding for various student aid programs (e.g., Pell, SEOG, etc.) is also classified in the Restricted Fund. The College is managing a five year Strengthening Institution Program Grant (SIP) averaging \$450,000 per year.

It should further be noted that given the “reduced” level of “hard” money for FY2021 it would be helpful to the achievement of College objectives that these external “soft” monies be obtained during the coming year.

**2020-2021 Restricted Fund – TRIO Grant (Talent Search)**

<u>Proposed Revenue Budget</u>	<u>Budget 2019-2020</u>	<u>Proposed Budget 2020-2021</u>
Grant Funds	\$ 632,000	\$ 647,326
Indirect Cost Recovery	(44,780)	(44,780)
 Total Revenues	 \$ 587,220	 \$ 602,546
<u>Proposed Expense Budget</u>	<u>Budget 2019-2020</u>	<u>Proposed Budget 2020-2021</u>
Wages / Salaries	\$ 319,796	\$ 329,457
Fringe Benefits	172,297	177,962
Supplies and Other	95,127	95,127
 Total Expenses	 \$ 587,220	 \$ 602,546

**2020-2021 Restricted Fund – SIP Grant**

<u>Proposed Revenue Budget</u>	<u>Budget 2019-2020</u>	<u>Proposed Budget 2020-2021</u>
Grant	\$ 382,500	\$ 388,689
Indirect Cost Recovery	0	0
 Total Revenue	 \$ 382,500	 \$ 388,689

  

<u>Proposed Expense Budget</u>	<u>Budget 2019-2020</u>	<u>Proposed Budget 2020-2021</u>
Salary	\$ 57,000	\$ 168,734
Fringe Benefits	32,000	81,966
Contracted Services	10,000	42,190
Equipment	275,000	77,100
Other	8,500	18,700
 Total Expenses	 \$ 382,500	 \$ 388,689

**2020-2021 Restricted Fund – SET Grant**

<u>Proposed Revenue Budget</u>	<u>Budget 2019-2020</u>	<u>Proposed Budget 2020-2021</u>
State Support	\$ 45,000	\$ 45,000
<u>Proposed Expense Budget</u>	<u>Budget 2019-2020</u>	<u>Proposed Budget 2020-2021</u>
Wages / Salaries	\$ 31,605	\$ 27,501
Fringe Benefits	9,702	13,807
Other	3,693	3,693
Total Expenses	\$ 45,000	\$ 45,000

**2020-2021 Restricted Fund – Perkins Vocational / Applied Technical Education**

<u>Proposed Revenue Budget</u>	<u>Budget 2019-2020</u>	<u>Proposed Budget 2020-2021</u>
Special Populations Grant Funds	\$ 69,829	\$ 69,829
Instructional Equipment Grant Funds	65,000	39,170
College Local Leadership Grant Funds	9,200	9,200
	<hr/>	
Total Revenues	\$ 144,029	\$ 118,199
	<hr/>	
<u>Proposed Expense Budget</u>	<u>Budget 2019-2020</u>	<u>Proposed Budget 2020-2021</u>
Special Populations Wages	\$ 48,030	\$ 50,308
Special Populations Fringe Benefits	11,557	10,506
	<hr/>	
Special Populations Travel	10,242	9,015
	<hr/>	
Subtotal	69,829	69,829
	<hr/>	
Instructional Equipment	\$ 65,000	\$ 39,170
	<hr/>	
College Local Leadership	\$ 9,200	\$ 9,200
	<hr/>	



**2020-2021 Restricted Fund – College Work Study**

<u>Proposed Revenue Budget</u>	<u>Budget 2019-2020</u>	<u>Proposed Budget 2020-2021</u>
Grants	\$ 55,000	\$ 55,000
<u>Proposed Expense Budget</u>	<u>Budget 2019-2020</u>	<u>Proposed Budget 2020-2021</u>
Student Wages	\$ 55,000	\$ 55,000

**2020-2021 Restricted Fund – Pell Grant**

<u>Proposed Revenue Budget</u>	<u>Budget 2019-2020</u>	<u>Proposed Budget 2020-2021</u>
Federal Grant	\$ 2,250,000	\$ 2,250,000
<u>Proposed Expense Budget</u>	<u>Budget 2019-2020</u>	<u>Proposed Budget 2020-2021</u>
Awards	\$ 2,250,000	\$ 2,250,000

**2020-2021 Restricted Fund – Supplemental Opportunity Grant**

<u>Proposed Revenue Budget</u>	<u>Budget 2019-2020</u>	<u>Proposed Budget 2020-2021</u>
Federal Grant	\$ 63,000	\$ 63,000
<u>Proposed Expense Budget</u>	<u>Budget 2019-2020</u>	<u>Proposed Budget 2020-2021</u>
Awards	\$ 63,000	\$ 63,000

**2020-2021 Restricted Fund – Christmas Wish**

<u>Proposed Revenue Budget</u>	<u>Budget 2019-2020</u>	<u>Proposed Budget 2020-2021</u>
Donations	\$ 18,000	\$ 18,000
<u>Proposed Expense Budget</u>	<u>Budget 2019-2020</u>	<u>Proposed Budget 2020-2021</u>
Supplies and Purchases	8,000	8,000
Transfers	10,000	10,000
Travel	\$ 18,000	\$ 18,000

**2020-2021 Restricted Fund – Volunteer Center**

<u>Proposed Revenue Budget</u>	<u>Budget 2019-2020</u>	<u>Proposed Budget 2020-2021</u>
Local Support	\$ 17,700	\$ 17,700
Besser Grant	14,500	10,875
Transfers	18,000	18,000
	<hr/>	<hr/>
Total Revenues	\$ 50,200	\$ 46,575
	<hr/> <hr/>	<hr/> <hr/>

<u>Proposed Expense Budget</u>	<u>Budget 2019-2020</u>	<u>Proposed Budget 2020-2021</u>
Wages / Salaries	\$ 34,564	\$ 37,078
Fringe Benefits	9,833	10,356
Other	3,200	2,766
	<hr/>	<hr/>
Total Expenses	\$ 47,597	\$ 50,200
	<hr/> <hr/>	<hr/> <hr/>

<b><u>TOTAL RESTRICTED FUND</u></b>	<u>Budget 2019-2020</u>	<u>Proposed Budget 2020-2021</u>
Revenue	\$ 3,594,949	\$ 3,542,009
Expense	\$ 3,592,346	\$ 3,545,634
	<hr/> <hr/>	<hr/> <hr/>

## Capital Equipment/Building Maintenance Fund, 2020-2021

The Capital Equipment/Building Maintenance Fund provides the financial resources necessary to undertake those critical projects included in the planning process for the College to preserve and enhance its capital assets. The past five years have seen an extensive amount of work accomplished in this area with well over 100 individual projects completed. A major portion of institutional equipment will be purchased through the fund rather than the General Operating Fund of the College, and these purchases will be institution-wide. Additionally, the Board-authorized facility fee is receipted in this fund to support long-term capital needs of the institution.

### 2020-2021 Capital Equipment / Building Maintenance Fund

	Budget 2019-2020	Proposed Budget 2020-2021
<u>Proposed Revenue Budget</u>		
Facilities Fee	\$ 195,000	\$ 195,000
Transfer from General Fund	313,919	263,071
Transfer	0	0
Mandatory Transfer	0	0
	<hr/>	<hr/>
Total Revenues	\$ 508,919	\$ 458,071
	<hr/>	<hr/>
	Budget	Proposed
<u>Proposed Expense Budget</u>	2019-2020	Budget 2020-2021
Equipment	\$ 23,842	\$ 23,842
Contract Services - Renovations	31,134	31,609
Contract Services - Maint. Projects	150,000	171,196
Debt Service Transfer	237,230	231,424
	<hr/>	<hr/>
Total Expenses	\$ 442,206	\$ 458,071
	<hr/>	<hr/>

**Plant Fund, 2020-2021**

The Plant Fund is the depository for various state/local grants that are directed toward the construction of capital projects. The planning for the renovation, expansion, and repurposing of Van Lare Hall is under way. The renovation includes HVAC systems, electrical, plumbing, windows, and the exterior. The expansion provides additional training space. The repurposing is directed toward the College’s nursing program. Construction began fall 2019.

**2020-2021 Plant Fund**

<u>Proposed Revenue Budget</u>	<u>Budget 2019-2020</u>	<u>Proposed Budget 2020-2021</u>
State Capital Outlay - EPTC	\$ 1,000,000	\$ 235,000
Transfer from Prior Year Revenues	1,000,000	1,000,000
Donations	4,500,000	4,000,000
	<hr/>	<hr/>
Total Revenues	\$ 6,500,000	\$ 5,235,000

<u>Proposed Expense Budget</u>	<u>Budget 2019-2020</u>	<u>Proposed Budget 2020-2021</u>
Professional Fees	\$ 200,000	\$ 185,000
Site Improvements	300,000	50,000
Construction in Progress	5,500,000	3,500,000
Equipment	500,000	1,500,000
	<hr/>	<hr/>
Total Expenses	\$ 6,500,000	\$ 5,235,000

**Debt Service Fund, 2020-2021**

The College refinanced a General Obligation Limited Tax Bond in 2013. There is \$645,000 remaining on the bond. The Bond is for ten years. The funding to retire the debt comes from donations received from the EPTC fundraising. The remaining funds will be used to cash flow the Van Lare renovation and then funded by donations to that project. A schedule of these annual payments of principal and interest totaling approximately \$231,424 for FY21 with future payments available for review. The College acquired an Installment Purchase Agreement in May 2017 to purchase the College Park Apartments for \$680,000 to be paid over 20 years. Annual payments of \$34,000 principal, paid annually, plus interest at 3.12%, paid semi-annually.

**2019-2020 Debt Service Fund**

<u>Proposed Revenue Budget</u>	<u>Budget 2019-2020</u>	<u>Proposed Budget 2020-2021</u>
Transfer Facility Fee	\$ 237,230	\$ 231,424
Transfer Housing Fund	54,155	53,094
Total Revenues	<u>\$ 291,385</u>	<u>\$ 284,518</u>

<u>Proposed Expense Budget</u>	<u>Budget 2019-2020</u>	<u>Proposed Budget 2020-2021</u>
Interest	\$ 42,385	\$ 30,518
Principal	249,000	254,000
Total Expenses	<u>\$ 291,385</u>	<u>\$ 284,518</u>

Therefore, the following resolution is proposed:

The Alpena Community College Board of Trustees accepts the budget as presented for FY 2021.

## **2.778 Certification of MCCA Board of Directors Representatives**

Article VII, Sec. 1 and 2 of the Michigan Community College Association (MCCA) Bylaws states:

“There shall be a Board of Directors composed of the chief administrative officer of each member college and one member of the governing board. The governing board of each member college shall also designate an alternate who shall serve in the absence of its governing board member Director of the Association.

Prior to July 15 each year, each member college shall certify to the Secretary of the Association its members of the Board of Directors.”

Each July the MCCA asks each participating community college to complete a Certification Form for the designation of representatives; that certification includes an official board action appointing the representatives.

Therefore, the following resolution is proposed:

Dr. Don MacMaster is appointed to the 2020-21 MCCA Board of Directors as President Director representing Alpena Community College as of July 1, 2020.

\_\_\_\_\_ is appointed to the 2020-21 MCCA Board of Directors as Trustee Director representing Alpena Community College as of July 1, 2020.

\_\_\_\_\_ is appointed to the 2020-21 MCCA Board of Directors as Alternate Trustee Director representing Alpena Community College as of July 1, 2020.



### **3.997 Financial Report**

#### Monthly General Fund Revenue and Expense through May 2020 (Year to Year Actual Comparison)

- No entries have been made for the Cares Act and Payroll Protection Program reimbursements. Entries will be made in June.
- The property tax receipts of \$2,665,412 are \$43,625 more than those for May 2019. This is expected for this time of year.
- Tuition/fee receipts of \$6,216,763 are \$260,237 more primarily due to higher than expected enrollments and an increase in tuition rates.
- State aid for the current year is \$4,517,634, as expected.
- Instruction is more than last year due to scheduled payroll increases.
- OIT is up due to a significant increase in software maintenance costs and timing of information processing costs.
- Instruction Support is up due to salary and fringe benefit increases and timing of payout for retirees.
- Student services costs are more due to scholarships being up more than \$13,000, retirement payout, and a shifting of clerical responsibilities from word processing.
- Institutional administration is lower than expected due to lower professional fees from last year and lower travel costs, but slightly higher than last year.
- Physical plant is up due to the addition of the Alpena police presence on campus of \$42,500 and scheduled payroll increases combined with lower snow removal costs, reduced overtime and substitute wages, and a retirement.
- Net income through the eleventh month of the fiscal year shows a gain of \$371,424, which is typical for this time of year.

#### Monthly General Fund Revenue and Expense through May 2020 (Budget to Actual Comparison)

- Various budgeted expenditures are lower due to restricted access to the buildings.
- Library books and equipment change is caused by the sizable increase in software cost in information processing of \$18,000 offset by reduced or delayed expenditures in OIT.
- Transfers shows a \$14,241 expenditure as part of the required 15% match required of the USDA grant of \$500,000. A total of \$75,000 of transfers are expected by the end of FY 2021.
- All other categories are in acceptable ranges for this stage of the year.

#### General Fund Month to Month Comparison through May 2020

- There were three payrolls processed in August and January, payments were made for adjunct instructors, ESP II longevity and cash-in-lieu of health insurance in September, faculty overload and extra pays were paid in October and February, and mileage paid in December.
- All other Month-to-Month comparisons are tracking as expected.

**Alpena Community College**  
**General Fund**  
**Year-to-Year Actual Comparison**  
**For the Ten Months Ending May 31, 2020**

Description	YTD Actual FY 2020	YTD Actual FY 2019	YTD Actual Variance
<b>Revenue</b>			
Property Tax	2,665,412	2,621,787	43,625
Tuition/Fees	6,216,763	5,956,526	260,237
Sales, Service, and Rent	22,510	20,364	2,146
State Aid	4,517,634	4,409,988	107,646
Local	0	0	0
State	0	0	0
Federal	53,077	56,090	(3,013)
Donations	0	0	0
Interest	14,795	11,182	3,613
Other	4,666	6,678	(2,012)
<b>Revenue</b>	<b>13,494,857</b>	<b>13,082,615</b>	<b>412,242</b>

Description	YTD Actual FY 2020	YTD Actual FY 2019	YTD Actual Variance
<b>Expense</b>			
Instruction	6,629,854	6,490,941	138,913
OIT	879,920	831,343	48,577
Public Service	0	0	0
Instruction Support	1,237,996	1,154,438	83,558
Student Services	1,249,852	1,166,915	82,937
Institutional Administration	1,739,606	1,737,555	2,051
Physical Plant	1,386,205	1,378,179	8,026
<b>Expense</b>	<b>13,123,433</b>	<b>12,759,371</b>	<b>364,062</b>

Description	YTD Actual FY 2020	YTD Actual FY 2019	YTD Actual Variance
Income	371,424	323,244	48,180
Net Assets - Beginning of Year	1,484,515	1,276,404	0
Net Assets - End of Year	1,855,939	1,599,648	48,180

**Alpena Community College**  
**Comparative Income Statement**  
**General Fund**  
**For the Ten Months Ending May 31, 2020**

Description	FY 2020 Budget	FY 2020 YTD Actual	FY 2020 Variance	FY 2020 Complete	FY 2019 Complete
<b>Revenue</b>					
Property Tax	2,673,241	2,665,412	(7,829)	99.71%	100.43%
Tuition/Fees	6,033,082	6,216,763	183,681	103.04%	100.74%
Sales, Services, and Rent	22,000	22,510	510	102.32%	107.18%
State Aid	5,916,080	4,517,634	(1,398,446)	76.36%	75.64%
Federal	57,780	53,077	(4,703)	91.86%	88.86%
Donations	69,415	0	(69,415)	0.00%	0.00%
Interest	2,500	14,795	12,295	591.80%	447.28%
Other	7,200	4,666	(2,534)	64.81%	92.75%
<b>Revenue</b>	<b>14,781,298</b>	<b>13,494,857</b>	<b>(1,286,441)</b>	<b>91.30%</b>	<b>90.13%</b>

Description	FY 2020 Budget	FY 2020 YTD Actual	FY 2020 Variance	FY 2020 Complete	FY 2019 Complete
<b>Expense</b>					
Salaries	8,053,194	7,700,355	352,839	95.62%	94.96%
Fringe Benefits	3,941,328	3,460,425	480,903	87.80%	87.77%
Outside Services	748,686	713,293	35,393	95.27%	89.66%
Advertising	180,000	158,864	21,136	88.26%	80.79%
Supplies	243,777	164,180	79,597	67.35%	62.56%
Rental	2,500	0	2,500	0.00%	0.00%
Utilities	480,390	327,035	153,355	68.08%	69.53%
Telephone	55,000	44,454	10,546	80.83%	67.46%
Postage	37,500	26,957	10,543	71.89%	68.60%
Insurance	140,000	134,583	5,417	96.13%	101.55%
Travel & Mileage	92,162	49,943	42,219	54.19%	81.83%
Tuition Waivers	222,000	212,067	9,933	95.53%	80.40%
Library Books & Equipment	98,814	73,267	25,547	74.15%	75.42%
Other	115,000	43,769	71,231	38.06%	39.49%
Transfers	370,947	14,241	356,706	3.84%	0.00%
<b>Expense</b>	<b>14,781,298</b>	<b>13,123,433</b>	<b>1,657,865</b>	<b>88.78%</b>	<b>87.90%</b>

Description	FY 2020 Budget	FY 2020 YTD Actual
Income	0	371,424
Net Assets - Beginning of Year	1,484,515	1,484,515
Net Assets - End of Year	1,484,515	1,855,939

## Alpena Community College General Fund Month to Month Tracking For the Ten Months Ending May 31, 2020

Description	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June	YTD	Budget
<b>Revenue</b>														
Property Tax	117,013	389,731	18,432	5,942	3,984	235,778	704,282	514,832	511,613	159,533	4,273	0	2,665,413	2,673,241
Tuition/Fees	3,057,548	257,825	(58,081)	1,117,973	1,067,187	363,107	247,579	25,704	(354)	74,234	64,040	0	6,216,762	6,033,082
Sales, Services, and Rent	3,875	695	465	4,385	433	900	5,340	515	1,903	4,000	0	0	22,511	22,000
State Aid	0	4,099	(4,099)	613,495	576,311	533,829	538,060	538,060	538,060	538,060	641,760	0	4,517,635	5,916,080
Federal	3,157	4,866	11,997	3,505	3,684	3,664	5,403	3,372	7,104	3,113	3,212	0	53,077	57,780
Donations	0	0	0	0	0	0	0	0	0	0	0	0	0	69,415
Interest	0	1,779	1,948	1,858	1,716	1,654	1,247	1,338	1,880	1,149	227	0	14,796	2,500
Other	110	35	860	856	290	305	620	495	535	560	0	0	4,666	7,200
<b>Revenue</b>	<b>3,181,703</b>	<b>659,030</b>	<b>(28,478)</b>	<b>1,748,014</b>	<b>1,653,605</b>	<b>1,139,237</b>	<b>1,502,531</b>	<b>1,084,316</b>	<b>1,060,741</b>	<b>780,649</b>	<b>713,512</b>	<b>0</b>	<b>13,494,860</b>	<b>14,781,298</b>
<b>Expense</b>														
Salaries	575,113	809,234	624,275	750,367	633,937	660,346	875,492	823,084	669,589	646,128	632,792	0	7,700,357	8,053,195
Fringe Benefits	264,595	352,505	285,081	336,447	299,354	303,738	360,881	355,169	311,529	301,139	289,987	0	3,460,425	3,941,328
Outside Services	224,004	23,107	39,715	42,237	76,926	91,650	56,079	68,605	20,527	56,187	14,257	0	713,294	748,686
Advertising	6,771	26,103	32,901	1,915	4,444	14,514	33,729	14,260	5,775	5,173	13,279	0	158,864	180,000
Supplies	19,459	10,741	15,442	16,508	18,005	13,260	17,404	17,592	19,337	5,807	10,626	0	164,181	243,777
Rental	0	0	0	0	0	0	0	0	0	0	0	0	0	2,500
Utilities	193	828	17,773	27,643	30,274	44,478	46,123	39,269	47,050	41,165	32,239	0	327,035	480,390
Telephone	0	363	3,744	4,823	4,415	4,765	7,865	377	3,776	7,594	6,733	0	44,455	55,000
Postage	144	1,491	6,203	187	5,471	1,234	5,512	326	1,223	(18)	5,183	0	26,956	37,500
Insurance	66,260	2,700	24,302	3,416	(1,581)	39,486	0	0	0	0	0	0	134,583	140,000
Travel & Mileage	1,302	6,455	4,818	4,072	3,364	13,800	6,031	2,122	2,424	1,778	3,779	0	49,945	92,162
Tuition Waivers	36,927	77,753	13,591	300	1,500	0	60,614	19,281	2,100	0	0	0	212,066	222,000
Library Books & Equipment	37,169	5,518	5,232	2,806	652	8,181	0	4,498	4,202	2,214	2,794	0	73,266	98,813
Other	0	2,840	6,643	9,923	1,452	2,295	2,510	10,075	4,275	531	3,224	0	43,768	115,000
Transfers	0	0	0	0	0	0	14,241	0	0	0	0	0	14,241	370,947
<b>Expense</b>	<b>1,231,937</b>	<b>1,319,638</b>	<b>1,079,720</b>	<b>1,200,644</b>	<b>1,078,213</b>	<b>1,197,747</b>	<b>1,486,481</b>	<b>1,354,658</b>	<b>1,091,807</b>	<b>1,067,698</b>	<b>1,014,893</b>	<b>0</b>	<b>13,123,436</b>	<b>14,781,298</b>
<b>Income</b>	<b>1,949,766</b>	<b>(660,608)</b>	<b>(1,108,198)</b>	<b>547,370</b>	<b>575,392</b>	<b>(58,510)</b>	<b>16,050</b>	<b>(270,342)</b>	<b>(31,066)</b>	<b>(287,049)</b>	<b>(301,381)</b>	<b>0</b>	<b>371,424</b>	<b>0</b>

### **3.998 Personnel Report**

New hires, terminations, and status changes from May 17 to June 15, 2020.

#### New Hires:

- None.

#### Re-Hires:

- None.

#### Transfers:

- None.

#### Resignations:

- Tom Smith, Advising Assistant TriO Talent Search – South, effective 06/05/2020.

#### Retirements:

- Bob Newton, Director of TRiO Talent Search, effective 07/01/2020.

### **3.999 Gifts and Grants Report**

This report reflects the following activity for pledges and gifts received by ACC and the ACC Foundation between May 14, 2020 and June 10, 2020.

**Total Donors:** 32

**New Gifts:** \$27,018.38

**Pledge Payments:** \$12,573.00

**New Pledges:** \$0.00