

ALPENA COMMUNITY COLLEGE BOARD OF TRUSTEES  
REGULAR MEETING

Thursday, November 20, 2008

7:00 p.m.

665 Johnson Street

Alpena, MI 49707

989-358-7247

NOTICE DATE: November 7, 2008

The Alpena Community College Board of Trustees will convene its regular November meeting on November 20, 2008, at 7:00 p.m., in the Roger C. Bauer Board Room, 400 Charles R. Donnelly Natural Resources Center, 665 Johnson Street, on the College campus.

Elizabeth L. Spragg  
Secretary of the Board of Trustees

REGULAR MEETING  
ALPENA COMMUNITY COLLEGE BOARD OF TRUSTEES  
November 20, 2008  
7:00 p.m.  
Roger C. Bauer Board Room  
400 Charles R. Donnelly Natural Resources Center  
665 Johnson Street, Alpena, MI 49707-1495

Volume XXVI

- 1) Call to Order
- 2) Pledge of Allegiance
- 3) Approval of Agenda
- 4) Approval of October 16, 2008, Board Proceedings
- 5) Introduction of Guests and Public Comment
- 6) Communication(s)
- 7) Board Member and Subcommittee Report(s)
- 8) Faculty Report
- 9) Student Report
- 10) President's Report
- 11) Action Items
  - 2.440 Capital Outlay Plan
  - 2.441 403(b) Plan Administration
- 12) Information Items
  - 3.614 Financial Report
  - 3.615 Personnel Report
  - 3.616 Gifts and Grants Report
- 13) New Business

14) Suggested Future Agenda Items

15) Next Regular Meeting: December 18, 2008

16) Adjournment

## 2.440 **Five-Year Master Plan for Capital Outlay 2010-2014**

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 October 31, 2008, Trustee members of the Property Subcommittee and college staff members reviewed the recently updated facilities assessment and discussed campus master planning concepts for ACC's 2008 submission. Three concepts are recommended by the Subcommittee to the Board for funding consideration, discussed in priority order as required for state documents.

For its first priority concept, ACC is pursuing opportunities to transform its highly successful Utility Technology and Electrical Apprentice programs into a comprehensive and coordinated set of electrical power offerings linked to the State of Michigan's growing markets and alternative energy initiatives. To support this transformation, ACC proposes to construct the Electrical Power Technology Education and Training Center – “supporting existing, emerging, sustainable, and green technologies.” This 39,000 square foot facility, estimated at \$6,825,000 to build, would house existing programs and new curricular offering in wind, solar, biomass, geothermal, and clean coal combustion technologies for energy production and distribution, with a special emphasis on meeting the needs of Wolverine Power Cooperative at its proposed Rogers City power generation plants. A building design created by faculty members shows four classrooms, four large equipment labs, a computer lab, faculty offices, a conference room, nine bays for trucks and heavy equipment, and storage space.

The second priority concept results from great satisfaction expressed by Lafarge Corporation, a major community partner with ACC, with the training provided for it under grants administered by the college and its interest in taking that training to the next level. To that end, initial discussions have begun about working together to build a Lafarge training center onto the World Center for Concrete Technology. The proposed expansion will consist of a training classroom equipped with Internet 2 broadband capabilities for interactive distance learning instruction and teleconferencing; a 15-station computer lab loaded with an extensive package of online, Lafarge-specific training coursework and kiln simulating software; a library to house training materials and video resources; and a state-of-the-art production laboratory that will enable Lafarge and WCCT staff to conduct continuing research on “green” solutions to reducing emissions, mitigating waste streams, conserving fuel in the burning cycle, and diminishing the carbon footprint of the cement-making process. As conceived at 6,465 square feet, the project is estimated at a cost of \$1,312,000. Because subsequent planning stages may unfold rapidly in the near future, much importance attaches to the college's readiness to receive state funding in a way that will mesh with other resources.

The third priority funding request continues a proposal to construct a Transportation Center of Excellence at the cost of \$5,550,000. Additionally, the proposal seeks to renovate space vacated in the Besser Technical Center Annex by the auto body program and in the Besser Technical Center by the auto service program at the cost of \$2,448,000 million to house expansion of the current utility technician and electrical apprentice programs and an anticipated power plant operator program. This plan was approved by the Board a year ago and still holds validity for technical program advancement. If the first priority project is approved by the state, space currently occupied by the auto programs would be renovated for other instructional uses that will bring more credit instruction activity from Van Lare Hall to the north side of Johnson Street.

College staff members have completed preparation, pending Board approval, of the plan documents in accordance with the format required by the state and delivered them to all Trustees. 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 2010-2014.

#### 2.441 **403(b) Plan Administration**

New IRS regulations require a Board-approved 403(b) administration plan in place by January 1, 2009. Three plan options are available to the College: self-administration of current vendors (at considerable cost and risk), selection of a single vendor (thus reducing employees' flexibility in investments), or selection of a third-party administrator (allowing greatest flexibility at minimal cost). After consultation with leaders of all three ACC bargaining unit heads, College administrators are completing arrangements for third-party administration of 403(b) plans by Michigan Education Association Financial Services, Inc. Advantages of this option include familiarity with Michigan educational environments, ease of transition for employees, very low cost (estimated at less than \$200 per year), and proven high-quality service. Final details of the arrangements will be sent to Board members prior to the November 20 meeting.

### 3.614 Financial Report (through October 2008)

#### Monthly Financial Statements

##### General Fund Revenue and Expense (Year to Year Actual Comparison)

- Property tax revenues continue to show variance of \$13,785 to the good compared to last year.
- The \$111,948 gain in tuition/fee revenue is due to the tuition rate increase.
- The state aid revenue numbers are down by \$421,814 because of the extra make-up payment received in October 2007.
- The federal revenue increase of \$13,933 is traceable to the Community Based Job Training Grant.
- Contractual obligations and additional faculty positions filled account for the \$62,645 increase in instructional expense, as expected.
- The \$37,525 increase in MIS expense is due, in part, to earlier acquisition of replacement equipment.
- Instructional support is ahead by \$54,283 due to contractual obligations and timing of library acquisitions and services.
- The physical plant expense increase of \$28,236 due to contractual obligations and earlier performance of building and equipment maintenance.

##### General Fund Revenue and Expense (Budget to Actual Comparison)

- Completion of tuition and fee revenue is behind 4% because of last year's large gains. Nevertheless, because of maintaining last year's enrollments, we are still 4% ahead of this year's budget for tuition revenue.
- The 9% difference in state aid revenue comes from the October 2007 make-up payment.
- Outside services expense is ahead by 7% due in part to legal costs of the East Campus transfer.
- The telephone expense variation of almost 31% comes from receiving and paying the bill on time this year. Last year's invoicing process was delayed by recovery efforts from the lightning strike.
- Insurance expenses are less by 14% because of savings from the new worker's compensation carrier approved by Board action last year.
- Tuition waiver and library expense variations are due to timing of processes that determine schedule of payments.
- Other items are within normal variations from year to year.

## General Fund Month to Month Comparison

- The Month to Month comparisons are tracking as expected.

3.615 **Personnel Report**

**Additions/Replacements**

None

**Resignations**

None

**Retirements**

None

**Others**

None

### 3.616 Gifts and Grants Report

This report reflects the following activity for pledges and gifts received between October 1, 2008, and November 4, 2008.

Anonymous  
Mr. & Mrs. Roger Bauer  
Mr. & Mrs. Charles Bennett  
Mrs. Constance Blanchard  
Jim & Penny Boldrey  
Community Foundation for NE MI  
Mr. Edward Czarnecki  
Ms. Lois Darga  
Blair Diamond  
Lori Dziesinski  
Ellen Eagan  
Agnes Ferguson  
Mr. & Mrs. Michael Grulke  
Mr. & Mrs. Jon Gunderson  
Nan Hall  
Deb Hautau  
Hycrete, Inc.  
Mr. & Mrs. Mark Kinney  
G. Lee Kirkpatrick  
Olin & Patricia Joynton  
Owen & Marion Lamb  
Jewel Lancaster  
Max Lindsay  
Thomas Ludwig  
Donald MacMaster  
Mr. & Mrs. James Masters  
Bill Matzke  
Vicki McCoy  
Katherine Meharg  
Michigan Concrete Association  
Joan Misiak  
Montmorency Chapter of MARSP  
Moran Iron Works, Inc.  
Ms. Sylvia Pfeiffenberger  
Mr. Blaine Pool  
Ed Retherford  
River's Edge Golf Club Women's Steering  
Committee

Jeffrey & Catherine Rogg  
Michael Roy  
Paul Sabourin Appraisal Service  
Ms. Mary Schulke  
John & Nancy Seguin  
Dr. Gerald Skiba  
Roy Smith  
Lisa Snyder  
Gary & Barbara Spragg  
Philip Sweet  
Kevin Sylvester  
Carolyn Thomas  
Russell & Mary Ann Townsend  
Daniel Tuuri  
Denis Walterreit  
Suzanne Weathers  
Yvonne White  
Michael W. Wojda

**Total Donors: 55**

**Total Gifts: \$17,236.00**