

Alpena Community College Board of Trustees
125-C Besser Technical Center, 665 Johnson Street, Alpena, MI 49707
(989) 358-7215

Notice of Regular Meeting

Meeting Date: Thursday, February 17, 2022
Meeting Time: 7:00 p.m. regular meeting
Location of Meeting: Room 400, Charles R. Donnelly Natural Resources Center, 665 Johnson Street, Alpena, Michigan, and Online Via Webex
Date of Notice: Friday, February 11, 2022

The Alpena Community College Board of Trustees will gather for its regular monthly meeting on Thursday, February 17, 2022, at 7:00 p.m. in the Roger C. Bauer Board Room, Room 400 of the Charles R. Donnelly Natural Resources Center, 665 Johnson Street; the meeting will also be broadcast remotely via Webex videoconferencing software.

All citizens are invited to participate in the meeting either in person or remotely via phone, computer, or a video conferencing system. Participants should be aware that the meeting may be recorded.

Join by phone:

+1-415-655-0003

Meeting number (access code): 2438 840 3868#

No Attendee ID number is necessary. Press # to continue.

Join from a video system or application:

Copy the following address into a web browser: <http://24388403868@alpenacc.webex.com>

You can also dial 173.243.2.68 and enter your meeting number.

Meeting number (access code): 2438 840 3868

Meeting password: TjdJDssC346

Webex attendees are asked to mute their microphones except during public comment.

Alpena Community College provides access for individuals with disabilities. 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, February 17, 2022, 7:00 p.m.
665 Johnson Street, Alpena, MI 49707

- 1) Call to Order
- 2) Pledge of Allegiance
- 3) Approval of Agenda
- 4) Approval of the Proposed Minutes of the January 20, 2022, Regular Board 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
 - 2.830 Purchase of Robot Training Equipment and Variable Speed Conveyor.....2
 - 2.831 Bookstore Operations Outsourcing.....3
- 12) Information Items
 - 4.046 Financial Report.....6
 - 4.047 Personnel Report.....10
 - 4.048 Gifts and Grants Report11
- 13) Board Discussion
- 14) New Business
- 15) Suggested Future Agenda Items
- 16) Next Regular Meeting: March 17, 2022, 7:00 p.m. The meeting is tentatively scheduled to be held in person in Room 400 of the Charles R. Donnelly Natural Resources Center, but this may change due to pandemic conditions.
- 17) Adjournment

2.830 Purchase of Robot Training Equipment and Variable Speed Conveyor

In Fall 2021 ACC's Technology Improvement Fund (TIF) committee received a grant request from Manufacturing Instructor Andrew Paad to fund the purchase of new manufacturing training equipment. The request was for a FANUC Fenceless ER-4iA Certified Education Training Programs (CERT) cart and a magnetically mounted tabletop variable speed conveyor.

FANUC America, headquartered in Rochester Hills, Michigan, offers U.S.-based manufacturing equipment that includes robots, CNC machinery, simulation software, and product development. The CERT training platform and instructor certification training provides students and instructors with curriculum and instruction guides and is only available to educational institutions.

The FANUC CERT program and educational products are sold through IST, the exclusive FANUC Education Authorized Reseller for Michigan. Because IST is the sole source provider for the training equipment, no competing bids for the FANUC equipment were available.

In January 2022 the TIF committee approved the grant request for the amount of \$45,402.

Therefore, the following resolution is proposed:

The Alpena Community College Board of Trustees approves the purchase of a FANUC Fenceless ER-4iA CERT Cart and Swivellink 4-1/2" X 36" Variable Speed Conveyor from IST for a total not to exceed \$45,340.00.

2.831 Bookstore Operations Outsourcing

The Alpena Community College Bookstore has struggled financially over the last 10 years. Declining student enrollment, alternate methods for students to procure books, and the Bookstore being forced to maintain an inventory of unpurchased books has diminished the Bookstore's revenues by over 40% while overhead costs have increased. The cost of books for ACC students has also been a serious concern.

Over the last decade colleges have seen a major shift in the format of course materials and how those materials are procured by students. Many courses now require more than just a hard copy textbook. Students also have the opportunity to buy a new, used, or digital copy of their textbook from various marketplaces. Some students choose not to buy their textbook at all; statistics indicate that up to one third of students forgo the purchase of textbooks because it is not mandatory and the students can save the money for other issues.

An alternative to the traditional process of purchasing books has evolved over the last several years. This alternative, called Inclusive Access, is based on the idea that students would pay a fee for books and course materials they use. The fee would be similar to ACC's technology, student activities, and technology fees. A set fee for books would be assessed by credit hour, regardless of specific programs and courses. This would level the playing field and spread out the overall cost of books. In addition, students will have their books because the cost is rolled into tuition and fees which are charged by ACC at time of enrollment.

Another option for ACC's Bookstore services is to go strictly online with a College-selected vendor that would accept financial aid and student credit cards. Students using other online services would need to use other methods to pay for their purchases.

The College proceeded to search for a vendor that could provide both cost savings to students and a positive cash flow for the College. A response for proposal (RFP) was sent to three vendors who were highly recommended by other Michigan community colleges. All three vendors responded with both a written RFP and a presentation. A committee of 10 stakeholders was formed to review the information provided and listen to the presentations; that committee included both vice presidents, two Faculty Council members, the current Bookstore manager, and representatives from the ACC Business Office, Office of Information Technology, and the Office of Institutional Research.

The RFP included 66 items of review. All three vendors were even on most of the items. All three presented an online book store option. A few items stood out.

- Akademos is only online with no physical presence on campus. The College would have to provide the physical presence.
- Both Barnes & Noble and Follett can provide and manage an onsite bookstore.
- Both Barnes & Noble and Follett offer an Inclusive Access format. Barnes & Noble's Inclusive Access must include all students and programs with no opt-out provisions. Follett allows for an opt-out by students.

The committee reviewed all three RFPs and the important distinctions are shown below:

Salient Points	Akademос	Barnes & Noble	Follett
Faculty ease of use	High marks	High marks	High marks
Student ease of use	High marks	High marks	High marks
On-site bookstore	No	Yes	Yes
Inclusive Access	No	Yes \$24+ commission per credit hour	Yes \$24 per credit hour
Opt-out provision	N/A	No	Yes by student
Revenue - Course Material	0-10% College decides	Commission per Credit hour College decides	7%
Revenue - General Merchandise	10%	0	10%
Investment	N/A	\$40,000 Tech and \$50,000 Facility	\$42,000 Tech and \$30,000 Facility
Who owns investments at end of contract	N/A	College owns after five years, prorated	College owns leasehold at termination of agreement , but would be responsible for undepreciated leasehold based on 8 years straight line unless terminated for cause.
Signing bonus	\$20,000 for 5-year contract	No	No
Contract	5 year	3 year plus 2 yearly extensions	3 year plus 2 yearly extensions
Customer service	All online	Bookstore manager and on-line	Bookstore manager and on-line
Other	Syllabus management software included	College already has contract for three years	College already has contract for three years

After several meetings and discussions, the committee unanimously recommended that ACC should contract with Follett. The deciding factor is the ability to opt-out of Inclusive Access with Follet.

Therefore, the following resolution is proposed:

The Alpena Community College Board of Trustees authorizes the College to contract with Follett to provide bookstore management for three years with two additional year extensions.

4.046 Financial Report

Monthly General Fund Revenue and Expense through January 2022 (Year to Year Actual Comparison)

- The property tax receipts of \$1,738,201 are \$123,871 more than those for January 2021, due to both unexpected and expected increases.
- Tuition/fee receipts of \$5,464,477 are \$287,343 lower primarily due to lower than anticipated enrollments.
- State aid for the current year is \$2,501,930. This includes four regular monthly payments of \$530,000, plus \$225,700 as a one-time appropriation payment, early receipt of an offset payment, higher MPERS offset contribution, and a semiannual personal property tax payment of \$90,461. This is the first personal property tax payment of the year.
- The difference in Federal is due to \$2,435,600 in Paycheck Protection Program funding recorded through September of 2020. The College did not budget nor expect any of those kinds of revenues in FY 2022.
- The General Fund received \$323,123 for lost tuition and fee revenue through Federal HEERF funds.
- Institutional Administration difference is lower than anticipated due to professional fees coming in \$20,000 less than last year.
- Physical Plant is as expected for this time of year.
- Net income through the seventh month of the year shows a gain of \$ 1,340,034.

Monthly General Fund Revenue and Expense through January 2022 (Budget to Actual Comparison)

- All other categories are in acceptable ranges for this stage of the year except as noted above.

General Fund Month to Month Comparison through January 2022

- Salaries and fringe benefits were as expected.
- Advertising reflect costs associated with the Spring recruitments.
- All other Month-to-Month comparisons are tracking as expected except as noted above.

Alpena Community College
General Fund
Year-to-Year Actual Comparison
For the Seven Months Ending January 31, 2022

Description	YTD Actual FY 2022	YTD Actual FY 2021	YTD Actual Variance
Revenue			
Property Tax	1,738,201	1,614,330	123,871
Tuition/Fees	5,464,477	5,751,820	(287,343)
Sales,Service,and Rent	18,714	9,671	9,043
State Aid	2,501,930	2,249,023	252,907
Local	0	0	0
State	0	0	0
Federal	28,740	2,466,292	(2,437,552)
Federal - HEERF	323,123	0	323,123
Cost Recovery	397	0	397
Interest	0	371	(371)
Other	4,599	0	4,599
Revenue	10,080,181	12,091,507	(2,011,326)
Expense			
Instruction	4,156,740	4,114,213	42,527
OIT	668,099	661,699	6,400
Public Service	0	0	0
Instruction Support	880,091	849,206	30,885
Student Services	880,719	842,790	37,929
Institutional Administration	1,258,234	1,255,115	3,119
Physical Plant	896,264	837,731	58,533
Expense	8,740,147	8,560,754	179,393
Income	1,340,034	3,530,753	(2,190,719)
Net Assets - Beginning of Year	2,004,253	1,499,720	1,499,720
Net Assets - End of Year	3,344,287	5,030,473	(690,999)

Alpena Community College
Comparative Income Statement
General Fund
For the Seven Months Ending January 31, 2022

Description	FY 2022 Budget	FY 2022 YTD Actual	FY 2022 Variance	FY 2022 Complete	FY 2021 Complete
Revenue					
Property Tax	2,824,142	1,738,201	(1,085,941)	61.55%	58.75%
Tuition/Fees	6,142,728	5,464,477	(678,251)	88.96%	93.20%
Sales, Services, and Rent	22,000	18,714	(3,286)	85.06%	43.96%
State Aid	6,136,901	2,501,930	(3,634,971)	40.77%	37.76%
Federal	61,000	28,740	(32,260)	47.11%	4043.10%
Federal - HEERF	0	323,123	323,123	0.00%	0.00%
Cost Recovery	71,824	397	(71,824)	0.55%	0.00%
Interest	5,000	0	(5,000)	0.00%	7.42%
Other	7,920	4,599	(3,321)	58.07%	31.40%
Revenue	15,271,515	10,080,181	(5,191,334)	66.01%	0.00%
Expense					
Salaries	8,425,296	5,099,518	3,325,778	60.53%	61.12%
Fringe Benefits	4,125,285	2,328,269	1,797,016	56.44%	54.86%
Outside Services	807,713	477,462	330,251	59.11%	65.37%
Advertising	252,000	132,092	119,908	52.42%	62.30%
Supplies	196,400	84,346	112,054	42.95%	40.55%
Rental	0	0	0	0.00%	0.00%
Utilities	470,390	180,136	290,254	38.30%	34.13%
Telephone	55,000	24,120	30,880	43.85%	39.61%
Postage	37,500	14,049	23,451	37.46%	54.36%
Insurance	142,000	123,620	18,380	87.06%	87.54%
Travel & Mileage	80,062	11,749	68,313	14.67%	10.39%
Tuition Waivers and Dues	205,000	190,904	14,096	93.12%	85.25%
Library Books & Equipment	95,880	44,340	51,540	46.25%	43.38%
Other	74,000	29,544	44,456	39.92%	28.50%
Transfers	304,989	0	304,989	0.00%	0.00%
Expense	15,271,515	8,740,149	6,531,366	57.23%	56.91%

Description	FY 2022 Budget	FY 2022 YTD Actual
Income	0	1,340,032
Net Assets - Beginning of Year	2,004,253	2,004,253
Net Assets - End of Year	2,004,253	3,344,285

Alpena Community College
General Fund Month to Month Tracking
For the Seven Months Ending January 31, 2022

Description	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	YTD	Budget
Revenue														
Property Tax	149,712	419,118	12,580	3,713	3,822	195,352	953,903	0	0	0	0	0	1,738,200	2,824,142
Tuition/Fees	2,744,157	261,721	(43,723)	486,539	1,433,830	353,356	228,597	0	0	0	0	0	5,464,477	6,142,728
Sales, Services, and Rent	3,875	88	2,480	4,465	500	6,900	406	0	0	0	0	0	18,714	22,000
State Aid	0	0	0	846,231	595,593	530,053	530,053	0	0	0	0	0	2,501,930	6,136,901
Federal	4,030	1,694	8,490	3,169	4,117	4,705	2,536	0	0	0	0	0	28,741	61,000
Federal - HEERF	0	0	0	323,123	0	0	397	0	0	0	0	0	323,520	71,824
Cost Recovery	0	0	0	0	0	0	0	0	0	0	0	0	0	5,000
Interest	0	0	0	0	0	1,310	1,120	0	0	0	0	0	2,430	7,920
Other	(21)	50	430	720	990	0	0	0	0	0	0	0	2,169	0
Revenue	2,901,753	682,671	(19,743)	1,667,960	2,038,852	1,091,676	1,717,012	0	0	0	0	0	10,080,181	15,271,515
Expense														
Salaries	882,885	594,919	629,295	793,769	641,050	940,764	616,835	0	0	0	0	0	5,099,517	8,425,296
Fringe Benefits	383,286	284,605	316,012	345,796	300,768	403,197	294,604	0	0	0	0	0	2,328,268	4,125,285
Outside Services	254,581	20,309	25,832	62,346	34,761	55,511	24,123	0	0	0	0	0	477,463	807,713
Advertising	600	15,325	49,650	13,035	14,166	12,059	27,257	0	0	0	0	0	132,092	252,000
Supplies	6,314	8,975	16,314	14,749	20,687	6,070	11,237	0	0	0	0	0	84,346	196,400
Rental	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Utilities	133	10,922	13,948	28,211	31,014	48,743	47,166	0	0	0	0	0	180,137	470,390
Telephone	2	1,394	3,377	3,414	9,092	3,699	3,142	0	0	0	0	0	24,120	55,000
Postage	400	98	6,285	65	633	1,569	5,000	0	0	0	0	0	14,050	37,500
Insurance	53,564	15,922	26,782	625	27,282	0	(555)	0	0	0	0	0	123,620	142,000
Travel & Mileage	726	105	427	1,280	1,626	3,153	4,432	0	0	0	0	0	11,749	80,062
Tuition Waivers and Dues	33,853	80,646	154	7,329	6,380	0	62,542	0	0	0	0	0	190,904	205,000
Library Books & Equipment	24,415	3,324	6,055	(638)	1,323	9,115	745	0	0	0	0	0	44,339	95,880
Other	631	4,652	3,713	13,652	2,238	2,603	2,055	0	0	0	0	0	29,544	74,000
Transfers	0	0	0	0	0	0	0	0	0	0	0	0	0	304,989
Expense	1,641,390	1,041,196	1,097,844	1,283,633	1,091,020	1,486,483	1,098,583	0	0	0	0	0	8,740,149	15,271,515
Income	1,260,363	(358,525)	(1,117,587)	384,327	947,832	(394,807)	618,429	0	0	0	0	0	1,340,032	0

4.047 Personnel Report

New hires, terminations, and status changes from January 13 to February 8, 2022.

New Hires:

- Walter Wiltse, Director of Utility Line Clearance/Tree Trimmer Program, effective January 31, 2022.

Re-Hires:

- None.

Transfers:

- None.

Resignations:

- None.

Terminations:

- None.

Retirements:

- None.

Name Changes:

- None.

4.048 Gifts and Grants Report

This report reflects the following activity for pledges and gifts received by ACC and the ACC Foundation between January 11, 2022, and February 8, 2022.

Total Donors: 50

New Gifts:	\$211,554.00
Pledge Payments:	\$4,528.00
New Pledges:	\$54,850.00