

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, October 20, 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, October 14, 2022

The Alpena Community College Board of Trustees will gather at 6:15 p.m. on Thursday, October 20, 2022, in the Auto Service Lab (Besser Technical Center 119) for a tour; no official business will be conducted during the tour. The Board's regular monthly meeting will begin 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 regular meeting will 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 169 2711#

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://24381692711@alpenacc.webex.com>

You can also dial 173.243.2.68 and enter your meeting number.

Meeting number (access code): 2438 169 2711

Meeting password: M4tDaMkAJ97

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

REGULAR MEETING AGENDA
ALPENA COMMUNITY COLLEGE BOARD OF TRUSTEES
Thursday, October 20, 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 September 15, 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

2.855	Fiscal Year 2022 Audit Report	2
2.856	Contracting for Enterprise Resource Planning Student Information System	3
2.857	Selection of Construction Management Firm for the Center for Manufacturing Excellence Renovation Project.....	4
2.858	Five-Year Campus Master Plan and Capital Outlay Request	5
- 12) Information Items

4.067	Financial Report.....	6
4.068	Personnel Report.....	11
4.069	Gifts and Grants Report	12
- 13) Board Discussion
- 14) New Business
- 15) Suggested Future Agenda Items
- 16) Next Regular Meeting: November 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.
- 17) Adjournment

2.855 Fiscal Year 2022 Audit Report

Audits of the financial activities of Alpena Community College are guided by Michigan law and the generally accepted standards of accounting practices adopted by the Government Accounting Standards Board (G.A.S.B.).

Michigan law, under section 389.143 of Chapter 11 of the Michigan Community College Act governing Michigan community colleges, states, “The Board of Trustees shall provide for a system of accounting meeting the approval of the State Board of Education. All accounts shall be filed as required by the State Board of Education, and shall be available at all reasonable times for public inspection as a condition of receiving any state aid for the subsequent fiscal year.” The “system of accounting” authorized by the State Board must meet the standards established by G.A.S.B.

The result of the above conditions for conducting the audit is that the firm of Straley Lamp & Kraenzlein P.C., certified public accountants, has completed the audit of all College financial resources for the year ending June 30, 2022. In addition, College staff has analyzed these documents in the context of historical financial circumstances of the institution. A consolidated document detailing both of these analyses recognizes the strong record for internal fiscal accountability that exists at the College, along with an ongoing responsiveness to those issues that would improve financial accounting practices.

As a result of these combined efforts to assure prudent management of all College resources, the audit report states:

“In our opinion, based on our audits, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the discretely presented component unit of Alpena Community College as of June 30, 2022 and 2021, and the respective changes in financial position, and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.”

Therefore, the following resolution is proposed:

The Board of Trustees accepts the financial report and approves the Fiscal Year 2022 audit as submitted by Straley Lamp & Kraenzlein P.C., and commends all parties for their dialogue and exactness in assuring the audit has been produced in full compliance with state law and the new principles of accounting as adopted by G.A.S.B. It is further noted that appropriate officials at the College are directed to communicate the results of this important process to all interested parties.

2.856 Contracting for Enterprise Resource Planning Student Information System

Alpena Community College's enterprise resource planning-student information system (ERP-SIS) is used to manage the College's business operations and provides an interface for college staff, faculty, advisors and students to connect via mobile and desktop applications.

ACC's current ERP-SIS is provided by Ellucian. The contract with Ellucian is set to expire in 2024. The expiring contract provides ACC an opportunity to:

- Evaluate our current ERP-SIS solution
- Mitigate risk and allow for business continuity in a cyber security event
- Utilize an ERP-SIS that provides managed cloud-SaaS services
- Seek a more cost-effective solution
- Prepare for the future direction of ACC
- Align with emerging student needs

College officials developed a thorough ERP-SIS evaluation process which included:

- A rating matrix of vendor features and benefits
- Reference checks and feedback
- Staff surveys and perception for change
- Implementation timeline
- Risk factors
- Return on investment
- Cost analysis

On May 23, 2022, Alpena Community College delivered a Request for Proposal (RFP) to three ERP-SIS providers. ACC received RFPs from Ellucian and Jenzabar. Anthology chose not to participate in the RFP process. Jenzabar provided product demonstrations on July 26 and 27 and Ellucian delivered demonstrations on August 19.

On September 21 the ERP-SIS RFP Executive Team met to review the RFP process and make a final selection for a recommendation to the Board of Trustees. The committee voted to recommend Ellucian's proposal.

Therefore, the following resolution is proposed:

The Board of Trustees authorizes appropriate College officials to sign a 5-year contract with Ellucian of Reston, Virginia, for Colleague Essentials ERP SaaS software, and contracting with BHA Technologies (Brown, Hendrix & Associates) of Goldsby, Oklahoma, for implementation services, at a total cost not to exceed \$2,498,906.

2.857 Selection of Construction Management Firm for the Center for Manufacturing Excellence Renovation Project

The United States Department of Commerce, Economic Development Agency (EDA) Public Works program helps distressed communities revitalize, expand, and upgrade their physical infrastructure. The EDA’s Public Works program investments help facilitate the transition of communities from being distressed to becoming competitive by developing key public infrastructure and traditional public works projects.

In January 2020, Alpena Community College applied for a \$3 million Public Works grant to upgrade the welding and manufacturing training labs, including moving the manufacturing program into the former Autobody lab space. The College received official notification in March 2021 that a grant in the amount of \$2.4 million had been awarded to ACC. ACC’s match amount is \$600,000.

In July 2021 the ACC Board of Trustees approved the selection of Stantec of Berkley, Michigan, to be the design engineering firm for the project.

Most recently College officials advertised in *The Alpena News* for a Request for Bids for construction manager for the project. Two bids were received.

Firm Name	Location	Total Cost
Clark Construction	Lansing, MI	\$2,763,174
Spence Brothers	Saginaw, MI	\$2,435,000

The construction budget proposed by the low bidder, Spence Brothers, is \$374,164 over budget, which is not surprising due to the length of time since ACC first began pursuit of EDA funding in 2019 and the escalation of construction costs over the intervening 3.5 years. ACC officials checked with the EDA to make sure the College can exceed the approved budget if ACC supplies the balance from its own resources and the EDA responded affirmatively. Redesigning the project to cut costs would likely delay the project several more months due to the necessity of seeking EDA change approval, and that delay would likely increase the construction cost, ultimately negating the cost cutting. Spence Brothers is able to move ahead immediately.

Based on all of the above factors, College officials are recommending the selection of Spence Brothers as the construction manager for the Center for Manufacturing Excellence renovation project.

Therefore, the following resolution is proposed:

Pending EDA approval, the Alpena Community College Board of Trustees approves Spence Brothers of Saginaw, MI, as the construction management firm for the Center for Manufacturing Excellence renovation project for a cost not to exceed \$2,435,000.

2.858 Five-Year Campus Master Plan and Capital Outlay Request

On an annual basis the College is required to submit a five-year master plan for capital outlay in order to be eligible for a 50% match from the State of Michigan for capital improvements on campus. College officials have prepared a project proposal that will have the effect of repurposing spaces on campus in keeping with State of Michigan statutory criteria used to evaluate proposals:

- Investment in existing facilities and infrastructure.
- Life and safety deficiencies.
- Occupancy and utilization of existing facilities.
- Integration of sustainable design to enhance the efficiency and operations of the facility.
- Estimated cost.
- Estimated operating costs.
- Impact on tuition, if any.
- Impact on job creation in this state.
- History of prior appropriations received by the institution through the capital outlay process.

The current project proposal recommended by College officials is as follows:

The Charles R. Donnelly Life Sciences and STEM Innovation Project proposes to repurpose NRC to: (1) upgrade outdated first floor Lecture Hall with modern videoconferencing technology to enhance distance and remote instruction; (2) develop a Life Sciences and Information Technology Innovation Center on the second floor, including technology to bring in external lecturers and create a student collaboration center; (3) update interior and exterior renovations, particularly at building entrances and 4th floor concrete facades; (4) replace HVAC and windows throughout the building to mitigate COVID hazard to students, staff, and the community; (5) replace roof over the entire building; and (6) develop and/or modify Life Sciences and related STEM certificate and associate degree programs to allow NRC to continue to be a hub for science education, STEM talent development, and regional prosperity in NE Michigan for decades to come.

A final version of the Five-Year Master Plan 2024-28 for Capital Outlay will be distributed to the Board of Trustees when it is completed, which is anticipated to be on Monday, October 17.

Therefore, the following resolution is proposed:

The Alpena Community College Board of Trustees authorizes staff to submit the ACC Five-Year Master Plan 2024-28 for Capital Outlay to the State Budget Office.

4.067 Financial Report

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

- The property tax receipts of \$604,088 are \$22,678 more than those for September 2021, as expected.
- Tuition/fee receipts of \$3,037,934 are \$75,779 more primarily due to tuition rate increase.
- State aid for the current year is zero because of the normal start month of October.
- There were three payrolls processed in July for both FY 22 and FY 23.
- Instruction is lower due to a couple of faculty retirements.
- OIT's increase is due to planned wage increases and timing of software purchases.
- Instruction support up due to schedule wage increases and timing of Accuplacer test purchases.
- Student services is lower due to timing of advertising and promotion purchases.
- Physical plant is up primarily from timing of the elevator maintenance agreement payment.
- Net income through the first three months of the new fiscal year shows as a loss of \$124,434, which is typical for this time of year.

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

- Library Books and equipment is up due to timing of purchases.
- All other categories are in acceptable ranges for this stage of the year except as noted above.

General Fund Month to Month Comparison through September 2022

- Contracted services is much higher in July due to the Ellucian annual billing.
- Insurance is much higher in July due to insurance billing sequences.
- Other expenses increased because credit cards fees were much higher due to greater credit card charges this year.
- The other Month-to-Month comparisons are tracking as expected except as noted above.

Consolidated Income Statement for the first quarter of FY 2023

- Designated funds are typically in a deficit awaiting transfers from the General Fund at year end.
- The deficit in restricted funds is due to timing of draw-downs of federal aid.
- The deficit in plant funds is due to timing of receipts for the Van Lare Lecture Hall project.
- Other balances are reasonable for this time of year.

Alpena Community College
General Fund
Year-to-Year Actual Comparison
For the Three Months Ending September 30, 2022

Description	YTD Actual FY 2023	YTD Actual FY 2022	YTD Actual Variance
Revenue			
Property Tax	604,088	581,410	22,678
Tuition/Fees	3,037,934	2,962,155	75,779
Sales, Service, and Rent	8,240	6,443	1,797
State Aid	0	0	0
Local	0	0	0
State	0	0	0
Federal	10,247	14,214	(3,967)
Federal - HEERF	0	0	0
Cost Recovery	0	0	0
Interest	0	0	0
Other	1,960	459	1,501
Revenue	3,662,469	3,564,681	97,788
Expense			
Instruction	1,596,847	1,686,695	(89,848)
OIT	451,058	398,029	53,029
Public Service	0	0	0
Instruction Support	399,360	371,149	28,211
Student Services	388,539	400,935	(12,396)
Institutional Administration	594,763	588,771	5,992
Physical Plant	356,336	334,850	21,486
Expense	3,786,903	3,780,429	6,474
Income	(124,434)	(215,748)	91,314
Net Assets - Beginning of Year	2,253,555	2,004,253	249,302
Net Assets - End of Year	2,129,121	1,788,505	340,616

Alpena Community College
Comparative Income Statement
General Fund
For the Three Months Ending September 30, 2022

Description	FY 2023 Budget	FY 2022 YTD Actual	FY 2023 Variance	FY 2023 Complete	FY 2022 Complete
Revenue					
Property Tax	2,981,212	604,088	(2,377,124)	20.26%	20.59%
Tuition/Fees	5,712,193	3,037,934	(2,674,259)	53.18%	48.21%
Sales, Services, and Rent	22,000	8,240	(13,760)	37.45%	29.29%
State Aid	6,728,571	0	(6,728,571)	0.00%	0.00%
Federal	35,000	10,247	(24,753)	29.28%	23.30%
Federal - HEERF	0	0	0	0.00%	0.00%
Cost Recovery	75,000	0	(75,000)	0.00%	0.00%
Interest	5,000	0	(5,000)	0.00%	0.00%
Other	7,920	1,960	(5,960)	24.75%	5.80%
Revenue	15,566,896	3,662,469	(11,904,427)	23.53%	23.34%
Expense					
Salaries	8,810,786	2,098,135	6,712,651	23.81%	25.01%
Fringe Benefits	4,256,695	954,723	3,301,972	22.43%	23.85%
Outside Services	787,516	344,325	443,191	43.72%	37.14%
Advertising	241,500	46,335	195,165	19.19%	26.02%
Supplies	165,250	24,672	140,578	14.93%	16.01%
Rental	0	0	0	0.00%	0.00%
Utilities	459,390	28,242	431,148	6.15%	5.32%
Telephone	18,000	1,043	16,957	5.79%	8.68%
Postage	35,000	6,409	28,591	18.31%	18.09%
Insurance	135,000	80,512	54,488	59.64%	67.79%
Travel & Mileage	65,396	8,685	56,711	13.28%	1.59%
Tuition Waivers and Dues	235,000	113,163	121,837	48.15%	55.93%
Library Books & Equipment	108,090	60,822	47,268	56.27%	35.25%
Other	77,000	19,835	57,165	25.76%	12.16%
Transfers	199,397	0	199,397	0.00%	0.00%
Expense	15,594,020	3,786,901	11,807,119	24.28%	24.75%

Description	FY 2023 Budget	FY 2022 YTD Actual
Income	(27,124)	(124,432)
Net Assets - Beginning of Year	2,253,555	2,253,555
Net Assets - End of Year	2,226,431	2,129,123

Alpena Community College
General Fund Month to Month Tracking
For the Three Months Ending September 30, 2022

Description	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	YTD	Budget
Revenue														
Property Tax	188,266	403,589	12,233	0	0	0	0	0	0	0	0	0	604,088	2,981,212
Tuition/Fees	2,796,651	289,806	(48,523)	0	0	0	0	0	0	0	0	0	3,037,934	5,712,193
Sales, Services, and														
Rent	6,528	665	1,048	0	0	0	0	0	0	0	0	0	8,241	22,000
State Aid	0	0	0	0	0	0	0	0	0	0	0	0	0	6,728,571
Federal	2,711	800	6,736	0	0	0	0	0	0	0	0	0	10,247	35,000
Cost Recovery	0	0	0	0	0	0	0	0	0	0	0	0	0	75,000
Interest	0	0	0	0	0	0	0	0	0	0	0	0	0	5,000
Other	25	1,080	855	0	0	0	0	0	0	0	0	0	1,960	7,920
Revenue	2,994,181	695,940	(27,651)	0	0	0	0	0	0	0	0	0	3,662,470	15,566,896
Expense														
Salaries	887,814	587,043	623,278	0	0	0	0	0	0	0	0	0	2,098,135	8,810,786
Fringe Benefits	377,519	283,798	293,407	0	0	0	0	0	0	0	0	0	954,724	4,256,695
Outside Services	219,803	72,908	51,614	0	0	0	0	0	0	0	0	0	344,325	787,516
Advertising	1,010	12,207	33,118	0	0	0	0	0	0	0	0	0	46,335	241,500
Supplies	5,702	12,123	6,847	0	0	0	0	0	0	0	0	0	24,672	165,250
Rental	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Utilities	205	14,839	13,198	0	0	0	0	0	0	0	0	0	28,242	459,390
Telephone	730	313	0	0	0	0	0	0	0	0	0	0	1,043	18,000
Postage	76	109	6,223	0	0	0	0	0	0	0	0	0	6,408	35,000
Insurance	74,933	3,511	2,068	0	0	0	0	0	0	0	0	0	80,512	135,000
Travel & Mileage	238	1,614	6,834	0	0	0	0	0	0	0	0	0	8,686	65,396
Tuition Waivers and														
Dues	846	111,067	1,250	0	0	0	0	0	0	0	0	0	113,163	235,000
Library Books &														
Equipment	50,309	7,240	3,273	0	0	0	0	0	0	0	0	0	60,822	108,090
Other	1,058	4,716	14,061	0	0	0	0	0	0	0	0	0	19,835	77,000
Transfers	0	0	0	0	0	0	0	0	0	0	0	0	0	199,397
Expense	1,620,243	1,111,488	1,055,171	0	0	0	0	0	0	0	0	0	3,786,902	15,594,020
Income	1,373,938	(415,548)	(1,082,822)	0	0	0	0	0	0	0	0	0	(124,432)	(27,124)

Alpena Community College
Consolidated Income Statement
For the Three Months Ending September 30, 2022

	General	Designated	Auxiliary	Unfunded Pension Liability	Restricted	Loan	Endowment & Scholarship	Plant	Agency	Total
Revenue										
Property Tax	604,088	0	0	0	0	0	0	0	0	604,088
Tuition/Fees	3,037,934	197,887	0	0	(985)	0	0	85,105	0	3,319,941
Sales, Services, and Rent	8,240	43,425	149,726	0	(3,511)	0	0	0	0	197,880
State aid	0	0	0	0	0	0	0	0	0	0
Local	0	0	0	0	0	0	0	0	0	0
State	0	1	0	0	3,761	0	17,116	0	0	20,878
Federal	10,247	0	0	0	861,684	384,755	0	0	0	1,256,686
Cost Recovery	0	422	3,730	0	0	0	131,664	35	0	135,851
Interest	0	0	0	0	0	0	0	0	0	0
Other	1,960	0	38	0	0	98,986	0	108	0	101,092
Total Revenue	3,662,469	241,735	153,494	0	860,949	483,741	148,780	85,248	0	5,636,416
Expenditures										
Salaries	2,098,135	77,909	31,152	0	103,235	0	0	0	0	2,310,431
Fringe Benefits	954,723	35,074	6,846	0	45,089	0	0	0	0	1,041,732
Outside Services	344,325	27,710	3,781	0	15,198	0	0	203,799	0	594,813
Advertising	46,335	0	0	0	0	0	0	0	0	46,335
Supplies	24,672	11,530	5,316	0	26,604	0	0	0	0	68,122
Rentals	0	0	0	0	0	0	0	0	0	0
Utilities	28,242	170	2,340	0	0	0	0	0	0	30,752
Telephone	1,043	0	0	0	0	0	0	0	0	1,043
Postage	6,409	0	0	0	0	0	0	0	0	6,409
Insurance	80,512	20,259	0	0	0	0	0	0	0	100,771
Travel & Mileage	8,685	3,662	0	0	2,863	0	0	0	0	15,210
Tuition Waivers	113,163	9,074	0	0	743,203	470,773	94,698	0	0	1,430,911
Library Books & Equipment	60,822	86,001	0	0	3,415	0	0	69,462	0	219,700
Other	19,835	1,154	0	0	2,201	0	0	2,350	701	26,241
Transfers	0	0	0	0	0	0	0	0	0	0
Total Expenditures	3,786,901	272,543	49,435	0	941,808	470,773	94,698	275,611	701	5,892,470
Net Revenue (Expense)	(124,432)	(30,808)	104,059	0	(80,859)	12,968	54,082	(190,363)	(701)	(256,054)
Beginning Net Position	2,253,555	398,607	402,277	(26,979,654)	426,877	0	3,800	27,417,607	14,833	3,937,902
Period Ending Net Position	2,129,123	367,799	506,336	(26,979,654)	346,018	12,968	57,882	27,227,244	14,132	3,681,848

4.068 Personnel Report

New hires, terminations, and status changes from September 8 to October 10, 2022.

New Hires:

- Ricky Smith, FT Faculty – Utility Technology Technician Instructor, effective 09/19/2022.
- Eric Soik, Maintenance, effective today 09/12/2022.
- Christy Gibson, ESP2 Student Success Center Technician, effective 10/03/2022.
- Vicki Goodburne, Assistant Controller/Payroll Manager, effective 10/06/2022.

Re-Hires:

- None.

Transfers:

- Douglas Mayo, Transferring from Adjunct – Nursing to ADM Director of Nursing – Oscoda Campus, effective 10/17/2022.

Resignations:

- Kasey Kowalski, Assistant Controller/Payroll Manager, effective 09/21/2022.
- Christine Young, Campus Services Coordinator for the Oscoda Campus, effective 09/22/2022.

Terminations:

- None.

Retirements:

- None.

Name Changes:

- None.

Position Name Changes:

- None.

4.069 Gifts and Grants Report

This report reflects the following activity for pledges and gifts received by ACC and the ACC Foundation between September 7 and October 9, 2022.

Total Donors:	30
New Gifts:	\$1,454,965.00
Pledge Payments:	\$0.00
New Pledges:	\$0.00