

ALPENA COMMUNITY COLLEGE
BOARD OF TRUSTEES
OFFICIAL PROCEEDINGS

November 16, 2006

The Alpena Community College Board of Trustees met for its regular November meeting on November 16, 2006, in the Roger C. Bauer Board Room.

Chairman Briggs called the meeting to order at 7:04 p.m.

Present: John Briggs, Joe Gentry, Dr. Judith Grenkowicz, Florence Stibitz, Thomas Townsend and Paul Wegmeyer

Absent: Marc Ferguson

Pledge of Allegiance

Chairman Briggs led the Board in the Pledge of Allegiance

Approval of Agenda

Dr. Joynton asked the Board to add new business item 2.342 bids: 2006-07 Snowplowing, and he asked the Board to remove 2.340 Approval of Audit. President Joynton told the Board the audit was not ready for approval and he would provide the Trustees with a copy for review by November 30, 2006, or before.

Moved by Member Wegmeyer to add new business item 2.342 to the agenda and remove item 2.340 from the agenda.

Ayes: Briggs, Gentry, Grenkowicz, Stibitz, Townsend and Wegmeyer

Motion carried. All ayes.

Approval of Official Proceedings

Chairman Briggs, hearing no objections, declared the proceedings of the October 19, 2006, regular meeting and the October 19, 2006, workshop approved as presented.

Introduction of Guests and Public Comment

Those signing the register were: April Ahlgren, WATZ; Jason Witz, Alpena News; Suzanne M. Weathers, ACC; Kerri Miller, ACC; Matt Dunckel, ACC; Richard Sutherland, ACC; Michelle Neusewitz, SAU/ACC; Christina VanDyke, SAU/ACC; Sue

Willyard, ACC ESP; Joan Misiak, ACC ESP; Amber McLarney Visotski, ACC; Mark Grunder, ACC; Steve Lewis, ACC; Mike Kelly, ACC.

Communication(s)

There were no items of communication.

Board Member and Subcommittee Report(s)

There were no board member or subcommittee reports.

Faculty Report

ACC psychology instructor Dr. Amber Vetoski distributed updated IPEDS materials and indicated the out-of-state Monroe Community College, originally considered as part of the formula, had been deleted from the statistics, and the Michigan community college of the same name had been added to the statistical formula. Dr. Vesotski told the Board the statistical information had not changed much as a result.

Student Report

Dr. Joynton told the Board Student Senate officers were performing in the student play and would not be in attendance to do the student report.

President's Report

President Joynton prefaced his report with an update on the Pathways contract with DeVere. He also told the Board Trustee Stibitz had done a great job with Leadership Alpena and two ACC staff members, Kate Bruski and Suzanne Weathers, had recently graduated from the program. President Joynton told the Board he would invite the Foundation Board to the next Trustee retreat.

The President's Report follows as it was presented.

1. Nursing Report Approved

The Michigan Board of Nursing reviewed and approved the annual report submitted by our ADN and LPN program at their regularly scheduled meeting on November 2, 2006. The annual report consists of demographic information, curriculum courses and clinical placements, faculty qualifications, enrollment, attrition and graduation numbers, licensure pass rates, admission criteria, our systematic program improvement plan, and nursing program outcomes.

2. Meeting to Expand Utility Technician Program

Dean Roy Smith and UTT Instructors Todd Artley and Richard Arbic met with representatives from International Transmission Company (ITC), Utility Lines Construction Services, Inc., and the Utility Workers Union of America (UWU) on Wednesday, November 8, 2006. ITC has purchased all of Detroit Edison's transmission lines and transmission substations. ITC also just received permission from the Federal Energy Regulatory Commission to purchase all of Consumers Energy's transmission lines in May, 2007. ITC and its servicing contractor, Utility Lines Construction Services, anticipate a continuing need for linemen and apprentice linemen as well as Substation Relay and Control Technicians. They know of ACC's reputation for turning out quality entry-level linemen and technicians and wanted to explore partnering possibilities.

UWU and ITC have established a Training and Development Trust Fund that can be used to help us meet the expanding trainee needs. ITC anticipates a need of at least 10 apprentice linemen and 10 relay and substation technicians a year to service their need in Michigan. ITC is also aggressively pursuing other transmission systems. Funding from the Trust Fund may be used to fund equipment and scholarships for students.

Meeting the needs of ITC will require expanding our current certificate program to an Associate of Applied Science degree; and we are also researching a new Associate of Applied Science program in Substation, Relay and Control Technician.

To continue the progress made on November 8, our staff will travel to ITC headquarters in Warren, MI, in December.

3. Plan to Increase Foundation Assets (see attachments for additional information)

Let's begin with the mission statement of the ACC Foundation: "to obtain financial support to enhance the ability of Alpena Community College to meet the lifelong educational needs of the growing and changing communities it serves."

This communication is in response to the ACC Board's objective that by December 1, 2006, I present a plan to increase the assets of the ACC Foundation. This objective raised a number of questions about the relationship between ACC and the ACC Foundation that I needed to resolve before submitting this plan. I had some concerns about my standing to speak for the Foundation, to formulate plans for it, and to implement such plans.

The first question is whether the ACC Foundation is subject to direction from ACC, by means of control by either the ACC Board or the ACC president. Secondly, and in a connected manner, who supervises the Foundation's executive director? According to the Foundation Bylaws and Articles of Incorporation, other than some general language about staying within the ACC mission, neither

the ACC Foundation nor its executive director is subject to control by the ACC Board or president. Here are the critical passages from the Bylaws:

1.02 An executive director shall be appointed by the board [= Board of Trustees of the ACC Foundation] to manage the principal office and the day-to-day operations of the Foundation.

3.01 The business, property, and affairs of the Foundation, including the making of gifts and the disbursement of funds, shall be managed by the board of trustees [= Board of Trustees of the ACC Foundation].

4.01 The Executive Committee [of the Board of Trustees of the ACC Foundation] shall provide day-to-day board management on matters requiring official action between Board meetings. [The Executive Committee consists of the president, vice president, and other trustees appointed by the president of the Board of the ACC Foundation.]

5.05 The president [of the Foundation Board of Trustees] shall be the chief executive officer of the Foundation and shall have the authority over the general control and management of the business and affairs of the Foundation.

These passages from the Bylaws make it clear that the Foundation Board president, not the College president, has the authority to formulate and implement plans to increase the assets of the ACC Foundation. As a member of the ACC Foundation Board of Trustees, I will certainly continue to cajole, encourage, and collaborate to this end, but I am not in control of the process.

Regarding the articles of incorporation, the tie between the Foundation and the College is established in the Foundation's statement of purpose in Article II:

To receive gifts, donations, bequests, and devises exclusively to aid and promote, by financial assistance and otherwise, all types of education and research in all fields at Alpena Community College. The type of projects funded by the Foundation shall come from a priority list approved by a majority vote of the Foundation Board of Trustees and the College Board of Trustees or their designated representative, and should be in accordance with the mission statement of the College.

This indicates an opportunity for the ACC Board to vote on a project priority list, and I will be happy to work with you on the preparation of project priorities from the College perspective. Some consultation and coordination with Foundation Board of Trustees President Chris McCoy would be essential to make this happen correctly, because the Foundation Board has to agree to the priorities.

For some comparative information, I sent some questions out to other Michigan community college presidents on how the relationship between their colleges and foundations were structured. As you can discern from the attachment, the ACC Foundation is rather independent of the College compared to the other respondents. For example, ACC has one rather than three college board members on the foundation board, and ACC's foundation board president rather than college president supervises the foundation executive.

The next question I pursued was how the office shared by the College and the Foundation is funded. During the current fiscal year, the office budget is \$120,500, and the breakdown is as follows:

	Funded by Foundation	Funded by ACC
Executive Director's Salary and Fringe Benefits	\$27,470	\$26,430
Secretary's Salary and Fringe Benefits	\$37,000	
Professional Fees	\$6,000	
Resource Development		\$8,500
Contracted Services (annual audit)	\$5,000	
Supplies	\$500	
Printing	\$4,000	
Postage	\$1,600	
Meetings/food/other	\$4,000	
Totals	\$85,570	\$34,930

As one can infer, the College provides the Foundation with office space, other facilities usage, parking, utilities, equipment, infrastructure, financial services, and liability insurance free of charge. In return, the College receives the following services that are at least somewhat separable from the Foundation operations:

- The Foundation executive director assumed about 25% of the duties of the administrative assistant position that was eliminated during FY06 budget cuts. These duties include use of software to enter and acknowledge gifts. This software is used for making the monthly gifts and grant report to the ACC Board.
- The Foundation executive director is responsible for alumni relations management. The primary instrument used for this purpose is the Lumberjack Link, which is published semi-annually and sent to all alumni.
- The Foundation executive director also assists with commencement exercises, the annual employee service recognition event, and the mailing

of the ACC annual report. Penny was invaluable this year in helping out with President's Office operations during Lee's recuperation.

Nevertheless, the level of funding of the Foundation Office by the Foundation compared with that by the College is commensurate with the control by the Foundation Board of the affairs of the Foundation and of the activities of the executive director and secretary.

Finally, I inquired about the Foundation's current practices regarding asset increase and the results that they have produced. I wanted us to have an overview, so I worked with Executive Director Penny Boldrey to compile this information, which is attached. The big picture to see is that by means of an integrated set of fundraising and friendraising activities, the Foundation has increased its assets from \$3.6 million in 1999 to \$5.2 million in 2006. This record includes recovery of all investment losses resulting from the 9/11 terrorist attacks.

In conclusion, I would make the following points:

- a. For the purpose of satisfying the objective you have assigned to me, Foundation Board President Chris McCoy, Executive Director Penny Boldrey, and I all agree to identify the plan to increase the Foundation's assets as the mission statement plus the current set of fundraising and friendraising activities.
- b. In some respects, the plan lacks features that one generally finds in a complete strategic plan. For example, the plan includes neither environmental scanning information nor specific goals relating to increase of the assets. Also, there's always a valid set of questions that one can raise about current practices. Are they meeting the goals, objectives, needs, and resources of the organization? Are they up to date with innovations that have gained a foothold in the field of practice? How do they measure up to benchmarks being set by exemplary organizations in the same field?
- c. For these reasons, in my report to the regular meeting of the Foundation Board on October 26, 2006, I requested the Foundation Board to consider appointing a subcommittee to work with Executive Director Boldrey and me. The outcome of the subcommittee's work might be to confirm the current plan; alternatively, it might consist of recommendations for change to be considered for action by the whole Foundation Board. I have received word of preliminary work by Foundation Board members in response to this suggestion.
- d. ACC Board Chairman John Briggs and I have discussed how to discharge the ACC Board's responsibility (stated in the Foundation's Articles of Incorporation) to communicate priorities for projects to be funded by the

Foundation. Chairman Briggs proposes to make the priorities a topic for the Board's annual January retreat and to invite Foundation Board members to that part of the discussion. I communicated this proposal to the Foundation Board during the October meeting.

- e. The successes of the Foundation in increasing its assets deserve favorable notice and strong commendation. Three particular aspects of the record over the last couple of years stand out: the Pathways capital campaign, the inception of the endowed chair program, and the wise management of funds by Lincoln Investments.
- f. The College must conclude the current Pathways construction and renovation projects before broaching the subject of future capital campaigns to be undertaken by the Foundation. In planning future capital improvements, securing the state's match before seeking local funds would be advisable so that local donors do not have to wait for years before seeing the results of their beneficence.
- g. A couple of years ago, during a program for new presidents offered by the American Association of Community Colleges, we neophytes listened to one of the most well-known, successful, and distinguished presidents in the country tell us that he spent 90% of his time fundraising with private donors. (He undoubtedly has a provost to do what I spent 90% of my time doing.) By contrast, my job description is completely devoid of reference to this activity. All it requires me to do is accept gifts and report them to you. In planning for the future, the Board has the responsibility of stipulating presidential duties in areas of greatest strategic need and directing the president to perform them. The annual community college edition of the Chronicle of Higher Education, published three weeks ago, gave significant attention to private fundraising by public community colleges as an increasingly important trend.

Action Items

2.340 Approval of Audit

This item was removed from the agenda..

2.341 Bid: Spectrophotometer for Chemistry Program

Mathematics/Engineering/Computer Science instructor Steve Lewis was available to answer questions regarding this piece of equipment.

Moved by Member Wegmeyer that the Board of Trustees authorizes appropriate College officials to contract with Perkin Elmer to provide the FTIR and sampling kit at a price not to exceed \$13,799.00 as part of the Perkins equipment purchasing program.

Ayes: Briggs, Gentry, Grenkowicz, Stibitz, Townsend, and Wegmeyer

Motion carried. All ayes.

2.342 Bids: 2006-07 Snowplowing

Moved by Member Stibitz that the Board of Trustees authorizes the appropriate College officials to contract for snowplowing for FY 2006-07 with Morgan Forest Products at a rate of \$45 per hour for pick-up truck usage, \$60 per hour dump truck usage, and \$95 per hour for front loader usage.

Ayes: Briggs, Gentry, Grenkowicz, Stibitz, Townsend, and Wegmeyer

Motion carried. All ayes.

Information Items

3.342 Financial Report

The financial report showed a comparison of revenue and expense (year-to-year comparison) and a comparison of budget/actual revenue and expense. Vice President Richard Sutherland was available to answer Trustee questions.

3.343 Personnel Report

The personnel report showed no additions/replacements, resignations, retirements or other.

3.344 Gifts and Grants Report

The gifts and grants report showed the attached activity.

New Business

New business item 2.342 was presented during the action item portion of the agenda.

Suggested Future Agenda Items

None

Next Regular Meeting

The Board changed their regular December meeting from December 21, 2006, to December 11, 2006, beginning at 7:00 a.m.

Adjournment

The meeting was adjourned at 7:52 p.m.

Respectfully submitted,

Elizabeth L. Spragg
Secretary of the Board of Trustees

3.344 **Gifts and Grants Report**

Alpena Boosters Club
Alpena New Car & Truck Dealers Association
Hazel Badder
Bay Mfg. Corp.
Besser Foundation
Charles and Connie Blanchard
Thomas Bracken
Tom and Karen Brindley
Cliff Anschuetz Chevy-Olds-Cadillac
Community Foundation for NE MI
Blair Diamond
Bruce and Julie Dietz
Dixon Alpena Ford-Lincoln-Mercury
Joshua Engstrom
Jon Gunderson
Huggler Oil
Independent Bank
J. Michael and Beverly Kearly
Harriett Kelm
Deloris Law
Max and Vicky Lindsay
Marks Foundation, Inc.
Jim and Betty Masters
McCoy Pontiac-Buick-GMC
National City Bank
Donald Newport
John Nowakowski
R.S. Scott Associates, Inc.
Dr. Gerald Skiba
Thompson Sales & Service
Thunder Bay Chrysler Jeep
Thunder Bay Manufacturing
John and Nadine Unkovich
Gary and Sally VanMassenhove
Stephen Voss
Denis J. Walterreit

TOTAL DONORS: 36

TOTAL GIFTS & PLEDGES : \$26,223.16

