Meeting Agenda  
Monday, November 23, 2015  
at NMC Oleson Center, 1881 College Drive

5:30 p.m. Regular Meeting

I. GENERAL BUSINESS
   A. Call to Order  
   B. Roll Call  
   C. Pledge of Allegiance  
   D. Review of Agenda and Approval of Additions, Deletions, or Rearrangements

II. REPORTS (Most reports are also provided to the Board in their materials packet, which can be accessed on the nmc.edu Board of Trustees website.)
   E. Power Systems Program—Stephen Siciliano, Vice President for Educational Services  
   F. Yellow River Conservancy Technical Institute Update—Marguerite Cotto, Vice President for Lifelong and Professional Learning and Chris Weber, Vice President for Enrollment Management and Student Services  
   G. Sensitive Information Report—Vicki Cook, Vice President of Finance and Administration  
   H. Enrollment Report—Chris Weber, Vice President for Enrollment Management and Student Services  
   I. Financial Report—Vicki Cook, Vice President of Finance and Administration  
   J. Policy Committee Report—Kennard Weaver, Committee Chair  
   K. ACCT 2015 Leadership Congress—Ross Childs, Board Representative  
   L. Foundation Report—Doug Bishop, Board Representative  
   M. Legislative Issues Report—Timothy Nelson, President

III. UPDATES  
   N. President’s Update—Timothy Nelson, President  
   O. Board Chair Update—Doug Bishop, Chair

IV. DISCUSSION ITEMS

V. PUBLIC INPUT  
Request forms for public input are available at the meeting location. Any individual of the public may speak for up to three (3) minutes. The Board will not receive public input from individuals unless they are present at the meeting. The Board will take public remarks into consideration, but will not comment at time of input.
VI. CONSENT ITEMS (Pursuant to Policy A-105.00 Consent Agenda Items)

These items will be adopted as a group without specific discussion. When approving the meeting agenda, any Board member may request that a consent agenda item be moved to the regular agenda for discussion or questions.

Recommend that the following items be approved:

P. Minutes of the October 26, 2015, regular and closed meetings

VII. ACTION ITEMS

Q. Power Systems Major (Pursuant to Policy A-106.00 Educational Services)
Recommend approval of BS in Maritime Technology – Power Systems Major offering effective with the 2016-17 academic catalog offerings.

R. Harbor Consultant Contract (Pursuant to Policy A-106.00 Finance)
Recommend approval for administration to contract with K & L Gates at a rate of $5,000 per month for the next 12 months for consultation work to seek passage of a new provision in the Water Resources Reform and Development Act (WRRDA), to be funded through the Strategic Fund.

S. NMC Foundation Bylaws (Pursuant to Policy A-106.00 Other)
Recommend approval of amended NMC Foundation Bylaws as presented.

T. NMC/NMC Foundation MOU (Pursuant to Policy A-106.00 Other)
Recommend approval of revised Memorandum of Understanding between Northwestern Michigan College and the Northwestern Michigan College Foundation as presented.

U. Board Policies (Pursuant to Policy A-106.00 Other)
Recommend adoption of the following Board Policy Committee recommendations, as presented, on a first-reading basis:

- Policy C-100.00 Mission with no changes after review
- Policy C-102.00 Values with no changes after review

V. Closed session (Pursuant to Policy B-106.00 Other)
Recommend that the Board convene in closed session as permitted by Section 8(c) of the Open Meetings Act, MCL 15.268(c), to discuss strategy connected with the negotiation of collective bargaining agreements between the College and the Michigan Education Association. (Roll Call Vote)

W. Reconvene Regular Meeting (Pursuant to Policy A-106.00 Other)
Recommend that the open session of the regular meeting be reconvened. (Roll Call)
VIII. REVIEW OF FOLLOW-UP REQUESTS
Confirm requests made by the Board that require administrative follow-up for information to be provided to the Board at a later date.

IX. ADJOURNMENT

Upcoming Board Meeting Dates:
All board meetings are open to the public.
December 21, 2015 - Oleson Center A/B, 1881 College Drive (3rd Monday due to holiday)
January 25, 2016 - Oleson Center Room A/B, 1881 College Drive
February 22, 2016 - Oleson Center Room A/B, 1881 College Drive
March 21, 2016 - NMC Hagerty Center, Great Lakes Campus, 715 E. Front Street (3rd Monday)
April 25, 2016 - Oleson Center Room A/B, 1881 College Drive
May 23, 2016 - Oleson Center Room A/B, 1881 College Drive
June 27, 2016 - Great Lakes Campus Room 112, 715 E. Front Street

Posted Friday, November 20, 2015, 9:00 a.m.
Annual Update
The Fair and Accurate Credit Transactions Act of 2003, requires colleges to provide an annual update of incidents related to identity theft protection to their Board of Trustees. During the past twelve months, there were no incidents of this type to report.

Background/Scope
The Fair and Accurate Credit Transactions Act of 2003, an amendment to the Fair Credit Reporting Act, requires colleges to create rules regarding identity theft protection. This amendment, effective November 1, 2008, required educational institutions to implement an identity theft program and policy. In November 2010 NMC, with the assistance of the attorneys, created a Sensitive Information Policy 504.04.

This policy defines sensitive information, describes the physical security of data when it is printed on paper; describes the electronic security of data when stored and distributed; and places the College in compliance with state and federal law regarding identity theft protection. The policy enables the College to protect existing customers, reducing risk from identity fraud, and minimize potential damage to the College from fraudulent new accounts. The procedures involved in implementing the policy help the College identify risks that signify potentially fraudulent activity, detect risks when they occur, respond to risks to determine if fraudulent activity has occurred, and update the policy and procedures as required.

The college continues to apply the best practices principles contained within the Sensitive Information Policy.
MEMO
Office of Admissions

To: Timothy J. Nelson, President
    Chris Weber, VP for Enrollment Management & Student Services
From: Cathryn Claerhout, Director of Admissions
Date: November 13, 2015
Subject: Enrollment Update – Spring Semester 2016

Spring 2016 Enrollment
Enrollment for spring semester is well underway. Registration for current students opened on October 21 for spring semester. Continuing student enrollment shows a decrease of 12% (286 students lower than last year). Orientations for new students started November 6 and continue into January. New student enrollment shows an increase of 16% (58 students more than last year). Re-admitted student enrollment is down by 26 students compared with last year at this time.

Enrollment Management and Student Services departments have been working collaboratively to increase enrollment with our continuing student population. Emails, phone calls, robo calls, campus wide notices, faculty announcements in classes, and registration outreach in West Hall and the lobby of Health Sciences are some of the strategies we have been using to increase retention and enrollment. Academic Advising is currently seeing an increase in advising appointments for current students and New Student Orientation is filling up for sessions in November and December.

Currently, housing remains at 262 students in East Hall and Hawk’s Nest. In reference to SP2016, we have 17 applications for East Hall and the total number of deposits is trending 6.5% higher than last year. We anticipate both East Hall and Hawk’s Nest will continue to be at capacity for SP2016.

Statistics
(Resources: Digital Dashboard – Same Date Comparison SP2013-2016)

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Students Registered</td>
<td>49</td>
<td>233</td>
<td>205</td>
<td>263</td>
</tr>
<tr>
<td>Prior Admits Registered</td>
<td>20</td>
<td>15</td>
<td>13</td>
<td>5</td>
</tr>
<tr>
<td>FA Students Registered for SP</td>
<td>2636</td>
<td>2680</td>
<td>2407</td>
<td>2121</td>
</tr>
<tr>
<td>Re-Admit Students Registered</td>
<td>199</td>
<td>187</td>
<td>164</td>
<td>138</td>
</tr>
<tr>
<td>Average Credit Hrs/student</td>
<td>10.34</td>
<td>10.10</td>
<td>10.24</td>
<td>10.02</td>
</tr>
<tr>
<td>Contact Hrs</td>
<td>11.97</td>
<td>11.61</td>
<td>11.85</td>
<td>11.85</td>
</tr>
<tr>
<td>Total Headcount</td>
<td>2904</td>
<td>3115</td>
<td>2789</td>
<td>2527</td>
</tr>
<tr>
<td>Tuition Revenue</td>
<td>4,544,409</td>
<td>5,203,564</td>
<td>5,194,232</td>
<td>4,858,904</td>
</tr>
</tbody>
</table>

(Resources: Digital Dashboard and Recruiter – Same Date Comparison SP 2015-2016)

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inquiries</td>
<td>1659</td>
<td>2420</td>
</tr>
<tr>
<td>Admissions Applications</td>
<td>850</td>
<td>882</td>
</tr>
<tr>
<td>Admits</td>
<td>422</td>
<td>491</td>
</tr>
</tbody>
</table>
To: Timothy J. Nelson, President  
From: Vicki Cook, VP Finance and Administration  
Date: November 16, 2015  
Subject: Summary Report for the General Fund as of October 31, 2015

The attached reports summarize the financial results for the General Fund as of October 31, 2015. The fourth month represents 33% of the year.

Month End Results
The month end reports are interim and not a reflection of actual year-end results. The timing of revenue and expenses fluctuates throughout the year and will affect year end results. The general fund ended the month with an excess of revenue over expenses in the amount of $135,909. Revenue decreased by 3% when comparing October 2015 to October 2014. Expenses increased by 4% when comparing October 2015 to October 2014.

Revenue (letters refer to the attached General Fund summary)
A. Tuition and Fees revenue: Tuition and fees represent an 8% decrease from those of October 2014. For Fall 2015, the budget was set at 49,921 billing hours for budgeted revenue of $7,811,563. Actual billing hours are at 45,474 hours for total tuition revenue of $7,454,348. This is a shortfall of $357,215. We anticipate a decrease in adjunct/overload contracts to partially offset this shortfall. Additional savings will need to come from a combination of reductions in supplemental wages, delay in COAT purchases, reduction in professional development, and reduction in transfers.
B. Property Taxes: Tax revenue is recorded as payments are received. We expect an overall increase over the previous fiscal year.
C. State Sources begin in October with receipt of the first state aid payment.
D. Federal Sources, which consist primarily of the MARAD grants, are not expected to be received until May 2016.
E. Actual year-to-date investment income recorded for fiscal year 2016 reflects interest income only.
F. Both Private Sources and Other Sources are timing and event dependent.
Expenses

G. Salary and benefit changes correspond with three pay periods in the month of October.

H. Purchased Services, Supplies and Materials, and Maintenance and Renovation are above budget due to higher advertising and publicity expenses, timing of purchases, and aircraft repairs. All other expenses are under budget at this time.

I. Capital outlay is timing related. Capital Outlay reflects expenditures budgeted through the allocation of COAT dollars and BBQ funds.
Northwestern Michigan College

Unaudited

Summary Report for General Fund Accounts
Fiscal Year 2016, Period 04

Month end reports are interim and not a reflection of final year end results.

<table>
<thead>
<tr>
<th>Funds</th>
<th>Accounts</th>
<th>2015-2016 Adjusted Budget</th>
<th>YTD Activity</th>
<th>% of Annual Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL GENERAL FUND</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>50 Revenues</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tuition and Fees</td>
<td>24,834,033</td>
<td>7,793,872</td>
<td>31.38%</td>
<td>A</td>
</tr>
<tr>
<td>Property Taxes</td>
<td>9,763,411</td>
<td>4,289,146</td>
<td>43.93%</td>
<td>B</td>
</tr>
<tr>
<td>Other Local</td>
<td>0</td>
<td>0</td>
<td>*</td>
<td></td>
</tr>
<tr>
<td>Local Sources</td>
<td>34,597,444</td>
<td>12,083,018</td>
<td>34.92%</td>
<td></td>
</tr>
<tr>
<td>State Sources</td>
<td>9,195,100</td>
<td>1,022,278</td>
<td>11.12%</td>
<td>C</td>
</tr>
<tr>
<td>Federal Sources</td>
<td>524,000</td>
<td>199,898</td>
<td>38.15%</td>
<td>D</td>
</tr>
<tr>
<td>Private Sources</td>
<td>375,000</td>
<td>0</td>
<td>0.00%</td>
<td>F</td>
</tr>
<tr>
<td>Investment Income</td>
<td>274,000</td>
<td>92,451</td>
<td>33.74%</td>
<td>E</td>
</tr>
<tr>
<td>Other Sources</td>
<td>298,250</td>
<td>169,127</td>
<td>56.71%</td>
<td>F</td>
</tr>
<tr>
<td>Total Revenues</td>
<td>45,263,794</td>
<td>13,566,772</td>
<td>29.97%</td>
<td></td>
</tr>
<tr>
<td>60 Labor</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries &amp; Wages</td>
<td>21,916,532</td>
<td>6,625,506</td>
<td>30.23%</td>
<td>G</td>
</tr>
<tr>
<td>Benefits</td>
<td>9,505,515</td>
<td>2,922,141</td>
<td>30.74%</td>
<td>G</td>
</tr>
<tr>
<td>Total Labor</td>
<td>31,422,047</td>
<td>9,547,647</td>
<td>30.39%</td>
<td></td>
</tr>
<tr>
<td>70 Expenses</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchased Services</td>
<td>2,316,558</td>
<td>833,998</td>
<td>36.00%</td>
<td>H</td>
</tr>
<tr>
<td>Supplies &amp; Materials</td>
<td>2,899,990</td>
<td>1,003,951</td>
<td>34.62%</td>
<td>H</td>
</tr>
<tr>
<td>Internal Services</td>
<td>80,995</td>
<td>2,187</td>
<td>-2.70%</td>
<td>H</td>
</tr>
<tr>
<td>Other Expenses</td>
<td>1,856,773</td>
<td>585,176</td>
<td>31.52%</td>
<td>H</td>
</tr>
<tr>
<td>Institutional Expenses</td>
<td>1,735,684</td>
<td>450,403</td>
<td>25.95%</td>
<td>H</td>
</tr>
<tr>
<td>Maintenance &amp; Renovation</td>
<td>1,533,128</td>
<td>546,206</td>
<td>35.63%</td>
<td>H</td>
</tr>
<tr>
<td>Prof Develop, Travel &amp; Events</td>
<td>769,012</td>
<td>228,953</td>
<td>29.77%</td>
<td>H</td>
</tr>
<tr>
<td>Capital Outlay</td>
<td>262,941</td>
<td>176,661</td>
<td>67.19%</td>
<td>I</td>
</tr>
<tr>
<td>Total Expenses</td>
<td>11,455,081</td>
<td>3,823,162</td>
<td>33.38%</td>
<td></td>
</tr>
<tr>
<td>Total Expenditures</td>
<td>42,877,128</td>
<td>13,370,809</td>
<td>31.18%</td>
<td></td>
</tr>
<tr>
<td>80 Transfers</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transfers</td>
<td>2,383,573</td>
<td>60,054</td>
<td>2.52%</td>
<td></td>
</tr>
<tr>
<td>Total Transfers</td>
<td>2,383,573</td>
<td>60,054</td>
<td>2.52%</td>
<td></td>
</tr>
<tr>
<td>Total Expenditures and Transfers</td>
<td>45,260,701</td>
<td>13,430,863</td>
<td>29.67%</td>
<td></td>
</tr>
</tbody>
</table>

Net Revenues over (under) Expenditures 3,093 135,909
### Revenue

<table>
<thead>
<tr>
<th>Source</th>
<th>Yr. To Date 31-Oct-15</th>
<th>Yr. To Date 30-Sep-15</th>
<th>Month of 31-Oct-15</th>
<th>Month of 30-Sep-15</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tuition and Fees</td>
<td>7,793,872</td>
<td>5,366,355</td>
<td>2,427,517</td>
<td>2,325,183</td>
<td>October higher in training services revenue</td>
</tr>
<tr>
<td>Property Taxes</td>
<td>4,289,146</td>
<td>3,799,708</td>
<td>489,438</td>
<td>2,504,966</td>
<td>Summer tax collections</td>
</tr>
<tr>
<td>State Sources</td>
<td>1,022,278</td>
<td>-</td>
<td>1,022,278</td>
<td>-</td>
<td>State aid payments for 2015-16 began in October</td>
</tr>
<tr>
<td>Federal Sources</td>
<td>199,898</td>
<td>199,898</td>
<td>-</td>
<td>199,898</td>
<td>MARAD payments received in Sept 2015</td>
</tr>
<tr>
<td>Private Sources</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>Consistent with prior month</td>
</tr>
<tr>
<td>Investment Income</td>
<td>92,451</td>
<td>69,447</td>
<td>23,004</td>
<td>22,845</td>
<td>Consistent with prior month</td>
</tr>
<tr>
<td>Other Sources</td>
<td>169,127</td>
<td>122,631</td>
<td>46,496</td>
<td>76,076</td>
<td>Reimbursements received in Sept 2015 from MARAD for shipyard drydock hotel &amp; per diems</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td><strong>13,566,772</strong></td>
<td><strong>9,558,039</strong></td>
<td><strong>4,008,733</strong></td>
<td><strong>5,128,968</strong></td>
<td></td>
</tr>
</tbody>
</table>
Month end reports are interim and not a reflection of final year end results.

<table>
<thead>
<tr>
<th>Revenue</th>
<th>Yr. To Date</th>
<th>INCRE/DECRE.</th>
<th>Percentage</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>31-Oct-15</td>
<td>31-Oct-14</td>
<td>Difference</td>
<td></td>
</tr>
<tr>
<td>Tuition &amp; Fees</td>
<td>7,793,872</td>
<td>8,444,472</td>
<td>(650,600)</td>
<td>-8% FY16 less in fall tuition and flight fees; higher in training services</td>
</tr>
<tr>
<td>Property Taxes</td>
<td>4,289,146</td>
<td>4,146,151</td>
<td>142,995</td>
<td>3% Budgeted increase for FY16</td>
</tr>
<tr>
<td>State Sources</td>
<td>1,022,278</td>
<td>1,008,756</td>
<td>13,522</td>
<td>0% Consistent with previous year</td>
</tr>
<tr>
<td>Federal Sources</td>
<td>199,898</td>
<td>-</td>
<td>199,898</td>
<td>100% MARAD payments received in Sept 2015</td>
</tr>
<tr>
<td>Private Sources</td>
<td>-</td>
<td>112,135</td>
<td>(112,135)</td>
<td>-100% Timing of Foundation support</td>
</tr>
<tr>
<td>Investment Income</td>
<td>92,451</td>
<td>93,544</td>
<td>(1,093)</td>
<td>-1% Timing of interest payment</td>
</tr>
<tr>
<td>Other Sources</td>
<td>169,127</td>
<td>128,899</td>
<td>40,228</td>
<td>31% Reimbursements received in Sept 2015 from MARAD for shipyard drydock</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>hotel &amp; per diems</td>
</tr>
<tr>
<td>Total Revenue</td>
<td>13,566,772</td>
<td>13,933,956</td>
<td>(367,185)</td>
<td>-3%</td>
</tr>
<tr>
<td>Expenses</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries and Wages</td>
<td>6,625,506</td>
<td>6,527,657</td>
<td>97,849</td>
<td>1% Budgeted increase for FY16</td>
</tr>
<tr>
<td>Benefits</td>
<td>2,922,141</td>
<td>2,845,688</td>
<td>76,453</td>
<td>3% Budgeted increase for FY16</td>
</tr>
<tr>
<td>Purchased Services</td>
<td>833,998</td>
<td>704,565</td>
<td>129,433</td>
<td>18% Timing of contractual payments and expenses related to MSU/NMC shared</td>
</tr>
<tr>
<td>Supplies &amp; Material</td>
<td>1,003,951</td>
<td>951,168</td>
<td>52,783</td>
<td>6% GLMA fuel costs</td>
</tr>
<tr>
<td>Internal Services</td>
<td>(2,187)</td>
<td>34,478</td>
<td>(36,665)</td>
<td>-106% Aviation and training services internal revenue</td>
</tr>
<tr>
<td>Other Expenses</td>
<td>585,176</td>
<td>532,363</td>
<td>52,813</td>
<td>10% Higher expenses in FY16 for recruiting, non-professional development and</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>travel partially offset by lower expense from differential tuition scholarships</td>
</tr>
<tr>
<td>Institutional Expenses</td>
<td>450,403</td>
<td>448,524</td>
<td>1,879</td>
<td>0% Consistent with previous year</td>
</tr>
<tr>
<td>Maintenance &amp; Renovation</td>
<td>546,206</td>
<td>410,740</td>
<td>135,466</td>
<td>33% Maintenance &amp; repair related to aviation program and timing of Ellucian</td>
</tr>
<tr>
<td>Pro. Develop, Travel &amp; Events</td>
<td>228,953</td>
<td>218,307</td>
<td>10,646</td>
<td>5% Timing of professional development</td>
</tr>
<tr>
<td>Capital Outlay</td>
<td>176,661</td>
<td>160,847</td>
<td>15,814</td>
<td>100% Timing of COAT and capital purchases</td>
</tr>
<tr>
<td>Total Expenditures</td>
<td>13,370,809</td>
<td>12,834,338</td>
<td>536,471</td>
<td>4%</td>
</tr>
<tr>
<td>Transfers</td>
<td>60,054</td>
<td>100,386</td>
<td>(40,332)</td>
<td>Loan fund and aviation transfers</td>
</tr>
<tr>
<td>Net Revenues over/(under)</td>
<td>135,909</td>
<td>999,233</td>
<td>(863,324)</td>
<td></td>
</tr>
</tbody>
</table>

Month end reports are interim and not a reflection of final year end results.
### Revenue

<table>
<thead>
<tr>
<th>Source</th>
<th>Percent</th>
<th>2015-16</th>
<th>Yr. To Date 2015-16</th>
<th>Percent of Total of Total Spent</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tuition &amp; Fees</td>
<td>55%</td>
<td>24,834,033</td>
<td>7,793,872</td>
<td>31-Oct-15</td>
<td></td>
</tr>
<tr>
<td>Property Taxes</td>
<td>22%</td>
<td>9,763,411</td>
<td>4,289,146</td>
<td></td>
<td></td>
</tr>
<tr>
<td>State Sources</td>
<td>20%</td>
<td>9,195,100</td>
<td>1,022,278</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Federal Sources</td>
<td>1%</td>
<td>524,000</td>
<td>199,898</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Private Sources</td>
<td>1%</td>
<td>375,000</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investment Income</td>
<td>1%</td>
<td>274,000</td>
<td>92,451</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Sources</td>
<td>1%</td>
<td>298,250</td>
<td>169,127</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td><strong>100%</strong></td>
<td><strong>45,263,794</strong></td>
<td><strong>13,566,772</strong></td>
<td></td>
<td><strong>Total Revenue</strong></td>
</tr>
</tbody>
</table>

### Expenses

<table>
<thead>
<tr>
<th>Category</th>
<th>Percent</th>
<th>2015-16</th>
<th>Yr. To Date 2015-16</th>
<th>Percent of Total of Total Spent</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Instruction</td>
<td>39%</td>
<td>16,889,334</td>
<td>5,409,495</td>
<td></td>
<td>40% Produce educational change in a learner or group of learners; includes both credit and non-credit offerings</td>
</tr>
<tr>
<td>Information Technology</td>
<td>7%</td>
<td>2,959,368</td>
<td>883,697</td>
<td></td>
<td>7% Provide technology to benefit instructional activities and the institution as a whole</td>
</tr>
<tr>
<td>Public Service</td>
<td>1%</td>
<td>235,427</td>
<td>75,225</td>
<td></td>
<td>1% Provide public with unique resources and respond to community needs or solve community problem</td>
</tr>
<tr>
<td>Instructional Support</td>
<td>16%</td>
<td>6,814,156</td>
<td>2,112,592</td>
<td></td>
<td>16% Support instructional programs</td>
</tr>
<tr>
<td>Student Services</td>
<td>12%</td>
<td>5,095,512</td>
<td>1,581,502</td>
<td></td>
<td>12% Contribute to well-being of students and their intellectual, cultural, &amp; social development</td>
</tr>
<tr>
<td>Institutional Administration</td>
<td>14%</td>
<td>6,126,872</td>
<td>1,888,441</td>
<td></td>
<td>14% Provide for organizational effectiveness and continuity; day-to-day functioning and long-range viability</td>
</tr>
<tr>
<td>Plant Operations and Maintenance</td>
<td>11%</td>
<td>4,756,459</td>
<td>1,419,856</td>
<td></td>
<td>11% Maintain existing facilities, provide utility and safety services, and plan/design future facilities</td>
</tr>
<tr>
<td><strong>Total Expenditures</strong></td>
<td><strong>100%</strong></td>
<td><strong>42,877,128</strong></td>
<td><strong>13,370,809</strong></td>
<td></td>
<td><strong>Total Expenditures</strong></td>
</tr>
</tbody>
</table>

**Net Revenues over/(under)**

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transfers</td>
<td>2,383,573</td>
</tr>
<tr>
<td>Net Revenues over/(under)</td>
<td>3,093</td>
</tr>
</tbody>
</table>

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Month end reports are interim and not a reflection of final year end results.
To: Board of Trustees
From: Board Policy Committee
Date: November 18, 2015
Subject: Committee Recommendations

The Board Policy Committee met on November 18, 2015, to review amended NMC Foundation Bylaws and a draft Memorandum of Understanding between Northwestern Michigan College and the Northwestern Michigan College Foundation. The revisions to the bylaws are simply updates to clarify the department name, removal of officers, and the process for execution of documents. The MOU is a new agreement being recommended to provide more clarity to the relationship between the two entities. Both documents have been reviewed by legal counsel, and the NMC Board Policy Committee is recommending full NMC Board approval after review and discussion.

The Policy Committee also reviewed the Board policies on Mission, Vision and Values without making any changes.
Committee Chair Kennard Weaver called the meeting to order at 11:10 p.m.

Members present: Kennard Weaver, Ross Childs, Marilyn Gordon Dresser
Others present: Vicki Cook, Holly Gorton, Rebecca Teahen

**NMC Foundation Bylaws**
Rebecca Teahen reviewed the recommended revisions to update the Northwestern Michigan College Foundation Bylaws. Vicki Cook explained that the revised bylaws have been reviewed by legal counsel and the NMC Foundation Executive Committee.

A motion was made by Ross Childs, supported by Marilyn Dresser, to accept the amended NMC Foundation Bylaws to recommend to the full NMC Board of Trustees for approval. Motion passed with a unanimous committee vote.

**NMC/NMC Foundation MOU**
A draft memorandum of understanding between Northwestern Michigan College and the Northwestern Michigan College Foundation was reviewed. Rebecca Teahen indicated that an MOU has never been executed by either board, but was being recommended to clarify the relationship between the two entities. Two minor revisions were suggested, with the remainder of the document left as present and reviewed by legal counsel.

Ross Childs made a motion, supported by Marilyn Dresser, to accept the MOU document with the two amendments to be recommended for approval by the full NMC Board of Trustees. Motion passed with a unanimous committee vote.

**Policy C-100.00 Mission**
Ross Childs made a motion, supported by Marilyn Dresser, to accept Board Policy C-100.00 Mission as reviewed without any changes for recommendation to the full NMC Board for approval. There was a brief discussion noting that revisions to the Mission, Vision and Values of the college would go through the shared governance decision-making process, prior to Board approval. Motion passed with a unanimous committee vote.

**Policy C-101.00 Vision**
Board Policy C-101.00 Vision was reviewed and discussed with no action being taken.

Ross Childs made a motion, supported by Marilyn Dresser, to request that President Tim Nelson consider including the mission, vision, values topic along with a branding discussion at the January Board retreat. Motion passed with a unanimous committee vote.
Policy C-102.00 Values
Ross Childs made a motion, supported by Marilyn Dresser, to accept Board Policy C-102.00 Values as reviewed without any changes for recommendation to the full NMC Board for approval. Motion passed with a unanimous committee vote.

The Policy Committee will not meet in January, but will resume with the policies scheduled for review in 2016.

The committee meeting was adjourned at 11:25 a.m.
2015 ACCT Leadership Congress  
Report of K. Ross Childs, NMC Trustee

Role of Effective Governance in Academic Programming: How Your Community College Can Catalyze the Manufacturing Renaissance  
Tri-county Technical College, SC

- Skill gaps are evident – need to be more nimble to meet business and industry needs  
  - Top 10 jobs didn’t exist 10 years ago, 62% jobs require degrees  
  - Resource constraints from the state: from 54% in 2003 to 12-13% now.
- Economic bridge development- creates positive climate and supports and advocates for college  
  - Case studies: New technology center (welding), Boston consulting group, Economic development center

Alliances That Change the Future  
Linn-Benton Community College. OR

- Collaborative effort of school, city, and business
- Built the relationship around common goals – missions overlap
- Grading on workforce skills – attendance, dress, etc. Participated in camps, job fairs
- City of Albany contributed $2.9 million for economic development. Seven mayors sat down and said why don’t we pool that money and allocate to C.C. – everyone would benefit.
- All businesses have signed a commitment letter to C.C. to hire the students – important to do something collaborative – needs to be business driven.
- Manufacturers are sending their employees for continuing education on new equipment.
- Industry was defining needs.

Developing Successful College and University Partnerships Requires “Real Magic and Passion”  
Marin Community College District, CA

- Mini-medical school offered for students, residents in the community.  
  - Alignment with strategic priorities  
  - 500 people on waiting list  
  - Has developed 70K in contributions  
  - Partners with reputable hospital

Leveraging Strategic Investments  
Louisiana Community and Technical College System

- Competitive grants with 20% match required from industry
- Investments from companies like Chase, CB&I, Praxair
- Private matches – 7 million
- Important that FDN and board are on same page
- Industry involved from the very beginning
Leveraging International Program Resources and Relationships

Highline College, WA
Howard Community College, MD
College of Lake County, IL

Gaining support from your board for international education

- Building competitive workforce in a “global” community
- Partnerships and collaboration with local community expands exposure for campus
- Direct foreign investment, educating students for 21st century jobs

Effective and Transparent Bond Strategies

Lone Star College System, TX

Methods to award projects from bond election

- Workforce theme/economic prosperity
- Strong Tea Party helped gain support
- Space utilization, Facebook, Twitter, signs, mailers
- Formed pact, more than 12 community organizations endorsed
- Do not overlap Special Command Interview Committee

International Education for a Global Workforce

Dallas Community College District, TX
Phi Theta Kappa Honor Society, MS
Anderson School of Management, UCLA

- Benjamin Gilman Scholarships for travel. Pell eligible up to $5000.00
- ILLIAD International honors certificates are a cost savings
- Transferability – take through accreditation

Teaching Administrators the 21st Century Model

Warren County, NJ

- They require the new faculty to be classified as 12 month teaching administrators rather than 10 month tenured faculty.
- “Teaching Administrator” focus on outcomes and job opportunities
- Mission “For the students”
- Even the President teaches 1 course/year, VP also teaches
MEMO
Resource Development

To: The Board of Trustees and President Timothy J. Nelson
From: Rebecca Teahen, Executive Director for Resource Development
Date: November 18, 2015
Subject: Foundation Update for November 2015

Fund Raising – a “check” on FY16 goals

- To date, $88,273 has been raised for the Annual Fund; our goal is $250,000. Direct mail appeals are well underway and continue through December.
- The overall fundraising goal for FY16 was set at 1,500,000 excluding events and bequests.
- Total dollars raised to date (FY16):
  
  $3,447,287 Total received (including the Annual Fund and new pledges)
  
  - $519 Received through bequest gifts
  
  = $3,455,050 Raised toward FY16 goal of $1,500,000 in gifts & new pledges
  
  + $82,255 Gross event revenue vs goal of $250,000
  
  $3,537,304 Total of gifts + events

Foundation Initiatives

- The NMC Giving Tree program is seeking “Santas” to support students in need this holiday season. Gifts are due back to the NMC Foundation office by December 4.
- Foundation staff and committees are working toward next steps in the campaign planning process which includes campaign financing plans in collaboration with the College.
- The NMC Foundation is now a member of the Council of Michigan Foundations. Rebecca Teahen recently attended the CMF Annual Conference which had a focus on access to education as one of the statewide funders group’s top priorities. The conference was a great opportunity to explore potential to collaborate to achieve shared goals.
- The Foundation Executive Committee recommended approval of the (revised) Foundation Bylaws and Memorandum of Understanding that has gone to the Trustees’ Policy Committee for review and their recommendation.

Meetings and Events for your calendars:

- Finance & Audit Committee – Wed., 12/9/2015 at 7:30 am, Founders Hall, Room 110.
• Foundation Board meeting – Wed., 12/16/2015 at 7:30 am (breakfast at 7:00), Dennos Museum Center.

• Save the Date for the “Taste of Success” event, formerly Tasters Guild Scholarship Auction – February 19, 2016
Reminder - Michigan New Jobs Training Program: On Wednesday, November 4, the House Appropriations Committee took testimony on Senate Bills 70 – 71. The bills would lift the current $50 million cap on the Michigan New Jobs Training Program (MNJTP) as well as extend the sunset on borrowing ability under the current law. Please contact your Representatives to express support for Senate Bills 70 and 71! MCCA staff are working to ensure that there is adequate support, but it is critical that Committee members hear from their colleges and local employers as well. The Committee is considering a vote on SB’s 70 and 71 in early December.

Presidential Primary Elections: Last week, the House gave final approval to House Bill 4904 (McBroom), which would clarify that the presidential primary election every four years is a regular election date. Among other things, that change will allow ballot questions to accompany the primary ballot. In Michigan, the presidential primary is now set as the second Tuesday in March; in 2016 that falls on March 8. HB 4904 now goes to Governor Snyder for his signature.

Motorcycle Safety Fee Increase: On Tuesday, November 10, the full House of Representatives passed House Bill 4853 (Tedder), which would double the fee for motorcycle safety training courses in Michigan from $25 to $50. The course fee has not been increased in decades, and limits the level of training that providers can afford to offer. Seven of Michigan’s community colleges currently provide motorcycle safety training.

Senate Moves Union Bills: Also on Tuesday, the Senate approved two bills with possible implications for community colleges. Senate Bill 279 (Knollenberg) would sunset the ability of Michigan Public School Employees Retirement System (MPSERS) members to accrue pension time during professional services leave or release time, if the member reimburses the system for payments during that time. In addition, Senate Bill 280 would amend the Public Employment Relations Act (PERA) to prohibit a public employer (including a community college) from entering contracts that pay union officials for time conducting union business.

MPSERS Review: Last week the House Appropriations Subcommittee on School Aid held a hearing on the Michigan Public School Employees Retirement System (MPSERS). The House Fiscal Agency provided testimony. Subcommittee chair Tim Kelly expressed his interest in ending or dramatically reforming MPSERS, however it was noted that closing the system would increase state costs in the short term, at a time when the state may already be facing increased costs to cover liability for the faltering Detroit Public School system.

Bills to Watch: A quick reference of all the bills relevant to community colleges introduced in the 2015 Legislative Session is available on the MCCA website.
Urge Congress to Restore Funding for Community College Priorities: As budget decisions are being made on Capitol Hill, now is the time for community college advocates to press Congress to invest in higher education. The recently enacted Bipartisan Budget Act (BBA) of 2015 has cleared the path to passage of final appropriations for this fiscal year (FY), which started October 1. AACC is asking you—particularly those of you with representatives on the LHHS appropriations subcommittees—to urge Congress to make important investments in human capital. AACC asks its members to highlight the following priorities with their federal legislators (see additional details online):

- Fully fund the Pell Grant program;
- Increase funding for Adult Basic Education;
- Support the Strengthening Institutions program; and
- Bar the U.S. Department of Education from implementing the gainful employment regulations.

Needed Action: Contact your representative or senator by e-mail or phone by calling their office directly or through the Capitol switchboard at (202) 224-3121. Contact information for your legislators is available here.

Perkins CTE Act Reauthorization: AACC and ACCT submitted legislative recommendations for reauthorization of the Carl D. Perkins Career and Technical Education Act to the Senate Health, Education, Labor and Pensions Committee. The committee asked Perkins CTE Act stakeholders to submit recommendations, including specific legislative language, as part of its reauthorization process. It is still unclear at this point when a reauthorization bill may be written, but this is one of the first significant indicators that Congress is moving forward on this bill.

Job Training Bill for Community Colleges Introduced: On October 29, Sen. Al Franken (D-MN) and Rep. Tammy Duckworth (D-IL) announced the introduction of the Community College to Career Fund Act (S. 2222 and H.R. 3862). The legislation, first offered by Franken during the last Congress, is designed to help create partnerships between 2-year colleges and businesses to train students for high-skills industries, including health care, clean energy, information technology, and advanced manufacturing.

Senators Sponsor Bill to Incentivize State Reinvestment in Higher Education: Oregon Senators Ron Wyden and Jeff Merkley introduced the Promoting Access and Retention Through New Efforts to Require Shared Higher Investments in Postsecondary Success Act, or the PARTNERSHIPS Act. The bill would establish a new federal–state funding partnership that would provide states with additional funding when they invest more dollars in public higher education. It would require that states and public colleges and universities reduce or hold constant tuition for in-state students. The bill also would make the American Opportunity Tax Credit permanent, exclude Pell from the calculation, and increase the tax credit’s refundability.

AACC Leadership and Alumni Awards: Nominations for the AACC 2016 Leadership Award and 2016 Outstanding Alumni Awards are open. The deadline for both is November 30. The awards will be presented at the annual AACC convention in Chicago April 9-12. See more information here.
National News/Reports

**Dip in College Completion Rates:** A new National Student Clearinghouse (NSC) report shows a decline in college completion across all higher education sectors. Declines in graduation were seen not only in the overall national completion rate but also at every institution type and all student subgroups. Among students who started college at public two-year institutions, the total completion rate declined from 39.1% to 38.1%, counting completions that may have occurred at either a two-year or a four-year institution. The decline, however, was almost entirely among students completing at transfer institutions (0.9% point drop). Among all two-year starters, 15.1% had completed a degree at a four-year institution within six years, down from 16.2% for fall 2008 students.

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**MCCA Centers for Excellence News**

**Michigan Center for Student Success (MCSS)**

**Guided Pathways Demystified Report:** A new report, *Guided Pathways Demystified: Exploring Ten Commonly Asked Questions about Implementing Pathways*, responds to the most commonly asked questions about guided pathways including concerns about compromising higher education values, practical considerations about control and enrollment, and apprehensions about the impact on student’ learning and development. You can find the report at [National Center for Inquiry to Improvement](https://www.nationalcenterforinquirytoimprovement.org).

**Core Principles for Transforming Remediation Report:** Six national organizations released a report of design principles aimed at significantly increase the number of students completing college and close attainment gaps for historically underserved populations. *Core Principles for Transforming Remediation within a Comprehensive Student Success Strategy* highlights practices such as placing the vast majority of students directly into credit-bearing work with effective support; refining mathematical and other academic content to align with each student’s choice of academic direction; and helping students stay on track to a college credential.

**Call for Presenters - MCAN 6th Annual Conference:** The Michigan College Access Network (MCAN) will hold the 6th Annual Conference on March 8-9, 2016 at the Lansing Center in Lansing, Michigan. The theme is College Changes Everything. The call for proposals will be accepted until January 4, 2016 and are available online [here](https://www.mican.org/conference).
2015 Student Success Summit Presentations: The website for the 2015 Student Success Summit has been updated on the MCCA website. You can find the agenda, presentation descriptions, presenter bios, and presentations on the site. Mark your calendars for the 2016 Student Success Summit on September 29-30, 2016 at the Lansing Center.

Michigan Colleges Online (MCO)

MCO Registration Widget is Ready for Use: This piece of software sits on your college’s online registration system and will provide other college course options for students when there are no courses available at your institution. The rules for when this widget appears to students are defined by each college – and the courses provided to students will be vetted against the Michigan Transfer Network database to make sure that students only see what your college has defined as an equivalent course. Three colleges will begin using the MCO Registration Widget this Winter/Spring enrollment period. They include Jackson College, Mott Community College and West Shore Community College.

SARA Approves Five More States: This past week, Alabama, Georgia, Maryland, Mississippi and Texas were approved by the Southern Regional Education Board (SREB) to join the State Authorization Reciprocity Agreement (SARA). These states bring the number of participating states to 34, with over half the SREB states participating in SARA.

What About Michigan? MCO held an informative webinar to help colleges decide if SARA would work for them – or not. You can view the webinar and slides here.

Michigan New Jobs Training Program (MNJTP)

MNJTP by the Numbers: 113 employers have been served in 125 MNJTP contracts to date. The number of projected new jobs supported by existing MNJTP agreements is 13,980. Eighteen community colleges are currently taking advantage of MNJTP funding to support new job training.

Center for Global Initiatives (CGI)

Trends in international education: The number of international students studying at U.S. community colleges increased for a second year in a row and at a higher pace, according to the Open Doors report from the Institute of International Education. In 2014-15, 91,648 international students enrolled at U.S. community colleges, representing a 4.2% increase over 2013-14. Overall, India, China and Brazil account for most of the growth in international students on U.S. undergraduate campuses. Among community colleges, it’s China (accounting for 17.7% of international enrollments at community colleges), South Korea (8.9%) and Vietnam (8.4%).

Fulbright International Education Administrator Program to France or Germany - Fully-funded grants for U.S. higher education administrators to participate in intensive 2-week seminars in France or Germany. Applicants must be affiliated with a 2- or 4-year college. To learn more, please click here. Applications are due February 1, 2016.

Institute of Study Abroad Ireland: Invites applications from study abroad advisors, faculty and administrators who are involved with study abroad programs (or are interested in launching one). The one week program exposes participants to the activities, housing, and academic programming that are
available to students. A special rate of $200 for the first participant from each institution covers lodging, most meals, and in-country transportation for the week. Airfare is not included. Space is limited, so apply soon. More information and the application are available here.

Community Colleges in the News

When a 4-year degree isn’t always the best option (see Lansing State Journal article).

Kellogg Community College starts $2.75 million Regional Manufacturing Technology Center project (see Battle Creek Inquirer article).

Expansion of health sciences education to address talent needs in West Michigan, highlights the partnership between Grand Rapids Community College, Muskegon Community College and Montcalm Community College with West Michigan Works! to form a pilot apprenticeship program to train and employ medical assistants at local health care organizations. Spectrum Health, Mercy Health, Mary Free Bed Rehabilitation Hospital and Cherry Health have signed on to support the program (MiBiz article).

Northwestern Michigan College among top 5 "Best for Vets" community colleges nationwide, according to Military Times 2016 "Best for Vets" list.

Upcoming Events for 2015 Calendar

Please click here to see all MCCA events.
CALL TO ORDER—Chair Douglas S. Bishop called the regular meeting to order at 5:34 p.m.

ROLL CALL
Trustees present: Douglas S. Bishop, Chris M. Bott, Robert T. Brick, K. Ross Childs (5:37), Marilyn Gordon Dresser (5:42), Steven G. Rawlings, Kennard R. Weaver
Trustees absent: None
Also present: President Timothy J. Nelson, Diane Bair, David Bajema, Lisa Blackford, Alex Bloye, Cathryn Claerhout, Vicki Cook, Marguerite Cotto, Jan Ealy, Joy Evans, Diana Fairbanks, Holly Gorton, Bronwyn Jones, Chris Kuchuris, Mark Liebling, Tom Mair, Mella McCormick, Susan Odgers, Stephen Peacock, Linda Racine, Kristen Salathiel, Matt Schwarz, Teresa Scollon, Stephen Siciliano, Mike Skarupinski, Erica Smith, Melissa Sprenkle, Rebecca Teahen, Mike Torre, Dave Traines, Lisa VanDeWeert, Megan Ward

REVIEW OF AGENDA—A motion was made by Kennard Weaver, supported by Steve Rawlings, to revise the agenda to add an action item AA for the Board’s position on Senate Bill 442. The motion passed with a unanimous vote.

REPORTS

Audit Presentation—Stephen Peacock and Lisa VanDeWeert of Rehmann presented on the provided NMC Financial Statements and Supplementary Information for years ended June 30, 2015 and 2014, following their audit process. They reported an unmodified, clean audit report, and thanked Vice President Vicki Cook and Cheryl Sullivan, Controller, along with their staff for their support in conducting a smooth audit process. They highlighted comparison data with other institutions within NMC’s peer group and explained the history of the MPSERS unfunded liability regulations for reporting that is reflected on the balance sheet for the first time.

Audit Committee Report—Committee chair Kennard Weaver reported the Board Audit Committee had met with auditors last week and recommended the full board accept the audit as an action item on this meeting’s agenda.

Program Focus – Writing and Reading Center (WRC)—Megan Ward, Writing and Reading Center Coordinator, along with teaching assistants Diane Bair and Erica Smith, provided an overview of the services provided to students by NMC’s Writing and Reading Center. Their presentation included quick facts about the WRC, founded in 1991; information on the usage of services from 2007-2015; as well as demographics of students receiving services. They noted both instructor and student benefits that include becoming better writers, as well as critical thinkers and the collaboration that occurs with other programs at NMC.

Enrollment Report—Cathryn Claerhout, Director of Admissions, provided the enrollment report and shared about the recent College Night that NMC participated in, along with other colleges, to
provide transfer information and plans to NMC students. She also shared that NMC’s financial aid staff are providing assistance to area high schools with financial aid applications and submissions.

Financial Report—Vicki Cook, Vice President of Finance and Administration, thanked Cheryl Sullivan, Controller, and Chris Ruszel, Assistant Controller, for coordinating this year’s audit, which included additional work due to the new GASB 68 reporting requirement. She also thanked all financial business office staff for their good work over the year to produce a clean audit. Vice President Cook provided the monthly financial report, sharing about savings that have been identified to be able to have a balanced budget. Cook also provided the report on unrealized investment gain for FY16 first quarter.

Campus Site Plan Update—Vice President Vicki Cook presented the updated campus site plan that will be submitted to the City of Traverse City. She also reviewed the capital outlay project that will be included with the Five-Year Capital Outlay Plan to be submitted to the state.

Classification/Compensation Implementation Status Report—Marguerite Cotto, Vice President for Lifelong and Professional Learning, provided the quarterly update on the implementation of the previously approved classification and compensation plan.

Foundation Report—Doug Bishop, Board representative, provided the Foundation Report, highlighting that the Annual Fund campaign is 28% through the fiscal year and has made 31% progress toward goal. He noted the next Foundation Board meeting was October 29, 2015.

ACCT 2015 Leadership Congress—Ross Childs reported on the recently attended national trustee conference, noting he had attended 13 sessions pertaining to new systems and partnerships occurring around the nation. Other trustees attending included Doug Bishop, Kennard Weaver, and Chris Bott, along with President Timothy Nelson and Holly Gorton, Executive Assistant to the President and Board of Trustees. Childs noted his written report would be distributed to the Board at the next meeting.

MCCA Board of Directors Autumn Meeting Report—Kennard Weaver, Board representative, shared that he had met with the MCCA Board of Directors the prior week and his written report was included with the board meeting materials. He indicated the morning sessions addressed Middle College systems that lead a student toward an associate degree with increased completion rates. Weaver reviewed the process of working with students and parents of high school students.

Legislative Issues Report—President Timothy Nelson referenced the report provided in the meeting materials. He shared that Senate Bill 98 that would allow community colleges to grant additional baccalaureate degree program areas had passed out of committee to go to the senate floor. Nelson explained that a long road to passage is anticipated, but many hospitals throughout the state are actively supporting the bill to upgrade the effort. President Nelson mentioned some other bills being watched, including Senate Bill 442 to change “weapon free” zones to prohibit openly carrying weapons, but allow properly permitted and licenses concealed weapons to be carried. Nelson that MCCA is conducting an electronic vote process of community college boards to establish a state association position. Tim also shared that he will be providing testimony in Lansing on reasons for declining enrollment and on the MCCA recommendations for the performance funding formula, which he reviewed.
UPDATES

President’s Update—President Timothy Nelson shared that a memo to the college community on security issues would go out that week, and the college was having the regional homeland security and the emergency management group do an evaluation of NMC facilities and security systems. He indicated resulting report would be shared. Nelson also shared that NMC had received gold-level status as a Veteran-Friendly School by the Michigan Veterans Affairs Agency. He thanked Scott Herzberg for his work to obtain this highest level certification. President Nelson explained that NMC is collecting faculty credentialing information to address the new Higher Learning Commission accreditation requirements.

Board Chair Update—Chair Doug Bishop shared that he had attended the opening luncheon of the Board of Visitors meeting at GLMA, and had dinner with President Nelson, GLMA Superintendent Jerry Achenbach, Nassry Zamora of Rand Logistics and Mike Taetsch of Grand River Navigation who expressed their interest in hiring NMC GLMA graduates. Bishop also reviewed sessions he had attended at the ACCT Leadership Congress primarily on legal issues and the reoccurring theme was the increasing number of regulations impacting community colleges.

PUBLIC INPUT—There was public input offered by Lisa Blackford, Michael Torre, Mike Skarupinski, Matt Schwarz, Dave Traines, Teresa Scollon, Melissa Sprenkle, David Bajema, Bronwyn Jones, Mella McCormick, Kristen Salathiel, and Susan Odgers.

DISCUSSION ITEMS—None

CONSENT ITEMS—On a motion by Kennard Weaver, supported by Bob Brick, the following items were approved by a unanimous vote as a group without discussion:

- Minutes of the September 28, 2015, regular meeting

ACTION ITEMS

Acceptance of NMC Audit—On a motion by Steve Rawlings, supported by Kennard Weaver, the Board accepted the financial audit for Northwestern Michigan College for the fiscal year ending June 30, 2015, as presented, with a unanimous vote.

FY17 Five Year Capital Outlay Plan—On a motion by Ross Childs, supported by Chris Bott, the Board approved the Fiscal Year 2017 Five-Year Capital Outlay Plan and project for submission to the Michigan Office of the State Budget, as presented, with a unanimous vote.

NMC Resource Guidelines—On a motion by Ross Childs, supported by Bob Brick, the Board approved the NMC Resource Guidelines for 2016-2017, as presented, with a unanimous vote.

Board Level Strategic Goals—On a motion by Ross Childs, supported by Chris Bott, the Board approved the FY16 Board of Trustee Level Strategic Goals, as presented, with a unanimous vote.

Backup Storage System Replacement—On a motion by Chris Bott, supported by Bob Brick, the Board authorized administration to enter into contract with Aberdeen Inc. and Frontier Computer for the purchase and installation of a replacement backup data storage system in the amount of
$90,701.00, plus a 10% contingency, for a total project budget of $99,771.00, to be funded through the Technology Plant Fund, with a unanimous vote.

**Aircraft Purchase**—On a motion by Steve Rawlings, supported by Ross Childs, the Board authorized administration to purchase a 1979 Piper Aztec ‘F’ (N6913A) as part of the fleet management program for the Aviation Division. Purchase predicated on successful inspection and clean title search, not to exceed $79,000 for the a/c purchase; additional allowance for avionics upgrades, not to exceed $20,000. Total expenditures, including planned engine replacements in 2017, not to exceed $135,000, to be funded from the Aviation Capital Reserve Fund, with a unanimous vote.

**Closed session**—Steve Rawlings made a motion, supported by Ross Childs, for the Board to convene in closed session as permitted by Section 8(c) of the Open Meetings Act, MCL 15.268(c), to discuss strategy connected with the negotiation of collective bargaining agreements between the College and the Michigan Education Association. The motion passed with the following roll call vote: Yes: Steve Rawlings, Marilyn Dresser, Ross Childs, Kennard Weaver, Bob Brick, Chris Bott, Doug Bishop; No: none; and the Board went into closed session at 7:46 p.m.

**Reconvene Regular Meeting**—Kennard Weaver made a motion, supported by Ross Childs, to adjourn the closed session and reconvene the open session. The motion passed with the following roll call vote: Yes: Chris Bott, Ross Childs, Kennard Weaver, Bob Brick, Marilyn Dresser, Steve Rawlings, Doug Bishop; No: none; and the regular open session reconvened at 8:39 p.m.

**Position on SB 442**—Kennard Weaver made a motion, supported by Ross Childs to abstain from the MCCA electronic vote of taking a position on SB 442. Following discussion, the motion passed with a unanimous vote.

Kennard Weaver made motion, supported by Steve Rawlings, to propose a Board resolution to support the MCCA position that allows no open carry and local control. The motion passed with a unanimous vote, and President Nelson will convey to MCCA.

**REVIEW OF FOLLOW-UP REQUESTS**—Confirmed requests made by the Board that require administrative follow-up for information to be provided to the Board at a later date.

**ADJOURNMENT**—The meeting adjourned at 9:02 p.m.

Recorded by Holly Gorton, Executive Assistant to the President and Board of Trustees.

SIGNED

____________________________
Douglas S. Bishop, Chair

ATTESTED

____________________________
K. Ross Childs, Secretary
To: Timothy J. Nelson, President
From: Stephen Siciliano, Vice President for Educational Services
Date: November 17, 2015
Subject: Bachelor of Science in Maritime Technology—Power Systems Major

I am seeking the Board of Trustees approval to add a fourth major under the Bachelor of Science in Maritime Technology (BSMT). I am recommending the addition of the Power Systems major to the Deck Officer, Engineering Officer, and Marine Technology majors already in place. The Power Systems major’s course sequence guide is attached.

Currently, the Great Lakes Maritime Academy offers the Power Plant Facilities Operator program as an Associate of Applied Science degree as we had with the Engineering Officer major before we were authorized to offer the Bachelor degree. We are seeking authority to move our Power Systems program to the bachelor level as we did with the other Maritime majors.

Most of the curriculum within the Power Systems major is currently offered within the BSMT—Engineering Officer major. The significant difference is that rather than having the three required sea projects as part of the program, cadets will experience their internships at shore side facilities.

From the vantage point of our students, this new major offers an alternative to current Maritime Engineering Cadets who no longer desire or no longer qualify for a Merchant Marine operational level license. While this program may draw additional students, its primary intent is to solidify retention options.

Thank you for your consideration.
## BSMT--POWER SYSTEMS
### PROPOSED CURRICULUM (model)

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* Defined competencies
Recommendation: I am recommending that the college hire K & L Gates at a rate of $5,000 per month for the next twelve months for consultation work to seek passage of a new provision in the Water Resources Reform and Development Act (WRRDA).

Background: In the summer of 2013 a substantial upgrade to the harbor at Northwestern Michigan College’s (NMC) Great Lakes Campus was completed. This completed project included: dredging of the inner harbor, removal of the existing jetty structure, and installation of a pier with a lighted walkway. The construction was funded and supervised by the U.S. Army Corps of Engineers (ACOE). The project was completed in accordance with the WRRDA.

The completed project increased the harbor depth as intended. In order to protect our vessels better when a wind from the north results in wave energy becoming trapped inside the harbor, additional modifications to the harbor are necessary. Unfortunately, the work would be outside the scope of the existing language contained in the WRRDA.

We are seeking the assistance of K & L Gates to help us gain passage of an amendment to the WRRDA that would enable us to seek funding under the new provisions. K & L Gates has a long-standing and successful relationship with our college and the six state maritime academy consortium for which we belong. K&L Gates representation has resulted in a substantial increase in direct funding to our Great Lakes Maritime Academy (GLMA) as well as an additional $200,000 reimbursement for fuel costs in FY 2015.

Thank you for your consideration.
NORTHEASTERN MICHIGAN COLLEGE

FOUNDATION BYLAWS

ARTICLE I: NAME. The name of this non-profit corporation is the Northwestern Michigan College Foundation (the "NMC Foundation").

ARTICLE II: PURPOSE. To provide support for the objects and purposes of Northwestern Michigan College (hereafter sometimes referred to as "NMC" or the “College”), an institution of higher education in the State of Michigan, to assist in an exclusively educational and charitable manner in the accomplishment of the educational purposes of such institution; and to augment the facilities thereof in such manner as may be designated, directed, or desired by the Board of Trustees of said institution. Included, by way of illustration but without limitation, are promotion, sponsorship, fundraising, and carrying out of the educational, scientific, charitable and related activities for the objects and purposes of Northwestern Michigan College; to solicit and receive donations and hold by bequest, devise, grant, gift, purchase, lease, or other form of transfer, and dispose of such property as the purposes and objects of the NMC Foundation may require; to invest and reinvest the principal and income as may be determined and decided by the NMC Foundation Board of Directors; to oversee and disburse the principal and income of the NMC Foundation in such manner as will promote its objectives; and in general to exercise such other powers which now are or may hereafter be conferred upon it, namely; the promotion of the objects and purposes of Northwestern Michigan College, or conducive to the attainment thereof; and in any event to operate exclusively for such charitable and educational purposes as are required for tax-exempt status under Section 501(c)(3) and as a supporting organization under Section 509(a)(3) of the Internal Revenue Code.

ARTICLE III: FOUNDATION HEADQUARTERS. The principal and registered office of the Northwestern Michigan College Foundation shall be located at Northwestern Michigan College, 1701 East Front Street, Traverse City, Michigan 49686.

ARTICLE IV: BOARD OF DIRECTORS

Section 1. Power and Authority. The property, affairs and business of the NMC Foundation shall be managed and controlled by its Board of Directors; provided, however, that the NMC Foundation may fund only those purposes approved by the Board of Trustees of Northwestern Michigan College.

Section 2. Number. The number of directors of the NMC Foundation shall be not less than twelve (12) nor more than forty (40).

Section 3. Groups and Qualification. Group One shall consist of three (3) directors who are incumbent members of the Northwestern Michigan College's Board of Trustees, appointed by the board Chair. Group Two shall consist of the President of Northwestern Michigan College and the Executive Director of the NMC Foundation. Group Three shall consist of not less than four (4)
Foundation directors who shall be special friends of the college or residents of its service area who have demonstrated their interest, support and concerns. Group Four shall consist of not less than two (2) faculty representatives, and one (1) student representative, appointed by the President of NMC.

Section 4. Election, classification and Terms

(A) Group One directors need no formal appointment as they serve by reason of their membership on NMC's Board of Trustees. A Group One director who vacates the office of trustee of Northwestern Michigan College shall, by such action, similarly vacate the office of Foundation director.

(B) Group Two directors shall serve by reason of the office held without formal appointment. In the event the positions of President and Executive Director of NMC Foundation, or either of them, are unfilled at any time, then the person designated by the Board of Trustees of Northwestern Michigan College as acting President or the acting Executive Director of NMC Foundation shall serve as a Group Two director.

(C) Group Three directors are appointed by the Board of Trustees and serve three (3) year terms. The regular term for Group 3 shall expire on December 31.

(D) Group Four directors shall serve two-year terms by virtue of their positions held at the college. The regular term for Group 4 shall expire on December 31. A Group Four director who vacates his/her position at the college shall, by such action, similarly vacate his/her position on the NMC Foundation Board.

(E) Recommendations to Northwestern Michigan College's Board of Trustees to fill regularly expired terms as Foundation directors shall be determined by election at the annual meeting of the NMC Foundation's Board of Directors. That slate should go to the next regular meeting of the Trustees.

Section 5. Vacancies. A vacancy in the Group One and Group Three directors resulting from any cause other than expiration of a term of office may be filled by appointment by the Chair of the Northwestern Michigan College Board of Trustees following recommendation of the NMC Foundation's Board of Directors. Group Four vacancies are filled by the College's President.

Section 6. Meetings

(A) The NMC Foundation Board of Directors shall meet regularly six (6) times a year, bi-monthly, with the first meeting of the year taking place during the first quarter of the calendar year. The last meeting of the year shall be considered the annual meeting with the actual date at the discretion of the Board of Directors. The time and place of each regular meeting shall be fixed by the Chair of the NMC Foundation Board, with the consent of a majority of the directors, and written notice of such time and place shall be given each director at least ten (10) days before the selected date.
(B) Special meetings may be called by the Chair of the NMC Foundation Board on his/her own motion or be called upon the written request of five (5) directors. Written notice of the time, place and subject matter of each special meeting shall be given to each Director at least ten (10) days before the meeting date, unless such notice is waived in writing or by attendance at the meeting.

Section 7. Quorum. Forty percent of the NMC Foundation directors then in office shall constitute a quorum for the transaction of business at any meeting of the Board; and, except as otherwise required by law, the act of a majority of directors present at a meeting at which a quorum is present shall be the act of the Board.

Section 8. Absences. In the event any Group One, Three, or Four director is absent from three or more regular scheduled meetings within any calendar year, the board may, at its discretion, deem such absence to constitute a resignation to be filled through regular board procedures.

Section 9. Honorary Directors. The Board of Directors of the NMC Foundation may elect honorary directors and may specify the term thereof up to, and including, life. Honorary directors shall be entitled to attend all NMC Foundation Board of Directors' meetings, but shall not have the right to vote on matters of business.

Section 10. Emeritus Directors. The Board of Directors may by election, bestow upon past members of the NMC Foundation board who have distinguished themselves through meritorious service to the NMC Foundation, the title of Director Emeritus, good for life. Directors Emeritus shall be entitled to attend all Foundation Board of Directors meetings but shall not have the right to vote on matters of business.

Section 11. Removal. With the exception of the Second Vice Chair and the Executive Director of NMC Foundation, the Board of Directors may remove any officer at any time, with or without cause, by a vote of the majority of Directors then serving. Removal of the Second Vice Chair can only occur with approval of and action by the Northwestern Michigan College Board of Trustees. Removal of the Executive Director of NMC Foundation can only occur with approval of and action by the President or Acting President of Northwestern Michigan College.

Section 12. Meeting by Telephone or Similar Equipment. A Director may participate in a meeting by conference telephone or other similar communications equipment through which all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this section constitutes presence in person at the meeting.

Section 13. Robert’s Rules of Order. Robert’s Rules of Order shall govern the sessions of the Board of Directors and any standing or ad hoc committees of the Board of Directors, unless these Bylaws or applicable law conflict therewith, in which event these Bylaws or applicable law shall take precedence.
ARTICLE V: OFFICERS

Section 1. Number and Qualifications. The officers of the NMC Foundation Board shall consist of a Chair of the Board, a First and Second Vice Chair, an Executive Director of NMC Foundation, a Secretary, and a Treasurer. The Board of Directors may appoint such other assistant officers as from time to time it may determine, and may define the powers and duties of such assistant officers.

The Chair of the Board, the First Vice Chair, the Secretary, and the Treasurer shall be chosen from among the directors of the NMC Foundation. The President of Northwestern Michigan College shall be the Second Vice Chair and the Executive Director of NMC Foundation shall be the Executive Director of NMC Foundation. Any officer may be required to give such fidelity bond as the Board may determine.

Section 2. Election. The officers of the NMC Foundation shall be elected at the annual meeting of the Board of Directors of the NMC Foundation, and each shall hold office until the next annual meeting, or until a successor shall have been elected and qualified. A vacancy in any office may be filled by the Board for the balance of the vacant term.

Section 3. Removal. With the exception of the Second Vice Chair and the Executive Director of NMC Foundation, the Board of Directors may remove any officer at any time, with or without cause by a vote of the majority of Directors then serving.

Section 4. Duties. The duties of the officers of the NMC Foundation shall be:

(A) The Chair shall preside over the meeting of the Board and shall maintain primary responsibility for the NMC Foundation's relations with the college and the community.

(B) The First Vice Chair shall have authority to act in case of the absence or incapacity of the Chair. If the First Vice Chair shall be absent or incapacitated, another director shall discharge the functions of the Chair. If more than one director is available, the one with the longest membership on the Board shall be appointed to act.

(C) The Second Vice Chair will be the President of the Northwestern Michigan College. This person shall be a liaison between the Board and the college's many publics and represent those interests as appropriate in assuring the success of the NMC Foundation's mission.

(D) The Executive Director is the Executive Director of the Northwestern Michigan College Foundation. This person will assist Directors in the actual operation of the NMC Foundation and carry on such administrative activities as necessary for the NMC Foundation to be effective.
(E) The Secretary shall assist the Executive Director of NMC Foundation with the records of the NMC Foundation, and shall attest to the recording of minutes of all meetings of the Board.

(F) The Treasurer shall assist the Executive Director of NMC Foundation regarding the fiscal affairs of the NMC Foundation, and shall Chair the Finance and Audit Committee.

(G) The Board of Directors may prescribe additional duties for any officer.

ARTICLE VI: COMMITTEES

Section 1. Standing Committees

(A) Executive Committee: The officers of the NMC Foundation and at least one Group One Director appointed by the Chair shall constitute the Executive Committee of the NMC Foundation. During the intervals between meetings of the Board, the Executive Committee shall have, and may exercise on behalf of the Board, all of the authority of the Board in respect to the management of the NMC Foundation. The Executive Committee shall report its acts to the Board at its regular meetings for ratification. The Executive Committee shall also assist the Executive Director of NMC Foundation in the preparation and review of policies and procedures for the NMC Foundation, and shall make recommendations for enactment of same to the Board.

(B) Finance and Audit Committee: The Treasurer of the NMC Foundation, together with at least one member from each of Director Groups One, Two, and Three, and other members as appointed by the Chair, with the advice and consent of the Board, shall constitute the Finance and Audit Committee. The Finance and Audit Committee shall be responsible for periodic review of the financial affairs of the NMC Foundation and shall make recommendations to the Board with respect to investments and the general fiscal policy of the NMC Foundation. In addition, the Finance and Audit Committee shall be designated with authority to review the recommendations of the Executive Director of NMC Foundation related to undesignated gifts and make recommendations to the full Foundation Board of Directors.

(C) Annual Fund Campaign Committee: The Chair shall annually appoint an Annual Fund Campaign Committee. The Annual Fund Campaign Committee shall be responsible for providing advice and support to regular fundraising campaigns implemented by the NMC Foundation -staff in support of the Annual Fund.

(D) Board Development Committee. The Chair shall annually appoint a Board Development Committee consisting of the Chair, and at least one member from each of the Director Groups 1, 2 and 3. The Board Development Committee shall be responsible for recommending candidates for appointment to the Board of Directors of the NMC Foundation and for recommending nominees for election to the offices of the NMC Foundation.
Foundation. This committee shall also provide oversight of Board governance responsibilities, and will make recommendations to the Board of Directors.

(E) Major Gifts Committee. The Chair shall annually appoint a Major Gifts Committee. The Major Gifts Committee shall be responsible to engage donors in a way that secures funds in support of priorities identified by NMC, and ensures that the donor’s experience is satisfying and rewarding.

Section 2. Ad Hoc Committees. The NMC Foundation Board of Directors may, from time to time, create additional committees with such powers and duties as the Board may prescribe. These Ad Hoc Committees may consist of directors or non-directors, as may be appointed by the NMC Foundation Board of Directors. By way of example and not by way of limitation, the following Ad Hoc Committees may, from time to time, exist: a Museum Advisory Committee; a Radio Station Advisory Committee; an advisory committee relative to the Great Lakes Maritime Academy; a Golf Outing Advisory Committee; a Bar-B-Q Advisory Committee; and advisory committees for alumni relations.

ARTICLE VII: EXECUTION OF DOCUMENTS

Section 1. Contracts and Documents Generally. Except as provided otherwise herein, contracts and other documents to be executed by the NMC Foundation shall be signed by the Chair or a Vice Chair and by the Secretary or Treasurer of the NMC Foundation, if available, and if not available, any two officers of the NMC Foundation may sign, unless otherwise required by law, or as set forth in the NMC Foundation’s Articles of Incorporation then on file with the State of Michigan. Notwithstanding this requirement, the NMC Foundation may delegate authority for approval and its commitment to be bound to transactions and contracts, and may set forth such authority in a Purchasing Procedure duly adopted by the NMC Foundation. Further, the Executive Director of NMC Foundation, or that person's designee, signing alone, is authorized and empowered to execute in the name of this Foundation documents arising in the ordinary course of the day-to-day operation of the business of the NMC Foundation, which are not otherwise addressed in this Article VII. The Board of Directors may authorize any other person or persons (whether or not an officer of the NMC Foundation) to sign any contract or other document and may authorize any such officer or other person to delegate, in writing, all or any part of such authority to any other person or persons.

Section 2. Notes, Checks and the Like. All notes, drafts, acceptances, checks, endorsements and all evidences of indebtedness of the NMC Foundation shall be signed by such person or persons and in such manner as the Board of Directors may from time to time determine.

Section 3. Deposits. All funds of the NMC Foundation shall be deposited to the credit of the NMC Foundation in such banks, trust companies, or other depositories as the Board of Directors may select.

ARTICLE VIII: INDEMNIFICATION AND REIMBURSEMENT
A. The NMC Foundation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding whether civil, criminal, administrative or investigative (other than an action brought by the NMC Foundation) by reason of the fact that the person is or was a director, officer or employee of the NMC Foundation, against expenses (including attorneys' fees) judgments, penalties, fines and amounts paid in settlement, actually and reasonably incurred by the person in such action, suit or proceeding if the person acted in good faith and in a manner the person believed to be in the best interests of the NMC Foundation and, with respect to any criminal action or proceeding, has no reasonable cause to believe the conduct was unlawful. The termination of any action, suit or proceeding by nolo contendere or its equivalent, shall not of itself create a presumption that the person did not act in good faith and in a manner which the person reasonably believed to be in or not opposed to the best interests of the NMC Foundation or its members and, with respect to any criminal action or proceeding, had reasonable cause to believe that the conduct was unlawful.

B. Expenses incurred in defending a civil or criminal action, suit or proceeding described above may be paid by the NMC Foundation in advance of the final disposition of the action, suit or proceeding upon receipt of a written promise by or on behalf of the director, officer, or employee or agent to repay the amount unless it is ultimately determined that the person is entitled to be indemnified by the NMC Foundation.

C. The determination as to whether a director, employee, or agent is entitled to indemnification shall be made in any of the following ways:

1. By the board, by a majority vote of a quorum consisting of directors who were not parties to the action, suit or proceeding.

2. If fewer than a quorum of Directors are not parties to the action, suit, or proceeding, a committee designated by the Board and consisting of two or more Directors who are not parties to the action, suit or proceeding, may vote by majority rule on whether a director, employee, or agent is entitled to indemnification.

3. By independent legal counsel in a written opinion.

4. By the majority vote of the directors.

ARTICLE IX: DISSOLUTION. The NMC Foundation may be dissolved and its charter revoked by action of the Board of Trustees of Northwestern Michigan College. Further, the NMC Foundation may otherwise be dissolved by operation of law. Upon dissolution of the NMC Foundation, its remaining assets, if any, shall be distributed to Northwestern Michigan College, an institution of higher education in the State of Michigan, established upon Act 188, Public Acts of 1955, as amended. If, at the time of dissolution the said College is not in existence or is unable to accept the assets, the distribution will be made to one or more organizations organized and operated exclusively for religious, charitable, scientific, literary, or educational purposes within the meaning
of Section 501(c)(3) of the Internal Revenue Code, as now in force or afterwards amended, as the directors of the NMC Foundation shall determine.

**ARTICLE X: COMPENSATION AND FEES.** Other than employees of Northwestern Michigan College who serve as the NMC Foundation officers by virtue of their positions with NMC, no director or officer of the NMC Foundation may receive any compensation or fees for services rendered as a director, nor may such director or officer receive any other pecuniary benefit by virtue of his or her office, excepting reimbursement of out-of-pocket expenses; provided, however, nothing herein contained shall limit the right of the Board of Directors of the NMC Foundation to establish and pay compensation to an executive director or, in the discretion of the Board of Directors, to fix and pay nominal compensation to the Secretary for the administrative and recordkeeping duties actually performed by the Secretary in fulfillment of the Secretary’s duties. Nothing herein shall be construed to preclude any director from serving the NMC Foundation in any other capacity separate and apart from services rendered as a director, and receiving compensation therefor as approved by the Executive Director of NMC Foundation.

**ARTICLE XI: CONFLICTS OF INTEREST.** Each Director shall comply with any and all applicable laws, rules, regulations, and requirements relating to conflicts of interest and shall execute any documents that may be necessary to effectuate such compliance.

**ARTICLE XII: AMENDMENT** These By-laws may be amended at any meeting of the Board of Directors by action of a majority of directors then in office provided thereafter the proposed amendment is approved by action of the Board of Trustees of Northwestern Michigan College. Any amendment provided by this article is not effective until both the NMC Foundation Board of Directors and the Northwestern Michigan College Board of Trustees give their approval.
MEMORANDUM OF UNDERSTANDING
BETWEEN NORTHWESTERN MICHIGAN COLLEGE
AND THE NORTHWESTERN MICHIGAN COLLEGE FOUNDATION

This Agreement is entered into this _____ day of ____________, 2015, by and between Northwestern Michigan College, a Michigan Community College authorized by the State of Michigan (the “College”), and the Northwestern Michigan College Foundation, a Michigan not for profit corporation organized under Section 501(c)(3) of the Internal Revenue Code (the “Foundation”).

Purpose

The Foundation was organized and incorporated in 1981 for the purpose of stimulating voluntary private support from alumni, parents, friends, corporations, foundations, and others, for the benefit of Northwestern Michigan College. The Northwestern Michigan College Foundation exists to raise and manage private resources supporting the mission and priorities of Northwestern Michigan College, and provide opportunities for students and a margin of institutional excellence unavailable with state funds. The Foundation is dedicated to assisting the College in the building of an endowment as well as addressing, through financial support, the long term academic and other priorities of the College.

As stated in its Articles of Incorporation, the Foundation is a separately incorporated Section 501(c)(3) organization and is responsible for identifying and nurturing relationships with potential donors and other friends of Northwestern Michigan College; soliciting cash, securities, real and intellectual property, and other private resources for the support of Northwestern Michigan College; and acknowledging and stewarding such gifts in accordance with donor intent in its fiduciary responsibilities. As outlined in its Articles of Incorporation, the purpose of the Northwestern Michigan College Foundation is as follows:

To provide support for the objects and purposes of the Northwestern Michigan College, an institution of higher education in the State of Michigan, established under Act 188, Public Acts of 1955, as amended, to assist in an exclusively educational and charitable manner in the accomplishment of the educational purposes of such institution; and to augment the facilities thereof in such manner as may be designated, directed, or desired by the Board of Trustees of said institution. Included, by way of illustration, but without limitation, are promotion, sponsorship, and carrying out of the educational, scientific, charitable, and related activities for the objects and purposes of Northwestern Michigan College; to take and hold by bequest, devise, grant, gift, purchase, lease, and transfer, and dispose of such property as the purposes and objects of the Foundation may require; to invest and reinvest the principal and income in accordance with the laws of the State of Michigan covering authorized investments for trustees; to deal with and spend the principal and income of the Foundation in such manner as will promote its objects; and in general to exercise such
other powers which now are or may hereafter be conferred by law upon a foundation organized for the purposes herein set forth, namely: the promotion of the objects and purposes of Northwestern Michigan College, or conducive to the attainment thereof; and in any event to operate exclusively for such charitable and educational purposes as are required for tax exempt status under Section 501(c)(3) and as a supporting organization under Section 509(a)(3) of the Internal Revenue Code.

In connection with its fundraising and asset management activities, the Foundation may retain personnel experienced in planning for and managing private contributions, and to work with the College to assist and advise in such activities.

In consideration of the mutual commitments contained herein, and other good and valuable consideration, receipt of which is hereby acknowledged, the parties agree as follows:

**Foundation Name**

Consistent with its mission to help advance the plans and objectives of Northwestern Michigan College, the Foundation has been granted the use of the name Northwestern Michigan College Foundation. So long as the Foundation is granted consent to the use of its name by the College, the College further grants to the Foundation the use of the Northwestern Michigan College seal and other identifying marks to be used in the promotion of its business and activities, all of which are related to the benefit of Northwestern Michigan College by mutual agreement.

**Relationship of Northwestern Michigan College to the Northwestern Michigan College Foundation**

The Board of Trustees of the College is responsible for overseeing the mission, leadership, and the operations of the College.

The Board of Directors of the Foundation is responsible for the control and management of all assets of the Foundation, including the prudent management of all gifts consistent with donor intent.

The President of the College is responsible for communicating the College’s priorities and long term plans, as approved by the Board of Trustees, to the Foundation. The Executive Director for Resource Development, or the equivalent staff position at the College, shall serve as the Executive Director of the Foundation unless otherwise agreed by the College and the Foundation. The Executive Director of the Northwestern Michigan College Foundation shall be included as a member of the Senior Administrative Team of the President of Northwestern Michigan College.

The College recognizes that its Foundation is a private corporation, with the authority to keep records and data confidential consistent with the law.
The College shall establish and enforce policies that support the Foundation’s ability to respect the privacy and confidentiality of donor records and shall adhere to practices set forth in the Association of Fundraising Professionals’ Donor Bill of Rights.

**Foundation Responsibilities**

The Foundation shall create an environment conducive to increasing levels of private support for the mission and priorities of Northwestern Michigan College. The Foundation, in consultation with the College, will assist with planning and executing comprehensive fundraising and donor acquisition programs in support of the College’s mission. These programs include annual giving, major gifts, planned gifts, special projects, and campaigns as appropriate. Northwestern Michigan College recognizes that the Foundation bears primary responsibility for fundraising, and will coordinate fundraising initiatives with the Foundation.

The Foundation will establish, adhere to, and periodically assess its gift management and acceptance policies. It will promptly acknowledge and issue receipts for all gifts on behalf of the Foundation and the College, and provide appropriate recognition and stewardship of such gifts.

**Asset Management**

The Foundation will establish estate asset allocation, disbursement, and spending policies that adhere to applicable federal and state laws, including the Uniform Prudent Investor Act (UPIA), and the Uniform Management of Institutional Funds Act (UMIFA). The Foundation will receive, hold, manage, invest, and disburse contributions of cash, securities, patents, copyrights, and other forms of property, including immediately vesting gifts and deferred gifts that are contributed in the form of planned and deferred gift instruments.

To the extent permitted by law, the College and the Foundation will cooperate in the engagement of an independent accounting firm annually to conduct an audit of the Foundation’s financial and operational records, and will provide the Northwestern Michigan College Board of Trustees a copy of the annual audited financial statements, including management letters.

**Institutional Flexibility**

The Foundation may explore current opportunities, including acquisition and management of real estate, on behalf of the College, for future allocation, transfer, or use. The Foundation may serve as an instrument for entrepreneurial activities for the College and engage in such activities as purchasing, developing, or managing real estate for College expansion, student housing, or retirement communities. It may also hold licensing agreements and other forms of intellectual property, borrow or guarantee debt issued by the parties, or engage in other activities to increase Foundation revenue with no direct connection to a College purpose.

When distributing gift funds to the College, the Foundation will disclose any terms, conditions, or limitations imposed by donor or other legal determination on the gift. The College will abide by such restrictions and provide appropriate documentation.

Consistent with the College’s Gift Acceptance Policy, the Foundation is the primary depository of private gifts to the College, and will transfer funds to the College in compliance
with applicable laws, College policies, and gift agreements. The Foundation’s disbursements on behalf of the College must be reasonable business expenses that support the College, are consistent with donor intent, and do not conflict with the law.

**Foundation Funding and Administration**

**Operating Expenses and College distributions**

The Foundation shall compensate the College for administrative and operational expenses as set forth below. Distributions to the College for other expenses shall also be completed as set forth in the Agreement. The Foundation shall establish a financial plan to underwrite the cost of Foundation programs, operations, and services, which shall be approved by College President, and as amended by agreement. The Foundation has the right to use annual unrestricted funds, and assess fees for services to support its operations.

In recognition that a portion of resource development remains the responsibility of the College, the Foundation and the College shall mutually agree upon an annual operating budget within which a portion of Foundation operating expenses are allocated for payment paid by the College with the remaining expenses to be paid by the Foundation.

The Foundation shall ensure that it is setting and achieving the mutual goals of the College and Foundation in terms of continued organizational development and resource development in support of College priorities.

The Foundation additionally agrees to provide necessary resources to support reasonable fundraising activities, including events, that may be outside the realm of allowable expenditures for the College.

**Office Space**

The College additionally agrees to provide adequate and appropriate office space to the Foundation. This includes computer and telephone systems, utilities, and other such services that may be necessary or required to fulfill its responsibilities and obligations.

**Technology Infrastructure (Data)**

Within the operating budget addressed above, the Foundation shall own and maintain an effective donor and alumni database. All gifts to the College are to be tracked and stewarded appropriately. Reports to the Foundation Board and the College Board of Trustees shall be made available as requested. In recognition that the College’s Gift Acceptance Policy allocates all gifts, which requires contact with the gift donors, The Foundation will share data with the College, which does not violate donor’s rights and which is in accordance with applicable laws, Foundation policies, and guidelines.

**Staffing**

The Foundation shall be adequately staffed in order to meet mutually agreed upon goals, by College employees. Compensation for employees will be part of the aforementioned annual
operating budget and paid for by the College. The Foundation may contribute to the College in order to enhance employee compensation at additional Foundation expense in order to attract or retain employees.

The College additionally agrees to provide business support services to the Foundation. This includes but is not limited to monthly bank reconciliation, service of the Northwestern Michigan College Chief Financial Officer as an ad-hoc member of the Foundation’s Finance and Audit Committee, and audit support.

The College President is expected to serve a critical role as a fundraiser and relationship builder in support of the College and in collaboration with the fundraising initiatives of the Foundation.

The Executive Director of the Foundation shall serve as a member of the Northwestern Michigan College senior administrative team. The President of Northwestern Michigan College shall have the responsibility to hire, with input from the Foundation Executive Committee, and supervise the Executive Director. The Executive Committee of the College shall have the opportunity to annually, and more often if needed, provide input regarding the performance of the Executive Director. The Foundation Chair and the College President shall annually meet with the Executive Director to review his/her performance.

Miscellaneous Terms

This Memorandum of Understanding is intended to set forth policies and procedures that will contribute to the coordination of activities that mutually benefit the College and the Foundation. To ensure effective achievement of the terms of this agreement, the College and Foundation officers and board representatives shall hold periodic meetings to foster and maintain productive relationships and to ensure open and continuing communications and alignment of priorities.

Either party may, upon one year’s prior written notice to the other, terminate this agreement. Notwithstanding the foregoing, either party may terminate this Memorandum of Understanding in the event that the other party defaults in the performance of its obligations and fails to cure the default within a reasonable time after receiving written notice showing cause.

Should Northwestern Michigan College choose to terminate this agreement, the Northwestern Michigan College Foundation may require the College to pay, within 180 days of written notice, all debt incurred by the Foundation on the College’s behalf. Should the Northwestern Michigan College Foundation choose to terminate this agreement, Northwestern Michigan College may require the Foundation to pay debt it holds on behalf of the Foundation in like manner. Either party may propose changes to this agreement to be negotiated and approved by both boards.

Consistent with provisions appearing in the Northwestern Michigan College Foundation’s Bylaws and its Articles of Incorporation, should the Foundation cease to exist or cease to be an Internal Revenue Code Section 501(c)(3) organization, the Foundation will transfer its assets and property to Northwestern Michigan College so long as it remains in existence, or in a manner otherwise provided under law and in accordance with donor intent.
IN WITNESS WHEREOF, the parties have caused this Memorandum of Understanding to be executed by their duly authorized officers as of the day and date first above written.

NORTHWESTERN MICHIGAN COLLEGE

By: __________________________
Douglas Bishop, Chairman of the Board of Trustees

By: __________________________
Timothy J. Nelson, President

Date: __________________________

NORTHWESTERN MICHIGAN COLLEGE FOUNDATION

By: __________________________
Mark Lundmark, Chair of the Foundation Board of Directors

By: __________________________
Rebecca Teahen, CFRE, Executive Director

Date: __________________________
Board Policy C-100.00
Ends Policy

Mission

Northwestern Michigan College provides lifelong learning opportunities to our communities.

If any provisions(s) of this policy or set of bylaws conflicts with laws applicable to Northwestern Michigan College, including the Community College Act of 1966, the Freedom of Information Act, or the Open Meetings Act, as each may be amended from time to time, such laws shall control and supersede such provisions(s).

Initially adopted by the Northwestern Michigan College Board of Trustees November 23, 1998
Replaces C-101.00, adopted February 24, 1992
Revised March 26, 2007
Reviewed without change November 22, 2010
Board Policy C-102.00
Ends Policy

Values

Our individual and collective efforts create the legacy of NMC. In order to achieve our mission, we are individually committed and responsible to live these values:

Learning is at the center of all we strive to achieve. It is the foundation upon which an enlightened citizenry and a dynamic community are built and is a lifelong process in which we are all engaged.

We will continuously improve the learning experience and its global relevance to those we serve through innovation, agility and thoughtful risk-taking.

Our actions are governed by the highest degree of ethics, integrity and personal responsibility, exhibited through transparency, openness and trust.

We each will practice responsible stewardship for the human, physical, financial and environmental resources entrusted to our care.

Each of us will strive to exceed expectations for quality and service in all that we do.

We value all people and will invest in their personal and professional growth and development.

We will exhibit foresight by monitoring the changing world around us and taking actions today that prepare us to meet future needs of our communities.

We will seek others who share our vision and values, and collaborate with them on behalf of our communities.

If any provisions(s) of this policy or set of bylaws conflicts with laws applicable to Northwestern Michigan College, including the Community College Act of 1966, the Freedom of Information Act, or the Open Meetings Act, as each may be amended from time to time, such laws shall control and supersede such provisions(s).

Adopted by the Northwestern Michigan College Board of Trustees November 23, 1998
Replaces C-102.00, adopted August 28, 1995
Revised March 26, 2007
Revised November 22, 2010