

Official Proceedings of the
Alpena Community College Board of Trustees Meeting
August 15, 2013
Roger C. Bauer Board Room, Charles R. Donnelly Natural Resources Center
Alpena, MI 49707

The Alpena Community College Board of Trustees met for its regular monthly meeting on Thursday, August 15, 2013, in the Roger C. Bauer Board Room, Room 400 of the Charles R. Donnelly Natural Resources Center.

Present: John Briggs, Teresa Duncan, Joseph Gentry II, Lisa Hilberg, and Florence Stibitz.

Absent: Marc Ferguson and Tom Townsend.

Seated at the Board Table: President Olin Joynton and Board Secretary Jay Walterreit

Chairman John Briggs called the meeting to order at 7:01 p.m. and led the Pledge of Allegiance.

Approval of Agenda

Moved by Trustee Stibitz that the agenda be approved; seconded by Trustee Hilberg. Ayes: 5. Nays: 0. Motion carried.

Approval of Minutes from the June 24, 2013, Regular Board of Trustees Meeting

Trustee Stibitz moved to accept the draft minutes from the June 24, 2013, regular ACC Board of Trustees meeting; Trustee Hilberg seconded the motion. Ayes: 5. Nays: 0. Motion carried.

Introduction of Guests and Public Comment

Guests in attendance included: Nicole Grulke, Alpena News; Lindsay Iadeluca, WBKB News; Nancy Seguin, ACC administrator; Kathy Marsh, ACC administrator; Don MacMaster, ACC administrator, Karen Bennett, ACC attorney, Rob Roose, ACC administrator; Jane Roose, Col. Bryan Teff, CRTC Commander; Jim Berles, ACC faculty, Ed Hartfield; Jeff Hartfield; and Bob Tosch, ACC faculty.

Communication(s)

None.

Board Member and Subcommittee Reports

Trustees Stibitz, Duncan, and Gentry shared the insights they gleaned from their participation in the Summer 2013 MCCA conference in Traverse City July 25-26.

Faculty Report

Bob Tosch showed a presentation about the manufacturing-related programs he teaches, including CAD/CAM and welding. He pointed out there were 31 jobs in the manufacturing area posted in Northern Michigan in the past 30 days.

Student Report

None.

President's Report

The President's Report follows as it was distributed at the meeting.

President's Report to ACC Board of Trustees
August 15, 2013

1. Veteran-Friendly Campus

Attached is some material about the scope of benefits arranged for veteran students by ACC's Financial Aid Office, whose director, Rob Roose, compiled it for me. I used it in June when calling on legislators. Those receiving it expressed appreciation to me, and we have a nice note from Speaker Pro Tempore John Walsh about ACC being a veteran friendly campus.

Fall 2012 through Spring 2013

- * 1,953 students were enrolled in the fall semester and 1,857 in the spring semester.
- * 74 students received veteran benefits.
- * 38 were charged in-district rate and 36 out-of-district rate.
- * Total tuition revenue was \$244,639.
- * Loss of tuition revenue from all 74 getting in-district rate: \$55,005 (22% reduction).

Fall 2012 Breakdown of VA Benefits

- * 11 received a monthly stipend from the VA under Chapter 30 of the Montgomery Bill.
- * 2 received full tuition, books and a monthly stipend from VA Vocation Rehab under Chapter 31.
- * 27 received 40% to 100% of tuition (most 100%), \$500 for books, and a monthly stipend from Post-9/11 program under Chapter 33.
- * 8 received a monthly stipend from the Dependents of Disabled Veterans program under Chapter 35.
- * 2 received a monthly stipend for National Guard service under Chapter 1606.
- * 3 received a monthly stipend from the Veteran Retraining Assistance (VRAP) program.
- * No restriction against VA beneficiaries receiving other forms of financial aid (Pell grants, privately endowed scholarships, student loans).

2. Valencia College Benchmarks

Three years ago several Trustees, Dean Don MacMaster, and I heard an address by Valencia College President Sandy Shugart. Located in Orlando, Florida, Valencia was the first institution to receive the \$1 million Aspen Prize for community college excellence. Dr. Shugart laid out a number of standards observed by Valencia and other leading colleges, and during the June budget workshop, Trustee Gentry asked how ACC was faring relative to them. It turns out that ACC matches up well to the performance of the best in our business.

- * Ratio of financial aid distribution to overall operating budget better than 1:3.

<u>ACC Financial Aid during FY13 By Category</u>	<u>Amount</u>
ACC Foundation Scholarships	\$140,000
Work Study	\$94,857
Pell Grants	\$4,721,989
Supplemental Education Opportunity Grants	\$50,000
VA Benefits (not including stipends)	\$173,154
Loans	\$3,347,814
Tuition Waivers	\$193,000
Total Financial Aid during FY13	\$8,720,814
FY13 Operating Budget	\$14,439,022
Ratio of FA to OB	1:1.66

- * Total revenue per full-time equivalent student.

At ACC for FY12 it was \$10,768 and an estimated \$5,900 at Valencia (where only 48% of sections are taught by full-time faculty, compared with 60% at ACC). In Michigan, where the state average \$9,865, ACC is tenth from the top, putting us in the middle third. On the expense side, our concentration on high-cost technical programs pushes us up, as well as the small college budget effect of spreading administrative costs.

- * Avoidance of hiring freeze when budget is tight.

During the past ten years a hiring freeze was imposed at ACC only once in 2005 for a few months. There have been delays in filling positions and position eliminations.

- * Avoidance of travel prohibition when budget is tight.

During the past ten years at ACC travel has been restricted but never prohibited.

- * Avoidance of across-the-board cuts when budgets are tight.

These have never been imposed over the past ten years. I am philosophically opposed to them. Reductions have always been focused with a strategic justification.

- * Complete transparency and clarity of expectations.

Starting two years ago there have been major strides in providing access to planning, budgeting, and program information. There's more to come, and the website home page features the budget and performance transparency reporting link.

- * Protection of students from effects of budget problems.

In regard to quality and extent of our service, with one exception, I have no reports from students, their families, or community members about actual diminishment as a result of trimming positions and budgets. The exception came from former employees who were taken off our e-mail accounts, where there were privacy/security reasons in addition to budgetary ones. A year ago there were concerns about unmet student needs from counseling position elimination. It appears that those needs have all been met.

In regard to tuition increases, here's the five-year comparison between Valencia College and ACC:

	<u>FY09</u>	<u>FY10</u>	<u>FY11</u>	<u>FY12</u>	<u>FY13</u>	<u>% incr.</u>
VC	\$2,283	\$2,553	\$2,765	\$2,987	\$3,091	35%
ACC	\$3,000	\$3,000	\$3,240	\$3,450	\$3,660	22%

So ACC has increased less than Valencia and can point to one year with no increase. In addition, we should factor in growth of ACC Foundation scholarships during this period (up 8%) and other forms of financial aid like Pell grants (up 17%). These results have dampened the effect of our tuition increases on ACC students.

- * Investment of capital to reduce operating cost.

With the Board's support, Facilities Director Tom Ludwig has made many investments in energy efficiency over the past few years and has brought outstanding reports on the return from those investments. ACC's operating costs for facilities continue to be among the lowest in the state.

- * Identification of non-performing assets.

In our case, we identified the Constantine estate and the East Campus as non-performing assets and divested ourselves of them. In addition, the sale of vacant property to Alpena Village brought about a great venue for senior residents and generated funds for infrastructure improvement at ACC.

3. Sabbatical Report

Mathematics/Engineering Instructor Jim Berles is present this evening to report on his year of sabbatical in Hawaii, which he used for training in GIS/GPS systems applicable to our Marine Technology program.

Action Items

2.568 **Statement of Support of the Guard and Reserve**

Trustee Hilberg made the motion and Trustee Gentry seconded the motion that reads as follows:

That the Alpena Community College Board of Trustees expresses its profound gratitude to citizens with current and former military service, its encouragement for continued hospitality and assistance for those of them pursuing certificates and degrees at ACC, and its direction for the president to sign the attached Statement of Support for the Guard and Reserve.

Ayes: 5. Nays: 0. Motion passes.



2.569 Acceptance of Bid for Alternative Energy and Smart Grid Technology Learning System

Trustee Hilberg made the motion and Trustee Duncan seconded the motion that reads as follows:

That the Alpena Community College Board of Trustees authorizes College officials to purchase the alternative energy and smart grid technology learning system meeting specification from Applied Technology Systems at a cost not to exceed \$153,010, using funds from the TAACCCT grant for the purchase.

Ayes: 5. Nays: 0. Motion passes.

Information Items

3.768 Financial Report

Dr. Joynton reviewed the Financial Report with the Board.

3.769 Personnel Report

New hires, terminations, and status changes for July 2013.

New Hires:

N/A

Terminations:

Greg Augustyn, Faculty – Autobody, 7/25/13

Sandy Sengenberger, ESP2, Financial Aid Tech, RETIRED 8/1/13

Brendan Fleishans, ESP2, Communications/Learning Technology Tech, 8/2/13

Status Changes:

N/A

3.761 Gifts and Grants Report

The Gifts and Grants Report showed 183 donors gave gifts or pledges totaling \$378,388 for the time period of June 13 to August 7, 2013.

New Business

2.570 **Amendment of Local Incentive Policy**

Trustee Stibitz made the motion and Trustee Hilberg seconded the motion that reads as follows:

That the Alpena Community College Board of Trustees approves on first reading an amendment to Policy 5009 as shown below with change in **boldface**:

Unless restricted by federal regulations, the Board of Trustees approves a 3% local incentive for qualified vendors seeking to provide goods and services through the competitive bidding/quotation process, who have a valid and permanent business address within the College tax district at least six (6) months prior to the solicitation date for providing such desired services.

Ayes: 5. Nays: 0. Motion passes.

Suggested Future Agenda Items

None.

Next Regular Meeting

The next regular ACC Board of Trustees meeting is scheduled for Thursday, September 19, at 7 p.m. in the Roger C. Bauer Board Room, Room 400 of the Charles R. Donnelly Natural Resources Center, 665 Johnson Street, Alpena, MI 49707.

Meeting Recess

The regular meeting was recessed at 8:30 p.m. so Dr. Joynton could be interviewed by the media.

At 8:42 p.m. Chairman Briggs reconvened the regular meeting and Trustee Hilberg made the motion to enter into closed session for the purpose of hearing a presentation from trainer/facilitator Ed Hartfield of Hartfield Resolution Group related to possible contract negotiation strategies and objectives for the next year. Trustee Stibitz seconded the motion. A roll call vote was taken, and the results were as follows:

Trustee Duncan: aye. Trustee Briggs: aye. Trustee Hilberg: aye. Trustee Stibitz: aye. Trustee Gentry: aye. All ayes, motion carried. The room was then cleared of ancillary attendees and the closed session began at 8:43 p.m.

In addition to the trustees, president, board secretary, and presenters (Ed and Jeff Hartfield), the audience included Vice President of Academic and Student Affairs Kathy Marsh; ACC Attorney Karen Bennett; Dean of Workforce Development Don MacMaster, and Associate Vice President of Academic and Student Affairs Nancy Seguin.

The closed session ended at 10:27 p.m., and the regular meeting resumed.

Adjournment

The regular meeting was adjourned at 10:28 p.m.

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