

NOTICE OF REGULAR MEETING  
OF ALPENA COMMUNITY COLLEGE BOARD OF TRUSTEES  
665 JOLHNSON STREET, ALPENA, MICHIGAN

DATE OF NOTICE: November 12, 2010

*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 on the College Campus.*

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

The Board of Trustees will convene its regular November meeting at 7:00 p.m. on Thursday, November 18, 2010, in the Roger C. Bauer Board Room, Room 400 of the Charles R. Donnelly Natural Resources Center, 665 Johnson Street, on the College campus.

Elizabeth L. Spragg  
Secretary of the Board of Trustees

ALPENA COMMUNITY COLLEGE BOARD OF TRUSTEES  
REGULAR MEETING

Thursday, November 18, 2010  
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 October 21, 2010, Regular Proceedings
- 5) Introduction of Guests and Public Comment
- 6) Communication(s)
- 7) Board Member and Subcommittee Reports
- 8) Faculty Report
- 9) Student Report
- 10) President's Report
- 11) Action
  - 2.493 Five-Year Master Plan for Capital Outlay
  - 2.494 Referendum for Rogers City Area School District to Join Alpena Community College District
- 12) Information
  - 3.680 Financial Report
  - 3.681 Personnel Report
  - 3.682 Gifts and Grants Report
- 13) New Business
- 14) Suggested Future Agenda Items

15) Next Regular Meeting: December 16, 2010

16) Adjournment

**2.494 Referendum for Rogers City Area School District to Join Alpena Community College District**

The Alpena Community College Five-Year Plan developed this year by the president and the Board of Trustees includes expansion and intensification of educational services to residents of Presque Isle County with a view to presenting electors with the option of joining the ACC District. Michigan law allows several methods for this process, and the one deemed most feasible is by school district. In essence, in return for taking on a 2.5 mill property tax for ACC, residents would receive discounted in-district tuition and service upgrades such as more classes and programs offered at more sites, new or renovated facilities, and the attention of full-time personnel assigned to incoming districts.

For the past several months ACC Trustees and staff members have conferred with individual citizens and organizations in Presque Isle County to present the vision for improved services, the costs and benefits of implementing the vision, and the process and timeline for annexation. They have received much encouragement for moving forward and little opposition. At every hand they have heard strong messages of appreciation from students, graduates, family members, employers, and economic/community development professionals about the value of ACC education already provided and the desire for more.

At this stage it becomes necessary for the ACC Trustees to initiate actions that will allow time for other stages of the annexation process to occur. Of the three schools in Presque Isle County, Rogers City Area Schools has chosen to go to the voters with the referendum in November 2011. Thus in accordance with legal requirements, the immediate goal is presentation of separate ballot measures to electors of the Rogers City Area School District in November 2011 a) to join the ACC District and b) to assume property taxation at the 2.5 mill rate for the support of the college. After authorization by the ACC Trustees, the proposal goes to the Superintendent of Public Instruction in the Michigan Department of Education, then to the Board of Education for the Rogers City Area Schools, and finally to the electors.

As final impetus for the timing of this resolution, on November 8, 2010, the Board of Education for the Rogers City Area Schools voted 6-1 in favor of its own resolution to support placing ballot measures before voters of its district for annexation into ACC's district in November 2011.

Therefore,

The following resolution is proposed:

That the Alpena Community College Board of Trustees authorizes college staff members to proceed with steps leading to the placement of ballot measures for joining the Alpena Community College District before electors of the Rogers City Area School District in November 2011 in accordance with all applicable laws and policies.

## 2.493 **Five-Year Master Plan for Capital Outlay 2012-2017**

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. On July 20, 2010, the ACC Board of Trustees approved a revised plan for the Electrical Power Technology Center, which for two years has been ACC's top-priority project. The revised plan involves renovation of current WCCT lab space for use by electrical programs and extension of the WCCT for electrical program classroom, lab, office, and restroom space. Once vacated, the current indoor electrical lab in the Besser Technical Center Annex is conceived as potential space for a business incubator.

This year's proposed master plan for capital outlay simply involves carrying the revised proposal for the EPTC forward as ACC's only request. The other two lower-priority items from last year's plan were:

- A 6,465 square foot Lafarge Training Center built as an addition to the World Center for Concrete Technology estimated to cost \$1,312,000 furnished and equipped.
- A \$2,500,000 HVAC and plumbing system renovation in three of the college's oldest buildings, Van Lare Hall, Besser Technical Center, and the Natural Resources Center.

These two items are omitted in this year's proposed plan in order to concentrate attention on the EPTC project and in order to comply with instructions from the State Budget Office that colleges submit only one top-priority request.

Estimated at \$4,997,500 furnished and equipped, the lower cost of renovating existing facilities makes the revised EPTC project attractive for State of Michigan capital outlay funding.

Therefore,

The following resolution is proposed:

That the Alpena Community College Board of Trustees authorizes staff to submit master planning documents as described above to the State of Michigan for consideration of capital outlay funding during the period 2012-2017.

### 3.680 Financial Report

#### Monthly General Fund Revenue and Expense through October 2010 (Year to Year Actual Comparison)

- Accumulated property tax receipts of \$593,409 are \$24,309 behind those at the same point last year, lagging another \$4,377 since last month.
- Nearly all of the \$3,059, 019 collected for tuition/fees comes from students registering for the fall semester, with the \$229,637 increase over last year owing to this year's tuition hike.
- The instruction expense is up by \$129,150 due to contractual obligations (steps for some instructors and 0.1% salary increase) and two additional full-time instructors (one math/chemistry at Huron Shores and one nursing on the Main Campus).
- The student services expense increase of \$42,441 comes from timing of recording of tuition waivers and contractual obligations.
- The institutional administration expense increase of \$77,482 results from three factors: general fund assumption of property insurance for the WCCT (\$16,000), promotions of the new controller and assistant controller to overlap for a month with the retiring controller, and contractual obligations (steps for some administrators and support staff and 1.0 % salary increase).
- Net income through the fourth month of the new fiscal year is \$131,326 less than what showed up at the same point last year. The difference is due to a decrease in property tax over the year before and last year's significant uptick of tuition revenue from enrollment increases.

#### Monthly General Fund Revenue and Expense through October 2010 (Budget to Actual Comparison)

- Tuition/fee collection is 5% behind last year as a result of budgeting this year based on level enrollment (vs. last year's budgeting based on a 2% decline).
- The federal revenue variance of 18% comes from the close-out of the Community Based Job Training Grant.
- Outside services expense is ahead by 3% because this budget category is down by \$60,000 from last year (due to completion of collective bargaining).
- Timing of billing and payments accounts for the telephone expense being ahead by 6% and the insurance expense being behind by 12%.
- Tuition waiver expense is 102% complete vs. only 13% complete this time last year because of proper and timely recording of scholarships.

#### General Fund Month to Month Comparison through October 2010

- The Month to Month comparisons are tracking as expected, with expenses exceeding revenues by \$414,741. This is normal for the end of October and will change with tuition receipts for November reflecting early registration for the spring semester.

**Alpena Community College**  
**General Fund**  
**Year to Year Actual Comparison**  
**For the Four Months Ending October 31, 2010**

	<u>YTD Actual FY 2011</u>	<u>YTD Actual FY 2010</u>	<u>Variance</u>
Revenue			
Property Tax	596,129	620,438	(24,309)
Tuition/Fees	3,059,019	2,829,382	229,637
Sales, Services, and Rent	4,840	895	3,945
State Aid	472,955	471,001	1,954
Federal	18,934	35,866	(16,932)
Donations	0	0	0
Interest	646	0	646
Other	1,041	1,536	(495)
Revenue	<u>4,153,564</u>	<u>3,959,118</u>	<u>194,446</u>
Expense			
Instruction	2,218,224	2,089,074	129,150
MIS	340,648	314,112	26,536
Instruction Support	418,435	385,037	33,398
Student Services	389,378	346,937	42,441
Institutional Administration	770,829	693,347	77,482
Physical Plant	430,791	414,026	16,765
Transfers	0	0	0
Expenses	<u>4,568,305</u>	<u>4,242,533</u>	<u>325,772</u>
Income	(414,741)	(283,415)	(131,326)
Net Assets - Beginning of Year	<u>938,717</u>	<u>826,795</u>	<u>111,922</u>
Net Assets - End of Year	<u>523,976</u>	<u>543,380</u>	<u>(19,404)</u>

**Alpena Community College**  
**Comparative Income Statement**  
**General Fund**  
**For the Four Months Ending October 31, 2010**

	FY 2011				FY 2010
	Budget	YTD Actual	Variance	Complete	Complete
<b>Revenue</b>					
Property Tax	2,651,877	596,129	(2,055,748)	22.48%	23.40%
Tuition/Fees	6,043,400	3,059,019	(2,984,381)	50.62%	55.12%
Sales, Services, and Rent	12,000	4,840	(7,160)	40.33%	5.97%
State Aid	4,921,056	472,955	(4,448,101)	9.61%	9.19%
Federal	93,129	18,934	(74,195)	20.33%	38.51%
Donations	67,000	0	(67,000)	0.00%	0.00%
Interest	9,000	646	(8,354)	7.17%	0.00%
Other	73,150	1,041	(72,109)	1.42%	2.10%
Revenue	<u>13,870,612</u>	<u>4,153,563</u>	<u>(9,717,049)</u>	<u>29.95%</u>	<u>30.05%</u>
<b>Expense</b>					
Salaries	7,753,552	2,664,874	5,088,678	34.37%	34.75%
Fringe Benefits	3,617,712	1,146,062	2,471,650	31.68%	31.13%
Outside Services	545,973	255,868	290,105	46.86%	43.99%
Advertising	164,630	63,025	101,605	38.28%	46.77%
Supplies	355,312	96,545	258,767	27.17%	32.86%
Rental	3,000	550	2,450	18.33%	83.33%
Utilities	480,000	64,999	415,001	13.54%	12.86%
Telephone	53,000	19,237	33,763	36.30%	32.38%
Postage	50,000	19,818	30,182	39.64%	24.54%
Insurance	182,000	96,947	85,053	53.27%	65.31%
Travel & Mileage	107,382	23,944	83,438	22.30%	20.67%
Tuition Waivers	74,000	75,659	(1,659)	102.24%	12.90%
Library Books & Equipment	85,140	25,580	59,561	30.04%	29.49%
Other	115,000	15,197	99,803	13.21%	9.25%
Transfers	279,519	0	279,519	0.00%	0.00%
Expense	<u>13,866,220</u>	<u>4,568,306</u>	<u>9,297,914</u>	<u>32.95%</u>	<u>32.37%</u>
Income	4,392	(414,743)			
Net Assets - Beginning of Year	<u>938,717</u>	<u>938,717</u>			
Net Assets - End of Year	<u>943,109</u>	<u>523,974</u>			

**Alpena Community College**  
**General Fund Month to Month Tracking**  
**For the Four Months Ending October 31, 2010**

	July	August	September	October	November	December	January	February	March	April	May	June	YTD	Budget
<b>Revenue</b>														
Property Tax	150,841	430,315	12,254	2,719	0	0	0	0	0	0	0	0	596,129	2,651,877
Tuition/Fees	2,412,677	668,532	(13,195)	(8,994)	0	0	0	0	0	0	0	0	3,059,019	6,043,400
Sales, Services, and Rent	335	723	3,350	433	0	0	0	0	0	0	0	0	4,840	12,000
State Aid	0	0	6,946	466,009	0	0	0	0	0	0	0	0	472,955	4,921,056
Federal	0	12,633	0	6,301	0	0	0	0	0	0	0	0	18,934	93,129
Donations	0	0	0	0	0	0	0	0	0	0	0	0	0	67,000
Interest	0	0	333	313	0	0	0	0	0	0	0	0	646	9,000
Other	124	0	420	497	0	0	0	0	0	0	0	0	1,041	73,150
Revenue	2,563,977	1,112,203	10,108	467,278	0	0	0	0	0	0	0	0	4,153,564	13,870,612
<b>Expense</b>														
Salaries	810,224	510,636	634,567	709,447	0	0	0	0	0	0	0	0	2,664,874	7,753,552
Fringe Benefits	316,123	246,367	276,740	306,831	0	0	0	0	0	0	0	0	1,146,062	3,617,712
Outside Services	113,171	69,637	40,748	32,313	0	0	0	0	0	0	0	0	255,868	543,473
Advertising	3,715	20,738	30,232	8,340	0	0	0	0	0	0	0	0	63,025	164,630
Supplies	4,057	23,506	43,666	25,316	0	0	0	0	0	0	0	0	96,545	355,812
Rental	500	0	50	0	0	0	0	0	0	0	0	0	550	3,000
Utilities	0	20,127	25,272	19,600	0	0	0	0	0	0	0	0	64,999	468,000
Telephone	2,480	10,289	4,086	2,382	0	0	0	0	0	0	0	0	19,237	53,000
Postage	5,359	7,028	2,279	5,153	0	0	0	0	0	0	0	0	19,818	50,000
Insurance	59,850	0	37,097	0	0	0	0	0	0	0	0	0	96,947	182,000
Travel & Mileage	2,512	6,574	6,899	7,959	0	0	0	0	0	0	0	0	23,944	107,382
Tuition Waivers	5,329	350	17,365	52,615	0	0	0	0	0	0	0	0	75,659	74,000
Library Books & Equipment	9,989	3,016	11,501	1,074	0	0	0	0	0	0	0	0	25,580	87,140
Other	0	7	5,031	10,159	0	0	0	0	0	0	0	0	15,197	115,000
Transfers	0	0	0	0	0	0	0	0	0	0	0	0	0	291,519
Expense	1,333,309	918,275	1,135,533	1,181,189	0	0	0	0	0	0	0	0	4,568,305	13,866,220
Income	1,230,668	193,928	(1,125,425)	(713,911)	0	0	0	0	0	0	0	0	(414,741)	4,392



3.682 **Gifts and Grants Report**