



Northwestern  
Michigan  
College

# Board of Trustees

[www.nmc.edu/trustees](http://www.nmc.edu/trustees)

*We deliver lifelong learning opportunities to transform lives and enrich our communities.*

1701 East Front Street  
Traverse City, MI 49686  
(231) 995-1010  
[trustees@nmc.edu](mailto:trustees@nmc.edu)

## Meeting Agenda

Monday, October 24, 2022  
at Timothy J. Nelson Innovation Center  
Room 106/107

4:00 p.m. Reception and Special Meeting  
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. STRATEGIC FOCUS

- E. Student Engagement and Success—*Jason Slade, Vice President of Strategic Initiatives, and Todd Neibauer, Vice President for Student Services and Technologies*

### III. REPORTS AND PRESENTATIONS

- F. Audit Presentation—*Vicki VanDenBerg and Jeff Pohler, Plante & Moran, PLLC*
- G. Faculty Report: *Glenn Wolff, Humanities Instructor*

### IV. PUBLIC INPUT

Each person wishing to address the Board during public comment must be present and shall provide their name, address, city, phone, and issue to be addressed on a form provided prior to the meeting. The topic addressed should be related to business within the jurisdiction of the Board. Forms will be collected and given to the Board Chair prior to the call for order. Comments will be limited to three minutes in length per speaker.

### V. UPDATES

- H. President's Update—*President Nick Nissley*
- I. Board Chair Update—*Rachel Johnson, Chair*

### 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:



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- J. Minutes of the September 26, 2022, regular meeting
- K. Enrollment Report—*Todd Neibauer, Vice President for Student Services and Technologies*
- L. Financial Report—*Troy Kierczynski, Vice President of Finance and Administration*
- M. PRMC Report—*Diana Fairbanks, Associate Vice President of Public Relations, Marketing, and Communications*
- N. Foundation Report—*Jennifer Hricik, Interim Associate Vice President for Resource Development and Executive Director of Foundation*
- O. Scholarship and Financial Aid Report—*Linda Berlin, Director of Financial Aid*
- P. Audit Committee Report—*Kennard Weaver, Committee Chair*
- Q. Policy Committee Report—*Chris Bott, Committee Chair*

### VII. ACTION ITEMS

- R. **Acceptance of NMC Audit** (Pursuant to Policy A-106.00 Finance)  
Recommend acceptance of the financial audit of Northwestern Michigan College for the fiscal year ended June 30, 2022, as presented.
- S. **FY24 Five Year Capital Outlay Plan** (Pursuant to Policy A-106.00 Finance)  
Recommend approval of the FY 2024 Five-Year Capital Outlay Plan for submission to the Michigan Office of the State Budget as presented.
- T. **Board Policies** (Pursuant to Policy A-106.00 Other)  
Recommend adoption of the following Board policies on a second-reading basis:
  - Policy B-100.00 Board of Trustees Delegation to the President
  - Policy B-101.00 President's Role and Job Description
  - Amended Policy C-104.00 Institutional Effectiveness Criteria
- U. **Board Policies** (Pursuant to Policy A-106.00 Other)  
Recommend adoption of the following amended Board policies on a first-reading basis:
  - B-102.00 Monitoring Presidential Performance
  - B-103.00 Communication and Counsel to the Board
  - D-100.00 Learning Outcomes
  - D-200.00 Enrichment
  - D-202.00 Public School Academies
- V. **Discontinuation of Level 1 Certificate in Plumbing** (Pursuant to Policy A-106.00 Educational Services)  
Recommend authorization to discontinue the Level 1 Certificate in Plumbing.
- W. **Milliken Auditorium Lighting** (Pursuant to Policy A-106.00 Finance)  
Recommend authorization for administration to enter into a contract with CSD Lighting in the amount of \$317,283 to complete a full LED conversion of the Milliken Auditorium lighting system.



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- X. **New Jobs Training Agreements** (Pursuant to Policy A-106.00 Finance) Recommend authorization for administration to enter into training agreements under the Michigan New Jobs Training Program (MNJTP) for the following companies:
- Cherry Republic (two amendments)
  - RJG (amendment)
  - Shoreline Power (amendment)
  - Tamarack Holdings (amendment)
  - Adaptive Counseling (amendment)
- XI. **Closed Session** (Pursuant to B-102.00 Monitoring Presidential Performance) Recommend that the Board adjourn the open session and consider in closed session (pursuant to Subsection 8(a) of the Open Meetings Act, MCL 15.268) the annual performance evaluation of the president, per his request for a closed session.
- Z. **Reconvene Regular Session** (Pursuant to Policy A-106.00 Other) Recommend the closed session adjourn and the open session of the regular meeting be reconvened.
- AA. **Presidential Performance Evaluation** (Pursuant to Policy A-106.00 Human Resources) Recommend the acceptance of the October 2022 Presidential Performance Evaluation.

### 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.*

November 21, 2022—NMC Hagerty Center, Great Lakes Campus, Room C  
 December 12, 2022—NMC Hagerty Center, Great Lakes Campus, Room C (2<sup>nd</sup> Monday)  
 January 23, 2023—NMC Hagerty Center, Great Lakes Campus, Room C  
 February 27, 2023—NMC Hagerty Center, Great Lakes Campus, Room C  
 March 20, 2023 (3<sup>rd</sup> Monday)—NMC Hagerty Center, Great Lakes Campus, Room C  
 April 24, 2023—NMC Hagerty Center, Great Lakes Campus, Room C  
 May 22, 2023—NMC Hagerty Center, Great Lakes Campus, Room C  
 June 26, 2023—NMC Hagerty Center, Great Lakes Campus, Room C

# NMC NEXT

OUR COMMUNITY. OUR COLLEGE. OUR FUTURE.

**To:** Dr. Nick Nissley, President  
**From:** Jason Slade, Vice President of Strategic Initiatives  
**Date:** October 17, 2022  
**Subject:** Strategic Initiatives Update: *October 24, 2022 Board of Trustees Meeting*  
 Topic: *Strategy 2 - Student Engagement and Success*

## **Strategy 2: Student Engagement and Success**

Develop and deliver comprehensive support services, robust engagement opportunities, and a vibrant collegiate experience to foster learner success, goal completion, and employability.

*(Champion: Todd Neibauer)*

### *Summary:*

This strategy is currently on track with 3 of the 5 objectives currently classified as “green” due to their progress through the action steps. The two other objectives are behind due to staffing issues but continue to make progress. Metrics have been added to the document along with a baseline and targets.

### *Highlights and Successes:*

- Implementation of student attendance tracking at extra and co-curricular events began with the start of Fall 2022 semester.
- PRMC has developed new specialized marketing plans and creative strategies for traditional learners, adult learners (21+) and key program areas including computer information technology, GLCI, engineering, digital arts, law enforcement, tech+. PRMC, with its new digital marketing partner Statwax launched the first round of paid media on 10/3/2022. Response data is being monitored and campaigns will be adjusted based on performance to optimize results.
- PRMC has developed an entirely new viewbook for use by the admissions team in direct mail and recruiting efforts. Additional marketing materials, including a collection of new program specific brochures, will also be completed this month.
- Phase 1 of assigning all students an advisor has begun, allowing students to be connected automatically with an advisor in their area of study, increasing completion support.

### *Challenges and Opportunities:*

- Staff attrition in advising and other areas has slowed progress on some actions pertaining to student success.
- Success coaching (Objective #4) requires a full-time success coach to fully implement. This position will be prioritized during the upcoming budget cycle.



- Enrollment trends will continue to be monitored and analyzed as Spring '23 and Fall '23 registrations are tracked.

<b>Strategy 2 - Student Engagement and Success</b>				
<b>Objective 1:</b> Increase student sense of belonging through participation in extra and co-curricular activities for first semester students to increase 1st semester persistence from 77.7% in Fall 2019 to 82% by Fall 2025.				
Status of Action Steps	Baseline	Current	Target	Notes
Complete - 1 action On Schedule - 4 actions Behind Schedule - 1	1st semester persistence = 77.7% (Fall 2019)	Data not available until Spring semester	82% (Fall 2025)	The ID Scan system is on backorder. Using QR codes to track participation until the system arrives.
<b>Objective 2:</b> Implement new enrollment marketing plans to increase the percentage of area high school graduates attending NMC by 3 percentage points (from 41% to 44%) by Fall 2024.				
Status of Action Steps	Baseline (Fall 2021)	Current	Target	Notes
Complete - 3 action On Schedule - 5 actions	Baseline: 41% ('20 grads) 37% ('21 grads)	Data from State of Michigan in January 2023	Target: 44% (Fall 2024)	Note 2021 grads fell below baseline during development of Strategic Plan.  New marketing campaign launched Oct 2022
<b>Objective 3:</b> Implement new enrollment marketing plans to increase enrollment in age categories 21 <sup>+</sup> from 1,510 to 1,660 (10%) by Spring 2024.				
Status of Action Steps	Baseline	Current	Target	Notes
Complete - 2 action On Schedule - 4 actions Not Started - 1	Baseline: 1,510	Current: 1,478 (Fall '22)  1,601 (Spring '22)*	Target: 1,660	New marketing campaign launched Oct 2022  *Spring '22 includes Reconnect and Future for Frontliner students completing their studies
<b>Objective 4:</b> Enhance student completion supports to increase the three year completion success rate from 38.9% to 40.4% by Spring 2025				
Status of Action Steps	Baseline	Current	Target	Notes
On Schedule - 5 actions Behind Schedule - 2	Baseline: 38.9% ('17-'18) 37.1% ('18-'19)	3 year completion data is not available.	Target: 40.4%	Phase 1 of automatically assigning advising complete. Implementing stage 2. Group career counseling has been limited due to retirement and internal transfer.

**Objective 5:** Increase percentage of students using success coach services to increase College-level Course Enrollee Success Rate (2.0 and above) from 79.8% in Fall 2020 to 83% by Fall 2025.

Status of Action Steps	Baseline	Current	Target	Notes
On Schedule - 2 actions Behind Schedule - 2 actions	Baseline: 79.8% (Fall 2020)	Fall 2021: 80.6%*	Target: 83%	Full-time success coach was not funded during prioritization of positions for this year. Delaying student follow-ups. Will submit for reprioritization and approval for FY24. However, maintaining progress on many of the actions.  * Working with ORPE on target due to variance between semesters. Incorporate into Year 2 planning session in November.

**Key**

<b>Green</b>	> 75% of scheduled actions supporting objective are on task
<b>Yellow</b>	> 50% of scheduled actions supporting objective are on task
<b>Red</b>	< 50% of scheduled actions supporting objective are on task

*PDCA (Plan Do Check Adjust):* No current feedback to champions from stakeholders/others.

*Next Month:* Strategy 3: Diversity, Equity, and Inclusion

# Northwestern Michigan College

Public Relations, Marketing and Communications

UPDATE & OUTLOOK  
OCTOBER 17, 2022



## //THE OPPORTUNITY//

The Northwestern Michigan College President and The Board of Trustees invested in the **Public Relations, Marketing and Communications** Office in 2021 to support the strategic goals of the college, especially enrollment.

That investment includes a new Marketing Office Manager, Marketing Director, Creative Director, Communications Director and increased ad budget.

With new support, clear direction and a collaborative approach, we are making positive progress toward our shared goals.



## //THE PAST: **APRIL 2021**//

- Demand for PRMC services far exceeds the supply
- Current expertise is not aligned with higher ed marketing trends and organizational needs
- A lack of marketing governance and an integrated branding strategy results in inconsistent branding, messaging and rogue marketing
- The role and definition of marketing is unclear
- 17+ departments doing their own design
- 19+ departments doing their own social media
- 11+ departments managing their own advertising
- \$363,985+ being spent outside of the marketing budget



## //THE VISION: **APRIL 2023**//

- Marketing plans for top strategic programs
- Marketing guidance and support for other areas
- Increased leads with SEM and campaigns
- Execution of web strategy and development
- Initial integration of campaigns with CRM
- Social media strategy
- Graphic design support for college-wide initiatives
- College-wide branding initiative
- Establishment of college-wide creative graphic expression



## //THE APPROACH//

We have a **new, innovative** and **strategic** approach to our work at NMC.

ALL PROJECTS FALL INTO ONE OF THREE CATEGORIES.



## //LEAD//

For the NMC's highest priority areas PRMC will **lead** the development and management of integrated marketing communications plans to advance the college's strategic goals. This work may include paid, earned, shared and owned media campaigns aimed at target audiences. PRMC will monitor campaign performance, make needed adjustments and report progress to stakeholders at regular intervals.



## //LEAD//

Our comprehensive approach is limited to select **enrollment related areas** to ensure the highest quality service and optimal outcomes.

ADULT LEARNERS

TRADITIONAL LEARNERS

COMPUTER INFORMATION  
TECHNOLOGY

CULINARY

DIGITAL ARTS  
AUDIO TECH & VISCOM

ENGINEERING

POLICE ACADEMY

TECH+ SURVEYING, MARINE TECHNOLOGY  
& ENGINEERING TECHNOLOGY



## //THE WORK//

NEW!

- > Strategic marketing plans for all lead clients
- > Creative strategies

NEW!

- > Higher ed digital marketing partner
- > Google search, display and discovery ad campaigns
- > Paid social media ads on Facebook, Instagram, TikTok and Snapchat
- > Landing page and program web pages
- > UC website and digital ad campaign

NEW!

- > Brand toolkit
- > Photography assets
- > Viewbook
- > Brochures

NEW!

- > Email marketing campaigns
- > Direct mail campaigns
- > Local media ads: Northern Express, The Ticker, TC Business News Paid ads
- > Promotional items (table skirt, stickers, pull up banners and more)



# //THE WORK//

## NEW TRADITIONAL LEARNER CAMPAIGN STRATEGY & CREATIVE

**Goal:**

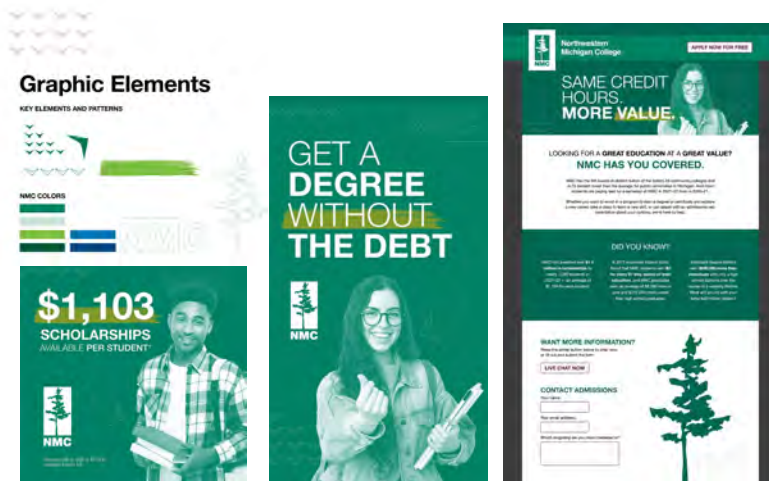
Strategy 2, Objective 2A: Implement new enrollment marketing plans to increase the percentage of area high school graduates attending NMC by 3 percentage points (from 41% to 44%) by Fall 2024.

**Key messages**

1. Get a degree without the debt.
2. \$1,103 scholarships available per student. \*Almost half of NMC's \$2,300 average tuition bill.
3. Same credit hours. More value.

**Visual messages**

New vibrant color palette to brand the campaign and differentiate between the adult and traditional learner. Fresh NMC elements: Outlined NMC, arrows and dotted lines for movement. The duotone effect on the student images will aid in making this a cohesive campaign and appeal to the key audience. The brush stroke adds a personal touch and draw the viewer's eye to the heading and key information.



# //THE WORK//

## NEW ADULT LEARNER CAMPAIGN STRATEGY & CREATIVE

**Goal:**

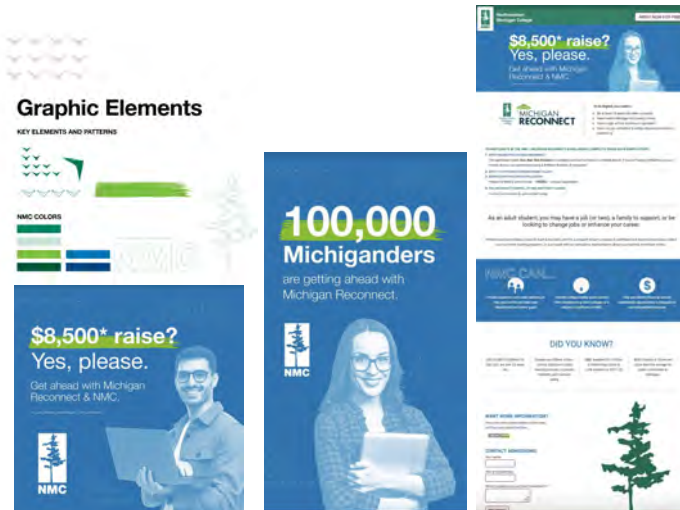
Strategy 2, Objective 2B: Implement new enrollment marketing plans to increase enrollment in adult learner categories 21+ from 1510 to 1660 (10%) by Spring 2024.

**Key messages:**

1. Take advantage of Michigan Reconnect at NMC today. Don't miss out on this funding opportunity!
2. \$8,500\* raise? Yes, please. Get ahead with Michigan Reconnect & NMC.
3. 100,000 Michiganders are getting ahead with Michigan Reconnect. You can too & we can help.

**Visual messages**

New vibrant color palette to brand the campaign and differentiate between the adult and traditional learner. Fresh NMC elements: Outlined NMC, arrows and dotted lines for movement. The duotone effect on the student images will aid in making this a cohesive campaign and appeal to the key audience. The brush stroke adds a personal touch and draw the viewer's eye to the heading and key information.







# //THE WORK//

## NEW VIEWBOOK STRATEGY & CREATIVE

**Goal:**

Create a new robust viewbook with content identified by both PRMC and Admissions to support strategic enrollment initiatives, specifically; Strategy 2, Objective 2A: Implement new enrollment marketing plans to increase the percentage of area high school graduates attending NMC by 3 percentage points (from 41% to 44%) by Fall 2024. With enrollment decreasing, the viewbook must convey NMC's position as a desirable institution that can fulfill their academic and personal needs.

**Key messages**

- Focus on the student
- You belong
- Inclusive
- Engaging opportunities
- ELI
- Top notch instructors, small class ratio
- Student support for success
- Comprehensive 60+ programs
- Dual enrollment, University Center partners
- Affordable
- MI Reconnect

**Visual messages**

Incorporate images that are authentic and represent NMC's campus population and surrounding area.

Visually engaging, would like to be part of NMC. Color choices are vibrant and convey energy.

The design elements show movement and direction and engages the viewer. The circle element draws attention, inclusion, and completion. Focused text (less) to engage the reader and balance with informational content.



## Graphic Elements

Introduction of a new graphic elements taken from the existing NMC hawk owl. Elements will be incorporated in all creatives for identity and continuity. Elements show movement, connections, seeking, journey, and destination.

**PATTERNS**

**SHAPES**

**NMC COLORS**

# //THE WORK//

## NEW VIEW BOOK





# //THE WORK//

## NEW PROGRAM AREA CAMPAIGNS STRATEGY & CREATIVE

### Goal

These objectives support the strategic plan: Strategy 2, Objective 2A. Boosting enrollment in the six low enrolled and high demand program areas. The number of students needed for each program has been identified based on the specific program in the marketing plan.

### Visual messages

Create a cohesive identity for six program areas. This is achieved by incorporating a similar color palette and standard design elements through each media piece. The primary photo focuses on the student shown in the surroundings of area studying. Other images are in contrast showing a technical side, graphic element, etc.

### Graphic Elements

**ENGINEERING COLORS**

**CIT COLORS**

**DIGITAL ARTS COLORS**

**POLICE ACADEMY COLORS**

**TECH+ COLORS**

**GLCI COLORS**

**PATTERNS & SHAPES**

**NMC Northwestern Michigan College**

### NEW Culinary-Maritime Certificate

**STARTS FALL 2023**

- High-demand job
- Good pay and benefits
- Affordable training
- One-year program
- First of its kind certificate

Get a culinary professional on a U.S. Flag merchant vessel with the new Culinary-Maritime certificate from the Great Lakes Culinary Institute.

Learn how to become a chef on the water, courses include:

- Safety cooking
- Sanitation
- Menu planning
- Nutrition
- Food and beverage operations
- Cost control
- Culinary creativity

“I would get professional training, only culinary school and to be able to work on a ship. I would get a lot of experience and training. I would get a lot of experience and training. I would get a lot of experience and training.”

Ready to get your certificate? Call 616-255-1234 or visit [www.nmc.edu](http://www.nmc.edu) for more information.

**NMC Northwestern Michigan College**

# //THE WORK//

## PROGRAM BROCHURES

**ENGINEERING**  
Get better with NMC. Earn your degree faster. Get your certificate today.

**COMPUTER INFORMATION TECHNOLOGY (CIT)**  
Work in any industry. Earn your degree faster. Get your certificate today.

**DIGITAL ARTS**  
Explore creative areas. Earn your degree faster. Get your certificate today.

**GREAT LAKES CULINARY INSTITUTE (GLCI)**  
Chef on the water. Earn your degree faster. Get your certificate today.

**Tech+**  
State of the art equipment. Earn your degree faster. Get your certificate today.

**POLICE ACADEMY**  
100% job placement post graduation! Earn your degree faster. Get your certificate today.

### DIGITAL ADS

**ENGINEERING**  
1/4 of a four-year school's tuition. ALL OF THE CREDIT.  
→ APPLY NOW!

**COMPUTER INFORMATION TECHNOLOGY (CIT)**  
Ready to work anywhere in the world? Let us guide you there.  
→ WORK AHEAD!

**POLICE ACADEMY**  
100% job placement post graduation!  
→ APPLY NOW!

# //THE WORK//

## INSIDE A PROGRAM BROCHURE

### ENGINEERING (ASE)

Associate in Science and Arts (ASA)  
Associate of Science in Engineering (ASE)

**MTU articulation agreements:**

- Michigan Technological University
- Michigan State University
- Western Michigan University
- Eastern Michigan University
- Central Michigan University
- Northwestern Michigan College

**2 years to earn \$80,000 median salary**

### YOUR PATHWAY

Engineer a successful career.

**1.1 ATTENTION** Class starts in 16 weeks.

**2.1 FOUNDATION COURSES** Meet with your advisor to explore your options.

**3.1 INTEREST FORM** Submit online at [www.nmc.edu/interest](http://www.nmc.edu/interest).

**4.1 DIRECT TRANSFER** Transfer to a 4-year university.

### It's all about the math.

**\$33,300** Tuition at U of M or MTU is covered!  
**\$7,280** Tuition at NMC is covered!  
**\$26,020** YOU CAN SAVE  
NMC can help you get ahead & save money!

**1 ENGINEERING (ASA)**

COURSE	CREDITS	
CHM 100	General Chemistry I	5
MTH 101	Calculus I	5
MTH 102	Calculus II	5
MTH 201	Differential Equations	4
PHY 201	Physics & Phys. of Physics I	5
PHY 202	Physics & Phys. of Physics II	5
PHY 203	Physics & Phys. of Physics III	5
PHY 204	Physics & Phys. of Physics IV	5
PHY 205	Physics & Phys. of Physics V	5
PHY 206	Physics & Phys. of Physics VI	5
PHY 207	Physics & Phys. of Physics VII	5
PHY 208	Physics & Phys. of Physics VIII	5
PHY 209	Physics & Phys. of Physics IX	5
PHY 210	Physics & Phys. of Physics X	5
PHY 211	Physics & Phys. of Physics XI	5
PHY 212	Physics & Phys. of Physics XII	5
PHY 213	Physics & Phys. of Physics XIII	5
PHY 214	Physics & Phys. of Physics XIV	5
PHY 215	Physics & Phys. of Physics XV	5
PHY 216	Physics & Phys. of Physics XVI	5
PHY 217	Physics & Phys. of Physics XVII	5
PHY 218	Physics & Phys. of Physics XVIII	5
PHY 219	Physics & Phys. of Physics XIX	5
PHY 220	Physics & Phys. of Physics XX	5
PHY 221	Physics & Phys. of Physics XXI	5
PHY 222	Physics & Phys. of Physics XXII	5
PHY 223	Physics & Phys. of Physics XXIII	5
PHY 224	Physics & Phys. of Physics XXIV	5
PHY 225	Physics & Phys. of Physics XXV	5
PHY 226	Physics & Phys. of Physics XXVI	5
PHY 227	Physics & Phys. of Physics XXVII	5
PHY 228	Physics & Phys. of Physics XXVIII	5
PHY 229	Physics & Phys. of Physics XXIX	5
PHY 230	Physics & Phys. of Physics XXX	5
PHY 231	Physics & Phys. of Physics XXXI	5
PHY 232	Physics & Phys. of Physics XXXII	5
PHY 233	Physics & Phys. of Physics XXXIII	5
PHY 234	Physics & Phys. of Physics XXXIV	5
PHY 235	Physics & Phys. of Physics XXXV	5
PHY 236	Physics & Phys. of Physics XXXVI	5
PHY 237	Physics & Phys. of Physics XXXVII	5
PHY 238	Physics & Phys. of Physics XXXVIII	5
PHY 239	Physics & Phys. of Physics XXXIX	5
PHY 240	Physics & Phys. of Physics XL	5
PHY 241	Physics & Phys. of Physics XLI	5
PHY 242	Physics & Phys. of Physics XLII	5
PHY 243	Physics & Phys. of Physics XLIII	5
PHY 244	Physics & Phys. of Physics XLIV	5
PHY 245	Physics & Phys. of Physics XLV	5
PHY 246	Physics & Phys. of Physics XLVI	5
PHY 247	Physics & Phys. of Physics XLVII	5
PHY 248	Physics & Phys. of Physics XLVIII	5
PHY 249	Physics & Phys. of Physics XLIX	5
PHY 250	Physics & Phys. of Physics L	5
PHY 251	Physics & Phys. of Physics LI	5
PHY 252	Physics & Phys. of Physics LII	5
PHY 253	Physics & Phys. of Physics LIII	5
PHY 254	Physics & Phys. of Physics LIV	5
PHY 255	Physics & Phys. of Physics LV	5
PHY 256	Physics & Phys. of Physics LVI	5
PHY 257	Physics & Phys. of Physics LVII	5
PHY 258	Physics & Phys. of Physics LVIII	5
PHY 259	Physics & Phys. of Physics LVIX	5
PHY 260	Physics & Phys. of Physics LX	5
PHY 261	Physics & Phys. of Physics LXI	5
PHY 262	Physics & Phys. of Physics LXII	5
PHY 263	Physics & Phys. of Physics LXIII	5
PHY 264	Physics & Phys. of Physics LXIV	5
PHY 265	Physics & Phys. of Physics LXV	5
PHY 266	Physics & Phys. of Physics LXVI	5
PHY 267	Physics & Phys. of Physics LXVII	5
PHY 268	Physics & Phys. of Physics LXVIII	5
PHY 269	Physics & Phys. of Physics LXIX	5
PHY 270	Physics & Phys. of Physics LXX	5
PHY 271	Physics & Phys. of Physics LXXI	5
PHY 272	Physics & Phys. of Physics LXXII	5
PHY 273	Physics & Phys. of Physics LXXIII	5
PHY 274	Physics & Phys. of Physics LXXIV	5
PHY 275	Physics & Phys. of Physics LXXV	5
PHY 276	Physics & Phys. of Physics LXXVI	5
PHY 277	Physics & Phys. of Physics LXXVII	5
PHY 278	Physics & Phys. of Physics LXXVIII	5
PHY 279	Physics & Phys. of Physics LXXIX	5
PHY 280	Physics & Phys. of Physics LXXX	5
PHY 281	Physics & Phys. of Physics LXXXI	5
PHY 282	Physics & Phys. of Physics LXXXII	5
PHY 283	Physics & Phys. of Physics LXXXIII	5
PHY 284	Physics & Phys. of Physics LXXXIV	5
PHY 285	Physics & Phys. of Physics LXXXV	5
PHY 286	Physics & Phys. of Physics LXXXVI	5
PHY 287	Physics & Phys. of Physics LXXXVII	5
PHY 288	Physics & Phys. of Physics LXXXVIII	5
PHY 289	Physics & Phys. of Physics LXXXIX	5
PHY 290	Physics & Phys. of Physics LXXXX	5
PHY 291	Physics & Phys. of Physics LXXXXI	5
PHY 292	Physics & Phys. of Physics LXXXXII	5
PHY 293	Physics & Phys. of Physics LXXXXIII	5
PHY 294	Physics & Phys. of Physics LXXXXIV	5
PHY 295	Physics & Phys. of Physics LXXXXV	5
PHY 296	Physics & Phys. of Physics LXXXXVI	5
PHY 297	Physics & Phys. of Physics LXXXXVII	5
PHY 298	Physics & Phys. of Physics LXXXXVIII	5
PHY 299	Physics & Phys. of Physics LXXXXIX	5
PHY 300	Physics & Phys. of Physics LXXXXX	5

# //THE WORK//

## PROGRAM AREA LANDING PAGES

### Tech +

SURVEYING  
MARINE TECHNOLOGY  
ENGINEERING TECHNOLOGY

**EXPLORE HANDS ON AREAS**

**YOUR PATHWAY**  
Chart a successful career

Interested?

READY TO LEARN MORE?

NOT READY TO CHAT YET?

### DIGITAL ARTS

AUDIO TECHNOLOGY  
VISUAL COMMUNICATIONS

**EXPLORE CREATIVE AREAS**

**YOUR PATHWAY**  
Design a successful career

Interested?

READY TO LEARN MORE?

NOT READY TO CHAT YET?

### GREAT LAKES CULINARY INSTITUTE (GLCI)

NEW CULINARY-MARITIME CERTIFICATE

**EXPLORE CRAFT AREAS**

**YOUR PATHWAY**  
Make a successful career

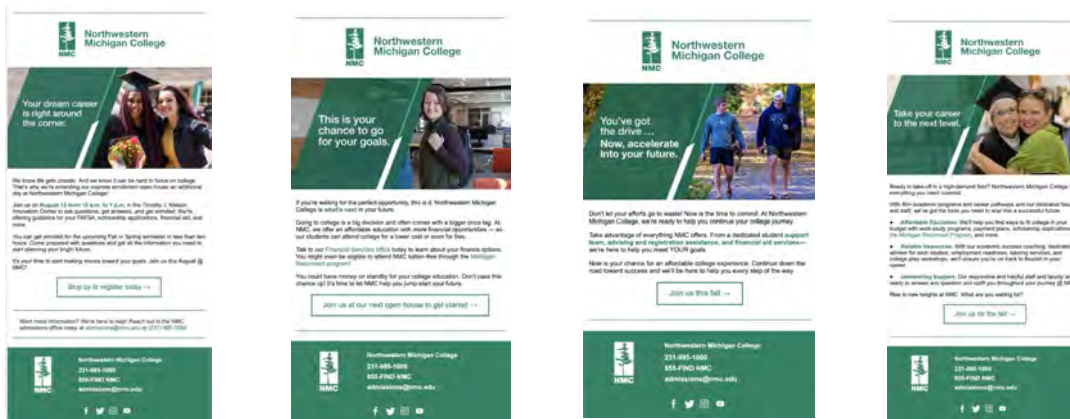
Interested?

READY TO LEARN MORE?

NOT READY TO CHAT YET?

# //THE RESULTS//

We consulted with an outside marketing agency called Interact to assist us in running multiple targeted email and text message campaigns in collaboration with Admissions, Financial Aid and Student Services. We saw great success in the open and click rates resulting in over **100+ leads** and the **August open house events resulted in 80+ in person leads.**



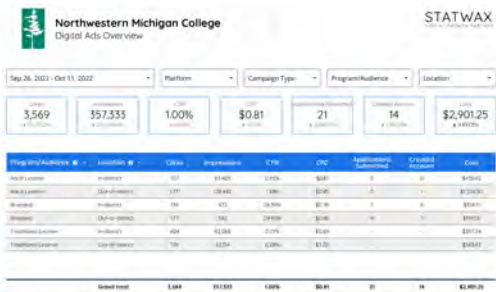
# //THE RESULTS//

Completely redesigned University Center website with a clearer customer journey, fewer clicks to get information and less text on the pages. [nmc.edu/uc](http://nmc.edu/uc). We also ran Facebook and Instagram advertisements to generate leads to specific schools. We are monitoring the performance of the ads and will have a full report soon.

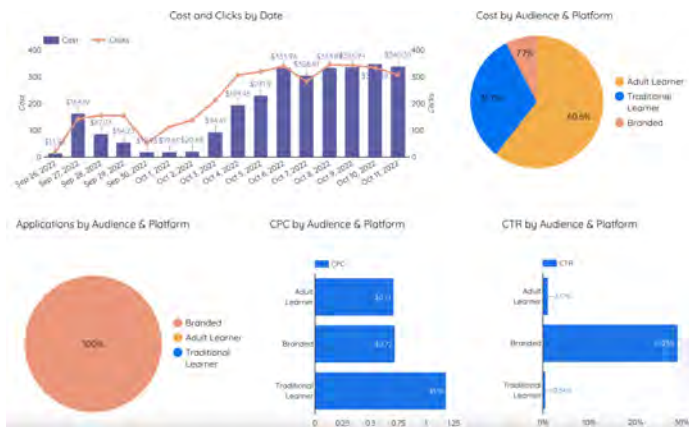




# //THE RESULTS//



Traditional and Adult learner campaigns launched on Google Search, Display and Discovery. As well as paid social media advertising. There have been **14 new prospective student accounts created and 21 applications submitted** so far in *less than one month* of our campaign launch!



# //THE RESULTS//

## EARNED MEDIA

- 2022: A record high 100% positive or neutral earned media sentiment 6/9 months.
- Dean's List: Leveraged free trial from vendor to increase Facebook exposure 10-fold and earned media exposure 4-fold. (Jan. '22)



## //THE RESULTS//

### OWNED MEDIA

Launched new digital platform for Nexus magazine

- Optimizes content for mobile devices, social media sharing.
- Keeps users on NMC domain

NMC Now e-newsletter:

- Increased open/click rates YTD, consistently perform better than peers
- Updated design and optimized for mobile



SUMMER 2022 VIEW MORE →



**NMC Now: Adults Reconnecting, HS grads achieving**



## //THE WORK: WHAT'S COMING//

IN PROGRESS →

**New earned, shared and owned media strategies**

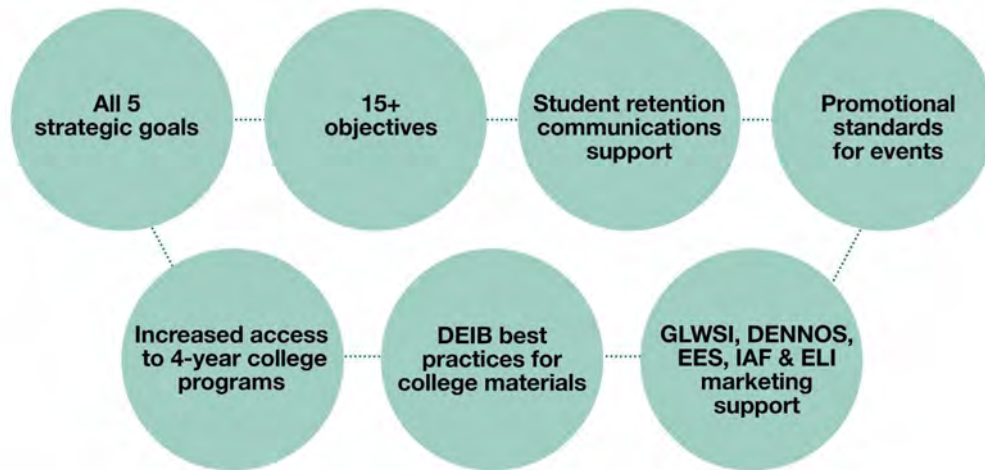
**New Video Assets**  
.....  
**New branded promotional templates**

**Customer journey audit**  
.....  
**New promo request approach**

**Updated student and employee e-newsletters**



## //SUPPORT & ADVISE//

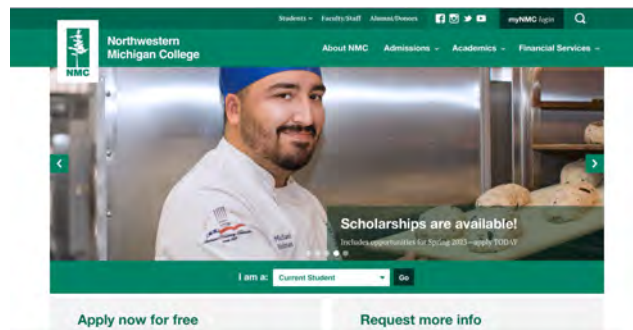


## //LUMINA FOUNDATION GRANT//

**PRMC won a \$50,000 grant from the Lumina Foundation to increase adult learner engagement!**

Money to be spent by December 31, 2023

- mobile-first web update that reflects a more inclusive and equitable user experience
- update site functions and navigation, creating easier pathways with clear calls to action
- Showcase adult learner testimonials to demonstrate the positive impact of an NMC education



# THANK YOU!



## //THE TEAM//



**Diana Fairbanks**  
AVP of PRMC



**Taylor Guarnaccia**  
Marketing Director



**Kevin Marquardt**  
Creative Director



**Cari Noga**  
Communications Director



**Steve Kellman**  
Web & Online Strategies Coordinator



**Emily Crull**  
Marketing Office Manager

**Joan Sodini**  
Graphics Coordinator

## //THE APPROACH//

With the new additions to our PRMC team, we are taking a **new, innovative** and **strategic** approach to our work at NMC.

**MARKETING DIRECTOR:** Marketing plans for traditional learners, adult learners, all 6 program areas that were identified in the strategic plan and other campaigns. Paid media placements and working directly with our new digital marketing agency to implement Google Display, Search and Discovery + Paid Social Media for our new campaigns.

**CREATIVE DIRECTOR:** Creative strategy and design development for all campaigns.

**COMMUNICATIONS DIRECTOR:** Earned and Owned Media to support marketing.

**OFFICE MANAGER:** Project Manager.



## //THE WORK//

Completely redesigned the Viewbook in collaboration with Admissions. Re-evaluated the strategy and design elements to cater better to our target audience. Printed 6,000 copies and mailed 2,000 copies directly to Michigan Reconnect eligible students households. This was a new effort identified from our Adult Learner Marketing Plan.

VISUAL REPRESENTATION OF NEW VIEWBOOK HERE + add more strategy ?





## //TRADITIONAL LEARNER//

We created a marketing plan for a new campaign to support our traditional learner, transfers and their parents. This plan supports the strategic plan: Strategy 2, Objective 2A: Implement new enrollment marketing plans to increase the percentage of area high school graduates attending NMC by 3 percentage points (from 41% to 44%) by Fall 2024.

### **STRATEGY & DELIVERABLES:**

- Our new campaign has a fresh outlook with visuals and messaging to support a better user experience that would resonate with our target audience leading to more engagement.
- Updated landing page to track all of our traffic from our digital ads
- Paid Digital ads running on Google Search, Display and Discovery
- Paid Digital ads running on Facebook, Instagram, TikTok and Snapchat
- Northern Express, The Ticker, TC Business News Paid ads
- Updated Viewbook
- Table Skirt, Stickers and other promotional materials



## //TRADITIONAL LEARNER//

Show creative direction and examples here?



## //ADULT LEARNER//

We created a strategic marketing plan for a new campaign to support our adult learner with a large emphasis on the Michigan Reconnect funding opportunity. This plan supports the strategic plan: Objective 2B: Implement new enrollment marketing plans to increase enrollment in adult learner categories 21+ from 1510 to 1660 (10%) by Spring 2024.

### **STRATEGY & DELIVERABLES:**

- Our new campaign has a fresh outlook with visuals and messaging to support a better user experience that would resonate with our target audience leading to more engagement.
- Updated landing page to track all of our traffic from our digital ads
- Paid Digital ads running on Google Search, Display and Discovery
- Paid Digital ads running on Facebook, Instagram
- Updated Viewbook with mailing to Michigan Reconnect eligible households
- Table Skirt, Stickers and other promotional materials
- Billboard
- Northern Express, The Ticker, TC Business News Paid ads



## //PROGRAM AREA CAMPAIGNS//

**ENGINEERING:**

**POLICE ACADEMY:**

**DIGITAL ARTS:**

**GLCI:**

**CIT:**

**ENGIN. TECH, MARINE TECH & SURVEYING:**



## //SUPPORT//

For non-enrollment initiatives within the college's strategic plan with public relations, marketing and communications needs, PRMC will provide curated **support** services. The scope of this work will vary by area and PRMC availability. It may include marketing strategy development, design guidance and writing assistance. This personalized service is designed to equip areas with the information and tools they need to reach their audiences effectively.



## //ADVISE//

For areas with public relations, marketing and communications needs beyond the capacity of our internal team, PRMC will serve as **advisors** and liaisons. As experts in this work, we will be a partner with you and an advocate for your needs with select and trusted external vendors to ensure you are getting the best product possible and the college has a strong and unified brand presence.



## //THE DETAILS//

- UPDATED PRMC TOOLKIT & TIMELINES
- TEMPLATES
- CREATIVE ASSETS
- PROMO REQUEST FORM
- BUDGETS
- PDCA (RINSE AND REPEAT)
- WHEN IN DOUBT

**[PUBLCIRELATIONS@NMC.EDU](mailto:PUBLCIRELATIONS@NMC.EDU)**





plante moran | Audit. Tax. Consulting.  
Wealth Management.

# Northwestern Michigan College

Presentation to the Board of Trustees  
June 30, 2022 Audit Results and Report



## Northwestern Michigan College Presentation to the Board of Trustees

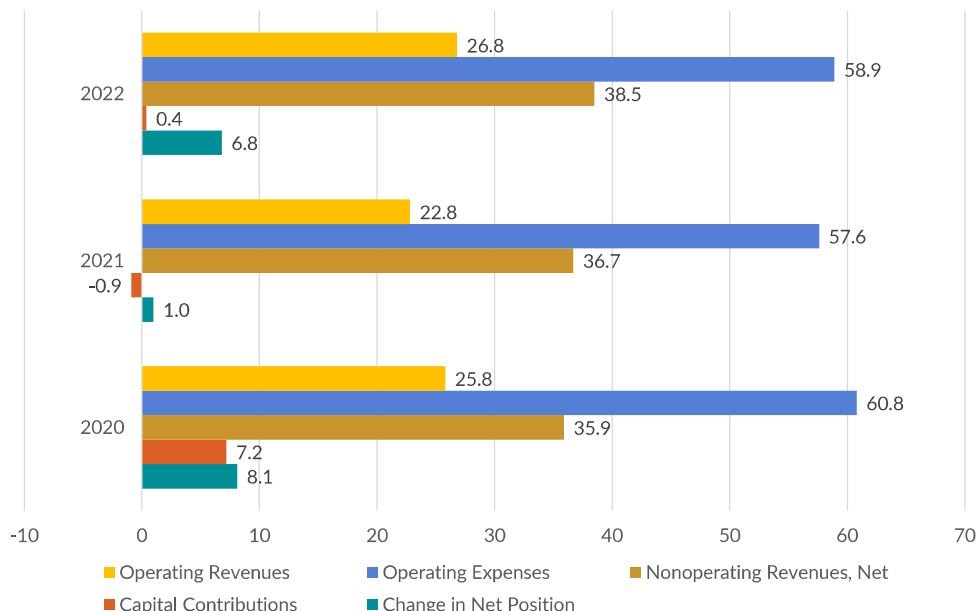
### Summary of Presentation to Board of Trustees:

- ✓ Audited Financial Statements
  - Audits required for accreditation by the Higher Learning Commission and to receive federal grants and aid for students
  - Clean, unmodified opinion for the College – highest level of assurance
  - Key Financial Highlights on following pages
- ✓ Required Communications
- ✓ Federal Programs (Single Audit Report)



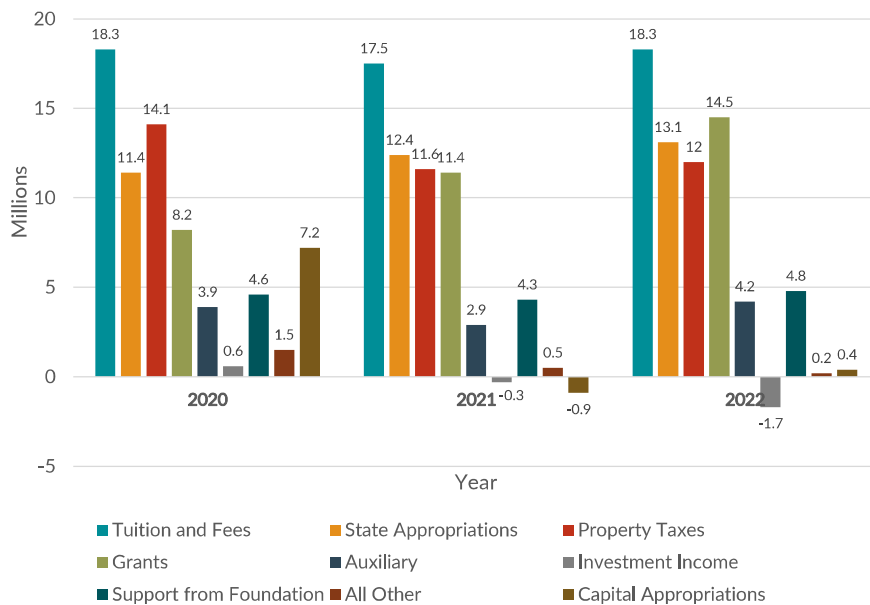
# Northwestern Michigan College

## Revenues, Expenses and Changes in Net Position (all funds) (in millions)



# Northwestern Michigan College

## Revenues and Support (all funds)

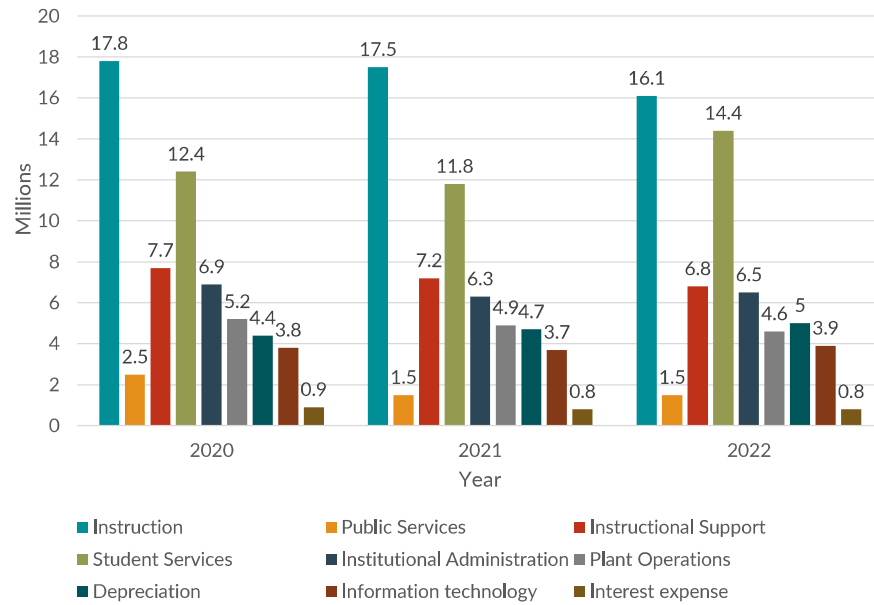


Revenues were \$69.8, \$59.4, and \$65.7 million for 2020, 2021, and 2022, respectively.



# Northwestern Michigan College

## Expenditures (all funds)



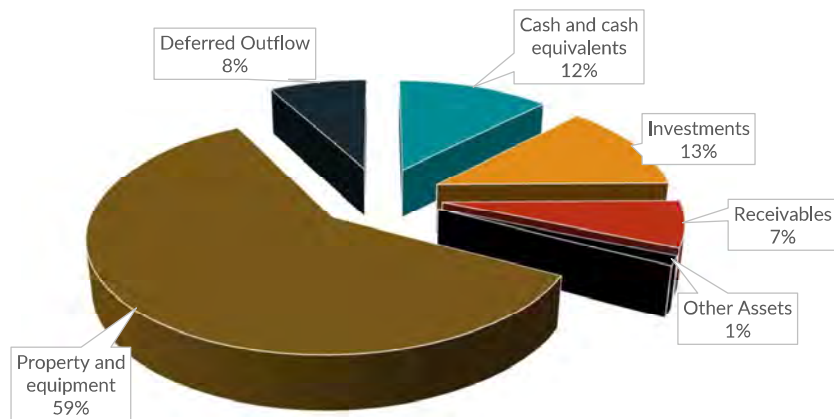
Expenditures were \$61.6, \$58.4, and \$59.6 million for 2020, 2021, and 2022, respectively.



# Northwestern Michigan College

## Assets (All Funds)

2022



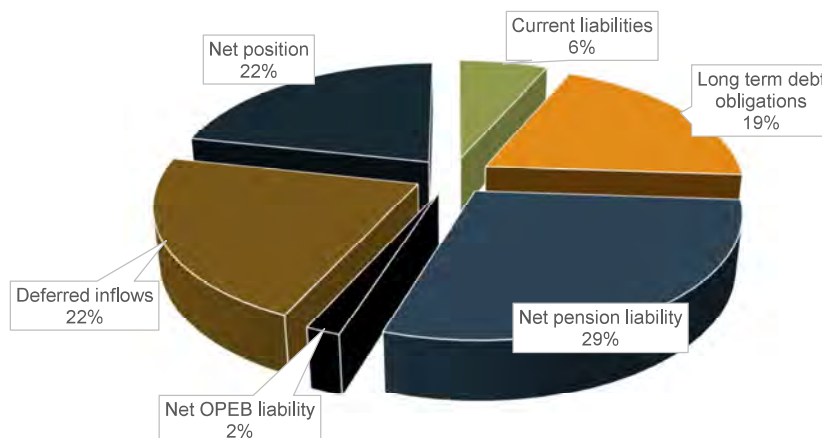
Assets = \$121,271,019  
 Deferred Outflow of Resources = \$10,280,489



# Northwestern Michigan College

## Liabilities and Net Position (All Funds)

2022



Liabilities = \$74,712,494  
 Deferred Inflows of Resources = \$28,403,470  
 Net Position = \$28,435,544



# Northwestern Michigan College

## Required Communications

- ✓ Our Responsibility Under Generally Accepted Auditing Standards
- ✓ Qualitative Aspects of Accounting
  - Significant Estimates
    - Allowance for uncollectible accounts
    - Proportionate share of the Michigan Public School Employees Retirement System (MPERS) net pension and net OPEB liabilities
- ✓ No material adjustments required
- ✓ No Material weaknesses or significant deficiencies
- ✓ Implemented Government Auditing Standards Board (GASB) Statement No. 87, *Leases* – minimal impact
- ✓ Upcoming Accounting Standards:
  - GASB 96 – Subscription based information technology agreements (SBITA's)
    - Will need to be capitalized similar to lease agreements
  - GASB 101 – Compensated absences
    - Required to be recorded under three criteria including recording an obligation for the portion of nonvesting leave that is more likely than not to be paid out.





# Northwestern Michigan College

## Federal Programs (Single Audit) Results

- ✓ Audit of the Federal Programs
  - Total federal expenditures - \$14.9 million
    - Federal awards tested this year –
      - National Maritime Heritage Grants Program - \$1.2 million
      - Higher Education Emergency Relief Fund (HEERF) - \$4.1 million
    - Testing is substantially completed with a few open items and levels of review to be completed
    - Issuance of single audit report to follow completion of reviews



# Thank you!

*We appreciate the opportunity  
to serve Northwestern  
Michigan College.*

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October 14, 2022

To the Board of Trustees  
 Northwestern Michigan College

We have audited the financial statements of Northwestern Michigan College (the "College") as of and for the year ended June 30, 2022 and have issued our report thereon dated October 14, 2022. Professional standards require that we provide you with the following information related to our audit, which is divided into the following sections:

Section I - Required Communications with Those Charged with Governance

Section II - Industry Update and Other Information

Section I includes information that we are required to communicate to those individuals charged with governance of the College. We will report this information annually to the board of trustees of the College.

Section II contains updated industry, regulatory, and information items that we believe will be of interest to you.

We would like to take this opportunity to thank the College's staff for the cooperation and courtesy extended to us during our audit. Their assistance and professionalism are invaluable.

This report is intended solely for the use of the board of trustees and management of the College and is not intended to be and should not be used by anyone other than these specified parties.

We welcome any questions you may have regarding the following communications, and we would be willing to discuss these or any other questions that you might have at your convenience.

Very truly yours,

**Plante & Moran, PLLC**

A handwritten signature in black ink, appearing to read "Vicki L. VanDenBerg".

Vicki L. VanDenBerg, CPA  
 Partner

## **Section I - Required Communications with Those Charged with Governance**

### **Our Responsibility Under U.S. Generally Accepted Auditing Standards**

As stated in our engagement letter dated July 14, 2022, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities. Our responsibility is to plan and perform the audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement.

As part of our audit, we considered the internal control of the College. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures specifically to identify such matters.

Our audit of the College's financial statements has also been conducted in accordance with *Government Auditing Standards*, issued by the Comptroller General of the United States. Under *Government Auditing Standards*, we are obligated to communicate certain matters that come to our attention related to our audit to those responsible for the governance of the College, including compliance with certain provisions of laws, regulations, contracts, and grant agreements; certain instances of error or fraud; illegal acts applicable to government agencies; and significant deficiencies in internal control that we identify during our audit. Toward this end, we issued a separate letter dated October 14, 2022 regarding our consideration of the College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements.

### **Planned Scope and Timing of the Audit**

We performed the audit according to the planned scope and timing previously communicated to you in our meeting about planning matters on May 11, 2022.

### **Significant Audit Findings**

#### ***Qualitative Aspects of Accounting Practices***

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the College are described in Note 1 to the financial statements.

No new accounting policies were adopted, and the application of existing policies was not changed during the year.

We noted no transactions entered into by the College during the year for which there is a lack of authoritative guidance or consensus.

We noted no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

## Section I - Required Communications with Those Charged with Governance (Continued)

The most sensitive estimates affecting the financial statements are summarized below:

- **Allowance for Uncollectible Receivables** - Management estimates fair value of tuition accounts receivable and property taxes receivable by establishing an allowance for estimated uncollectible amounts.
- **Pension and OPEB Liabilities** - Management estimates their portion of the Michigan Public School Employees' Retirement System (MPSERS) net pension and OPEB liabilities based on the audited financial statements received from MPSERS.

We evaluated the key factors and assumptions used to develop the allowance and pension/OPEB liabilities in determining that these estimates are reasonable in relation to the financial statements taken as a whole.

The disclosures in the financial statements are neutral, consistent, and clear.

### ***Difficulties Encountered in Performing the Audit***

We encountered no significant difficulties in performing and completing our audit.

### ***Disagreements with Management***

For the purpose of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

### ***Corrected and Uncorrected Misstatements***

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. We did not detect any misstatements as a result of audit procedures, except for the impact of not adopting GASB 87, *Leases*. Under GASB 87, all leases meeting the definition of a lease under GASB 87 are required to be reported on the statement of net position as an asset and liability, and additional lease disclosures are required. Adoption of GASB 87 would have resulted in an increase of assets, liabilities, and deferred inflows of approximately \$479,000, \$272,000, and \$207,000, respectively, as of June 30, 2022. Due to the insignificance of lease activity, management has concluded not to record the impact of GASB 87.

### ***Significant Findings or Issues***

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, business conditions affecting the College, and business plans and strategies that may affect the risks of material misstatement, with management each year prior to our retention as the College's auditors. However, these discussions occurred in the normal course of our professional relationship, and our responses were not a condition of our retention.

### ***Management Representations***

We have requested certain representations from management that are included in the management representation letter dated October 14, 2022.

### ***Management Consultations with Other Independent Accountants***

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a second opinion on certain situations. If a consultation involves application of an accounting principle to the College's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.



## Section II - Industry Update and Other Information

**Scholarship Allowance (Tuition Discount)** - The National Association of College and University Business Officers (NACUBO) has issued an advisory exposure draft related to the calculation of the tuition discount. The advisory draft revisits the recommended methodology when calculating the scholarship allowance or tuition discount. The proposed methodology will reflect the institution's aid awarding policies and related business rules and be more consistent with current and anticipated GAAP revenue and expense guidance. The methods proposed will be based on more readily available student detail, if possible. NACUBO expects to publish the final guidance in early 2023 for application at June 30, 2023. For more information: <https://www.nacubo.org/Topics/Accounting/Advisory%20Reports/Proposed%20Tuition%20Discounting%20Advisory>.

**AICPA State and Local Government Client Affiliates** - The AICPA has adopted a revised auditor independence interpretation that impacts entities reporting under the GASB framework. The new rules define four types of affiliates (entities affiliated with your financial statements) that may expand the scope of our required auditor independence as it relates to your audit. The four types of affiliates defined by the AICPA include entities included in your financial statements and certain entities excluded from your financial statements and may also include certain of your investment holdings. Because auditor independence is a shared responsibility between your organization and Plante & Moran, PLLC, you should be aware of and understand these changes. In addition, we will need your help to perform an initial evaluation under these revised standards and will also likely need your continuing assistance to comply with these rules in the future. The changes are now effective, which means we must be independent of your affiliates as of the first day of the year of required adoption, or July 1, 2022.

### Upcoming GASB Statements/Projects

**Public-Private and Public-Public Partnerships and Availability Payment Arrangements** - GASB Statement No. 94 is effective for the year ending June 30, 2023 and replaces GASB 60, *Accounting and Financial Reporting for Service Concession Arrangements*. The standard improves accounting and financial reporting for arrangements where a governmental entity contracts with an operator to provide public services by conveying control of the right to operate or use nonfinancial assets, such as infrastructure or other capital assets, for a period of time in an exchange or exchange-like transaction. It establishes the definitions of public-private and public-public partnerships (PPPs) and availability payment arrangements (APAs) and provides uniform guidance on accounting and financial reporting for transactions that meet those definitions. It requires governments to report assets and liabilities related to PPPs consistently and disclose important information about PPP transactions.

**Subscription-based Information Technology Arrangements** - GASB Statement No. 96 is effective for the year ending June 30, 2023. The standard provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (institutions). Under this standard, institutions in SBITAs are required to recognize a right-to-use subscription asset and a corresponding subscription liability.

**Accounting Changes and Error Corrections** - GASB Statement No. 100 is effective for the year ending June 30, 2024 and amends GASB Statement No. 62. The standard requires changes in accounting principles and corrections of errors to be reported retroactively by restating prior periods. Changes to or within the financial reporting entity require adjustment of the beginning balances of the current period, and changes in accounting estimates are reported prospectively by recognizing the change in the current period. The standard also requires a disclosure in the notes to the financial statements for any accounting change or error correction. The standard is designed to improve the clarity and consistency of the reporting requirements across the industry.

## Section II - Industry Update and Other Information (Continued)

**Compensated Absences** - GASB statement No. 101 is effective for the year ending June 30, 2025. The standard allows for all compensated absences to be reported under a unified model. Under the standard, all compensated absences that meet three criteria are to be recorded based on the employee's pay rate at the reporting date. The three criteria are when the absence accumulates, the absence is attributed to services already performed, and the absence is more likely than not to be either paid or settled through other means. The controversial change is related to treatment of nonvesting leave, in which the government will now have to record an obligation for the portion of nonvesting leave that is more likely than not to be used for time off in the future or will eventually be paid out once the employee meets the vesting criteria. More likely than not means a likelihood of more than 50 percent.

**Disclosures (Concepts Statement)** - In June 2022, the GASB issued Concepts Statement No. 7, *Communication Methods in General Purpose External Financial Reports that Contain Basic Financial Statements: Notes to Financial Statements*, which amends Concepts Statement No. 3. The purpose of this Concepts Statement is to provide additional considerations when deciding what information is included in the notes to the financial statements; however, it does not add or remove note disclosure requirements in existing standards and guidance.

**Risks and Uncertainties (Exposure Draft)** - In June 2022, the GASB issued an exposure draft titled *Certain Risk Disclosures*, which proposes to provide users of the financial statements with information about risks related to a governmental entity's current vulnerabilities due to certain concentrations and constraints. The proposed standard would require governmental entities to disclose information in the notes of the financial statements if it determines an event associated with a concentration or constraint is more likely than not to begin within 12 months of the financial statements or if the event is at least reasonably possible to cause a substantial effect within three years on the entity's ability to provide services at the level provided in the current period or meet its obligations as they become due. Comments on the exposure draft were due on September 30, 2022.

**Revenue and Expense Recognition (Preliminary Views Re-deliberations)** - In June 2020, the GASB issued a preliminary view titled *Revenue and Expense Recognition*, which introduces a new methodology for categorizing transactions for recognition based on the assessment of specific characteristics, which includes identifying transactions with performance obligations. If performance obligations are identified, then revenue and expense will essentially be recognized as those obligations are satisfied. Additional guidance is being proposed for those transactions without performance obligations, such as state appropriations and property taxes. Comments from stakeholders were due by February 26, 2021.

**GASB Other Projects** - The Governmental Accounting Standards Board (GASB) is reviewing other topics that include capital assets, going concern, and more.

### Current Industry Concerns Regarding IT Systems

**SOC (Systems and Organization Controls) for Cybersecurity** - Cyberattacks are on the rise across the globe, and the cost of these attacks is ever increasing. At stake for all types of organizations is a loss of brand reputation, the ability to operate efficiently, competitive advantage, and proprietary information or assets. What organizations gain is, unfortunately, financial and legal liabilities. The cost of an average data breach has reached approximately \$4.35 million, according to data from the Ponemon Institute sponsored by IBM Security, and it can quickly escalate from there based on the type of breach and volume of data imperiled. In response to this risk is the next evolution of SOC reporting (Systems and Organization Controls), which is a SOC for Cybersecurity.

Any institution, public or private, large or small, can benefit from obtaining or issuing a SOC for Cybersecurity report; it is an important tool to help you gain assurance about the strength of your cybersecurity risk management program and effectively communicate these controls to key stakeholders.



## Section II - Industry Update and Other Information (Continued)

Here are some examples:

- Board members of a public, private, or not-for-profit entity use a SOC for Cybersecurity attestation report to gain a better understanding of the institution's cybersecurity risk management program and how it influences decision-making in ways that minimize risk.
- A procurement officer obtains a SOC for Cybersecurity attestation report as part of a prudent vendor management program to gather information about prospective vendors that will handle sensitive data.

We envision SOC for Cybersecurity reports becoming an important tool for institutions to gain assurance about the strength of their cybersecurity risk management program. Cybersecurity risk as a significant business risk will only continue to grow. More than 12.2 billion connected devices are in use, per IOT Analytics, and that number will continue to grow. It is also anticipated that 99 percent of everything we manufacture will connect to the internet, but the internet was not designed around security.

Your best bet is to maximize your own diligence and prepare for the next generation of compliance and reporting to ensure you not only meet your business objectives but also satisfy stakeholder (board members, students, parents, and the community) expectations and allay their all-too-valid cybersecurity concerns.

**Cybersecurity Risk and Network Security Assessment** - Institutions are not exempt from cyberattacks in which systems and critical data are compromised. Institution systems store personal information of staff, students, and students' parents in addition to other confidential data. It is important that institutions protect themselves from both external and internal threats whether they are intentional or accidental threats. For example, ransomware attacks are on the rise and gain media attention with their ability to cripple an organization, including institutions of higher education. It may be the hacks of large, multimillion dollar companies that we see exposed on the evening news, but institutions can be an enticing target with the amount of data and limited budget to protect themselves.

Here are some questions to think about regarding cybersecurity issues:

- Do you receive a lot of junk email?
- Are you allowed to access risky or unsafe websites?
- Have you attended any security awareness trainings?
- In the event of an incident, are you familiar with who should be contacted?
- Is there a plan in place in the event of a breach and student records are lost?

Because of the many access points within an institution's IT environment, continued assessment of cybersecurity issues is an essential part of the institution's overall data security assessment.

**PCI Compliance** - Any institution that interacts with payment cards issued by one of the five major payment card companies (VISA, MasterCard, American Express, JCB, and Discover) is required to be in compliance with the PCI DSS. Understanding and appropriately applying the unique compliance requirements of the PCI DSS requires a unique expertise that most organizations do not possess in house. The PCI DSS and supporting documents represent a common set of industry tools to help ensure the safe handling of cardholder data. The standard itself provides an actionable framework for developing a robust security process, including preventing, detecting, and responding to security incidents.

**Mastering Your Data and Data Governance** - Data governance defines structures and frameworks that allow your institution to make better decisions. Best practice components can vary for each institution, some translating into higher success rates than others. It is important to start with a manageable set of data and look at the size and number of data sets to be governed. Establish which best practices will generate the highest results for your institution's data governance initiative and implement them first. We encourage you to consider having an assessment performed on your institution's data governance and what data analytics could do for you.

## Section II - Industry Update and Other Information (Continued)

### Tax Trends and Information

**Form 1098-T Information Reporting** - Emergency aid granted to students due to the COVID-19 pandemic is not taxable to the student and should not be included in students' gross income. Therefore, pandemic-related Emergency Federal Supplemental Educational Opportunity Grants (FSEOG) and Higher Education Relief Fund (HEERF) Student Grants should not be reported on IRS Form 1098-T. Similarly, any student loan debt relief provided as emergency pandemic aid should not be reported on Form 1099-C as cancellation of debt (<https://www.irs.gov/newsroom/emergency-aid-granted-to-students-due-to-covid-is-not-taxable>).

**Electronic Filing Requirements** - The Taxpayer First Act, enacted on July 1, 2019, requires tax-exempt organizations to electronically file information returns and related forms. The new law affects tax-exempt organizations in tax years beginning after July 1, 2019. Exempt Organization forms that are now required to be filed electronically include: Form 990, Form 990-EZ, Form 990-PF, and Form 990-T. Additionally, the Form 4720 (Return of Certain Excise Tax, including excise tax on excess compensation) is now allowed to be electronically filed. There is a waiver process for some small organizations. However, the IRS has provided guidance that most organizations will be required to electronically file and has provided a list of vendors approved for tax-exempt organizations to utilize for electronic filing. (<https://www.irs.gov/charities-non-profits/tax-year-2021-exempt-organizations-modernized-e-file-mef-providers>).

**Unrelated Business Income** - It is important to evaluate the College's various revenue streams for any potential unrelated business income on an annual basis and to memorialize any determination to report, or not report, an activity as unrelated business income. An activity is classified as unrelated business (and, therefore, subject to unrelated business income tax) if it meets three requirements: it is a trade or business, it is regularly carried on, and it is not substantially related to furthering the exempt purpose of the College. There are, however, a number of modifications, exclusions, and exemptions to the general definition.

Effective for tax years beginning after December 31, 2017, unrelated business activities need to be accounted for separately, and losses from one activity can no longer offset income from another activity. However, net operating losses generated prior to the tax year beginning after December 31, 2017 can be carried forward and used to offset income from any unrelated activity. Net operating losses generated for tax years beginning after December 31, 2017 can be carried forward indefinitely but can only offset income from the activity that generated the loss. The offset is also limited to 80 percent of income.

Additionally, recently issued final regulations under Section 512(a)(6) of the Internal Revenue Code provide that an exempt organization with more than one unrelated trade or business must compute unrelated business taxable income (UBTI) separately with respect to each unrelated trade or business without regard to the specific deduction in Section 512(b)(12), including for purposes of determining any NOL deduction. Like the proposed regulations, the final regulations provide that a separate unrelated trade or business is identified by the NAICS two-digit code that most accurately describes the exempt organization's trade or business activity. In addition, under the final regulations, a qualified partnership interest (QPI) may be grouped with other QPIs, debt-financed properties, and underlying S corporation interests into a single investment basket for reporting purposes. Please contact your Plante & Moran, PLLC not-for-profit tax specialist for additional guidance.





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Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of  
 Financial Statements Performed in Accordance with *Government Auditing Standards*

**Independent Auditor's Report**

To Management and the Board of Trustees  
 Northwestern Michigan College

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and discretely presented component unit of Northwestern Michigan College (the "College") as of and for the year ended June 30, 2022 and the related notes to the financial statements, which collectively comprise the the College's basic financial statements, and have issued our report thereon dated October 14, 2022. The financial statements of Northwestern Michigan College Foundation were not audited in accordance with *Government Auditing Standards*.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the College's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control. Accordingly, we do not express an opinion on the effectiveness of the College's internal control.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the College's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the College's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

To Management and the Board of Trustees  
Northwestern Michigan College

**Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the College's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Plante & Morse, PLLC*

October 14, 2022

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# Northwestern Michigan College

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**Financial Report  
with Supplemental Information  
June 30, 2022**

## Northwestern Michigan College

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## Independent Auditor's Report

To the Board of Trustees  
 Northwestern Michigan College

### Report on the Audits of the Financial Statements

#### *Qualified and Unmodified Opinions*

We have audited the financial statements of the business-type activities and discretely presented component unit of Northwestern Michigan College (the "College") as of and for the years ended June 30, 2022 and 2021 and the related notes to the financial statements, which collectively comprise the College's basic financial statements, as listed in the table of contents.

#### *Summary of Opinions*

##### *Qualified Opinion on Northwestern Michigan College Foundation*

In our opinion, except for the effects of the matter described in the *Basis for Qualified and Unmodified Opinions* section of our report, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of Northwestern Michigan College Foundation (the "Foundation"), a discretely presented component unit of the College, as of June 30, 2022 and 2021 and the respective changes in its financial position and its cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

##### *Unmodified Opinion on Northwestern Michigan College*

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities of the College as of June 30, 2022 and 2021 and the changes in its financial position and its cash flows thereof for the years then ended in conformity with accounting principles generally accepted in the United States of America.

#### *Basis for Qualified and Unmodified Opinions*

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audits of the Financial Statements* section of our report. We are required to be independent of the College and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified and unmodified audit opinions. The financial statements of Northwestern Michigan College Foundation were not audited under *Government Auditing Standards*.

#### *Matter Giving Rise to Qualified Opinion on Northwestern Michigan College Foundation*

The Foundation's financial statements do not follow the applicable financial reporting framework. When an organization meets the definition for a governmental entity defined in the AICPA Audit and Accounting Guide: State and Local Governments, the appropriate generally accepted accounting principles (GAAP) for the financial statements of the organization are promulgated by the Governmental Accounting Standards Board (GASB). The Foundation meets the definition of a governmental entity but is following GAAP promulgated by the Financial Accounting Standards Board (FASB). The impact of this departure would affect the financial statement presentation and require a management's discussion and analysis, classified statement of net position, and additional disclosures related to certain deposits and investments and reduce equity and increase deferred inflows by approximately \$90,000.

To the Board of Trustees  
Northwestern Michigan College

### ***Report on Prior Year Financial Statements***

In our report dated October 11, 2021, we expressed an opinion that the June 30, 2021 financial statements fairly presented the financial position, results of operations, and cash flows of the Foundation in accordance with accounting principles generally accepted in the United States of America. As described in the *Matter Giving Rise to Qualified Opinion on Northwestern Michigan College Foundation* paragraph above, the Foundation is not following the applicable financial reporting framework. Accordingly, our present opinion on the June 30, 2021 financial statements, as presented herein, is different from that expressed in our previous report.

### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of these basic financial statements in accordance with accounting principles generally accepted in the United States of America and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of basic financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the basic financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the College's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audits of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the basic financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that audits conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the basic financial statements.

In performing audits in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- Identify and assess the risks of material misstatement of the basic financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the basic financial statements.
- Obtain an understanding of internal control relevant to the audits in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the College's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the basic financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the College's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits, significant audit findings, and certain internal control-related matters that we identified during the audits.



To the Board of Trustees  
Northwestern Michigan College

### ***Required Supplemental Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of the College's proportionate share of the net pension liability, schedule of pension contributions, schedule of the College's proportionate share of the net OPEB liability, and schedule of the College's OPEB contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplemental information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplemental Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the College's basic financial statements. The other supplemental information, as identified in the table of contents, is presented for the purpose of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplemental information is fairly stated in all material respects in relation to the basic financial statements as a whole.

### ***Other Information***

Management is responsible for the other information included in the annual financial report. The other information comprises the listing of Board of Trustees and Administrative Officials but does not include the basic financial statements and our auditor's report, thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance, thereon.

In connection with our audits of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements or whether the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.



To the Board of Trustees  
Northwestern Michigan College

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 14, 2022 on our consideration of Northwestern Michigan College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Northwestern Michigan College's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Northwestern Michigan College's internal control over financial reporting and compliance.

*Plante & Morse, PLLC*

October 14, 2022

## Northwestern Michigan College

# Management's Discussion and Analysis

June 30, 2022

The discussion and analysis of Northwestern Michigan College's (the "College") financial statements provide an overview of the College's financial activities for the year ended June 30, 2022. Management has prepared the financial statements and the related footnote disclosures along with the discussion and analysis. Responsibility for the completeness and fairness of this information rests with the College's administration.

### Using this Report

The College's financial report includes three financial statements: the statement of net position, the statement of revenues, expenses, and changes in net position, and the statement of cash flows. These financial statements are prepared in accordance with Governmental Accounting Standards Board (GASB) Statement No. 35, *Basic Financial Statements—and Management's Discussion and Analysis—for Public Colleges and Universities*.

Northwestern Michigan College Foundation (the "Foundation") is included within these statements as a discretely presented component unit of the College's reporting entity (although it is legally separate and governed by its own board of directors) because its sole purpose is to provide support for the College under GASB Statement No. 61, *The Financial Reporting Entity: Omnibus*.

This annual financial report includes the management's discussion and analysis, the report of independent auditors, the basic financial statements, notes to the financial statements, required supplementary information, and supplementary information.

### Financial Highlights

The College's net position increased by \$6.8 million in fiscal year 2022 including activity recognized to comply with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The College's net position increased by \$1.6 million before the adjustments required under those standards. The increase in net position stems largely from federal relief funding allocated to the College through the combination of three major federal stimulus bills, along with increased revenues from programs and auxiliary activities that were ceased during the pandemic. The College utilized institutional Federal COVID-19 funding to reimburse itself for unexpected expenses and to recoup lost revenues incurred due to the pandemic, recognizing \$7.5 million in Federal COVID-19 revenue this fiscal year.

Operating property taxes increased 3.4% due to a 4.7% increase in taxable values, offset by tax abatements and millage rate erosion due to the Headlee Amendment. The College had no debt-related property tax revenue in fiscal year 2022 or 2021, as the College's debt millage expired in fiscal year 2020 after the underlying debt was paid. State appropriations for general operations were \$9.9 million in fiscal year 2022, an increase of \$0.1 million or 0.6%. State appropriations passed through the College for the MPSERS Unfunded Actuarial Accrued Liability ("UAAL") payments were \$2.4 million, an increase of \$158,000 from prior year. The College received an additional \$425,000 in support from the State to offset mandatory increases in MPSERS employer contribution rates in fiscal year 2022. This compares with \$427,000 in fiscal year 2021, a decrease of \$2,000. Also included in State appropriations is the State's payment in lieu of personal property taxes, which the State abolished as of December 31, 2015. This formula-based reimbursement was \$176,000 for fiscal year 2021, a \$8,000 decrease from prior year. With the above, total state appropriations increased \$0.7 million in fiscal year 2022 compared to prior year.



June 30, 2022

**COVID-19 Relief Funding**

On March 11, 2020, the World Health Organization declared a pandemic with the outbreak of a respiratory disease caused by a new coronavirus ("COVID-19"). In response to the pandemic, governments took preventative and protective actions, such as temporary closures of non-essential businesses and "shelter-at-home" guidelines for individuals. At that time, following the region's first confirmed case of COVID-19, the College closed all campuses, sending students and employees home and shifting to a fully remote online learning environment. Later that Spring, the College developed and implemented a phased COVID-19 management plan to guide campus health and safety protocols. In Summer and Fall 2020, following CDC and local health department guidance, the College offered flexible learning options and delivered courses in a variety of ways including online, livestream, and hybrid learning option along with traditional face-to-face formats for certain technical and occupational programs that required it.

On March 27, 2020, Congress enacted the Coronavirus Aid, Relief, and Economic Security Act ("CARES"), which included formula-based federal support for Colleges and Universities through its Higher Education Emergency Relief Fund ("HEERF I"). The Department of Education allocated \$2.2 million from HEERF I to NMC. Half of these funds ("the student portion") were used to provide emergency grants to students in need, while the other half ("the institutional portion") were used to offset institutional costs directly related to changes in the delivery of instruction resulting from the COVID-19 pandemic (or to provide additional emergency grants to students).

On July 31, 2020, the State passed a retroactive 11% cut to its original 2020 community college appropriation bill in response to revenue shortfalls from the pandemic. This cut in state appropriations revenue was recognized in fiscal year 2020. However, in the same bill, the State replaced the \$1.1 million cut in full with pass-through federal funding enacted under the CARES Act called the Coronavirus Relief Fund (CRF). The College incurred \$900,000 of CRF expenses in fiscal year 2020, and the remaining \$200,000 in fiscal year 2021. The full \$1.1 million in CRF revenue was recognized in fiscal year 2021 due to the date of this legislation.

On December 27, 2020, Congress enacted the Coronavirus Response and Relief Supplemental Appropriations Act ("CRRSAA"), which includes formula-based support for Colleges and Universities through a second round of HEERF funding ("HEERF II"). The Department of Education awarded \$4.3 million from HEERF II to the College. \$3.1 million of these funds ("the student portion") were used to provide emergency grants to students in need, while the remaining \$1.2 million ("the institutional portion") were used to offset institutional costs or lost revenues directly resulting from the COVID-19 pandemic (or to provide additional emergency grants to students). The College utilized and distributed to students all \$4.3 million from HEERF II and recognized the same in revenue in fiscal year 2021.

On March 11, 2021, Congress enacted the American Rescue Plan Act of 2021 ("ARPA"), which includes formula-based support for Colleges and Universities through a third round of HEERF funding ("HEERF III"). The Department of Education awarded \$7.5 million from HEERF III to the College. Of the \$7.5 million, \$3.7 million ("the student portion") were used to provide emergency grants to students while \$3.8 million ("the institutional portion") were used to offset institutional costs and lost revenues directly resulting from the COVID-19 pandemic. The College utilized \$3.4 and \$0.4 million of institutional HEERF III in fiscal years 2021 and 2022, respectively, and distributed the full \$3.7 million student portion as emergency grants during fiscal year 2022.

**The Statements of Net Position and the Statements of Revenues, Expenses, and Changes in Net Position**

The statements of net position and the statements of revenues, expenses, and changes in net position report information on the College's net position and changes therein. These statements include all assets, liabilities, and deferred inflows and outflows using the accrual basis of accounting.

The statements of net position include the College's net pension and OPEB liabilities recognized in accordance with GASB 68 and 75, respectively. The College's total net position at June 30, 2022, 2021, and 2020 without the accounting required by GASB 68 and GASB 75 was \$87.0 million, \$85.4 million, \$83.4 million, respectively. Summaries of the College's statements of net position at June 30, 2022, 2021, and 2020 are as follows:



## Management's Discussion and Analysis

June 30, 2022

	Condensed Statements of Net Position as of June 30 (in thousands)		
	2022	2021	2020
Current assets	\$ 24,383	\$ 22,597	\$ 21,615
Noncurrent assets:			
Capital assets, net	78,218	81,035	83,145
Other noncurrent assets	18,670	20,560	16,903
Total assets	121,271	124,192	121,663
Deferred outflows of resources	10,280	15,382	19,333
Current liabilities	8,602	12,681	11,028
Noncurrent liabilities:			
Net pension liability	38,026	56,797	57,892
Net OPEB liability	2,391	8,623	12,287
Other noncurrent liabilities	25,693	26,144	27,195
Total liabilities	74,712	104,245	108,402
Deferred inflows of resources	28,403	13,686	11,968
Net position:			
Net investment in capital assets	56,298	57,808	59,659
Unrestricted deficit	(27,862)	(36,165)	(39,033)
Total net position	\$ 28,436	\$ 21,643	\$ 20,626

**Statements of Net Position**

The primary changes in the assets, deferred outflows, liabilities, and deferred inflows of the College between 2022 and 2021 are as follows:

- Current assets increased \$1.8 million, including a \$0.6 million decrease in receivables and a \$2.2 million increase in cash. The decrease in receivables is primarily due to the fulfillment of \$1.7 million in receivables from COVID funding related grants that were outstanding in fiscal year 2021. This was partially offset by the timing other grant related receivables and tuition and fee receivables at the end of the 2022 fiscal year. The College's increase in cash is due to timing and the receipt of COVID-19 related funding.
- Capital asset additions totaled \$2.2 million, \$490,000 for technology upgrades to the campus network and data storage systems, \$355,000 of which relates to upgrades to the campus heating and cooling systems, \$272,000 in structural improvements, and \$255,000 for upgrades to Great Lakes Campus parking lot. These additions were offset by current year depreciation of \$5.0 million. As a result, net capital assets decreased by \$2.8 million. Other noncurrent assets decreased \$1.9 million primarily due to a decrease in investment of surplus cash during the year.
- Current liabilities decreased \$4.1 million primarily due to the College's ability in 2022 to recognize deferred federal ARPA revenue from fiscal year 2021 of \$3.4 million.
- The College's net pension liability decreased \$18.8 million primarily due to the difference between the project and actual earnings on pension plan investments based on the market as of September 30, 2021 as well as a change in the proportionate share allocated to the College. The College's net OPEB liability decreased \$6.2 million due to a decrease in the actuarial health care cost trends rate for members over age 65. Other noncurrent liabilities decreased due to current year payments on outstanding bond debt.

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## Management's Discussion and Analysis

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June 30, 2022

- Deferred inflows is the acquisition of net position that applies to future reporting periods. Deferred outflows is the consumption of net position that applies to future reporting periods. The College's deferred inflows and outflows, and changes therein, stem primarily from the MPSERS plan and include changes in actuarial assumptions, differences between expected and actual experience, changes in the proportionate share of the pension and OPEB liabilities, and contributions to the plan subsequent to the measurement date.

The primary changes in the assets, deferred outflows, liabilities, and deferred inflows of the College between 2021 and 2020 are as follows:

- Current assets increased \$1 million, including a \$1.5 million decrease in receivables and a \$2.1 million increase in cash. The decrease in receivables is due to the fulfillment of a \$3.8 million receivable for State capital appropriations from 2020. This was offset by a \$1.1 million increase in State appropriations receivable impacted by an 11% cut made to the 2020 community college appropriation bill in response to revenue shortfalls from the COVID-19 pandemic. The College's increase in cash is due to timing and the receipt of COVID-19 related funding.
- Capital asset additions totaled \$2.7 million, \$831,000 of which relates to the construction of the West Hall Innovation Center ("WHIC"), \$479,000 for new energy-efficient windows in East Hall, and \$446,000 for technology upgrades to the campus Wi-Fi and firewall systems. These additions were offset by current year depreciation of \$4.7 million and net disposals of \$90,000. As a result, net capital assets decreased by \$2.1 million. Other noncurrent assets increased \$3.7 primarily due to investing surplus cash during the year.
- Current liabilities increased \$1.5 million primarily due to the College deferring federal ARPA revenue at the end of the fiscal year of \$3.4 million. This is offset by the reduction of \$1.7 million in payables as a result of large construction-related payables in the prior year that were satisfied in fiscal year 2021.
- The College's net pension liability decreased \$1.1 million due to changes in actuarial assumptions and a slight decline in the College's proportionate share. The College's net OPEB liability decreased \$3.7 million due to a 0.50% decrease in the health care cost trends rate. Other noncurrent liabilities decreased due to current year payments on outstanding bond debt.
- Deferred inflows is the acquisition of net position that applies to future reporting periods. Deferred outflows is the consumption of net position that applies to future reporting periods. The College's deferred inflows and outflows, and changes therein, stem primarily from the MPSERS plan and include changes in actuarial assumptions, differences between expected and actual experience, changes in the proportionate share of the pension and OPEB liabilities, and contributions to the plan subsequent to the measurement date.



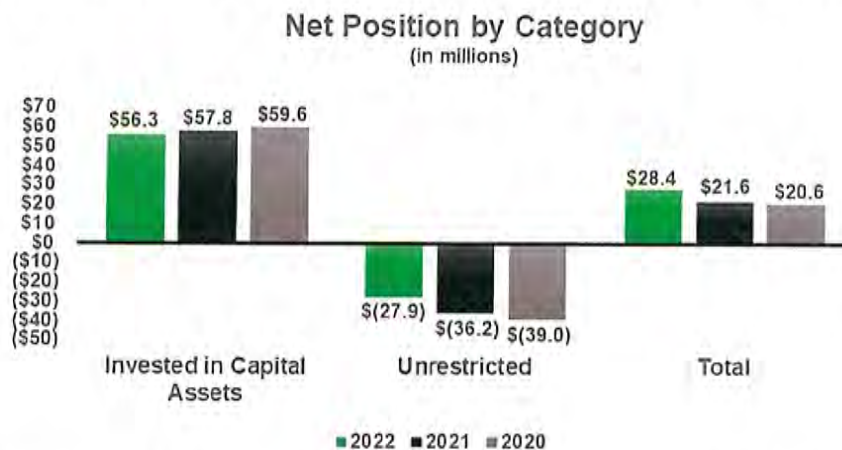
## Northwestern Michigan College

# Management's Discussion and Analysis

June 30, 2022

### Net Position

The following chart provides a graphic breakdown of net position by category as of June 30, 2022, 2021, and 2020:



The College's net position was \$28.4 million as of June 30, 2022, an increase of \$6.8 million from prior year. Net position increased by \$1.6 million in fiscal year 2022 before the effects of GASB 68 and 75. The College's net position was \$21.6 million as of June 30, 2021, an increase of \$1.0 million from prior year. Net position increased by \$1.9 million in fiscal year 2021 before the effects of GASB 68 and 75.

### Statements of Revenues, Expenses and Changes in Net Position

Following is a comparison of the major components of the College's operating results for the years ended June 30, 2022, 2021, and 2020:

	Operating Results for the Years Ended June 30 (in thousands)		
	2022	2021	2020
Total operating revenues	\$ 26,753	\$ 22,758	\$ 25,837
Total operating expenses	<u>58,886</u>	<u>57,592</u>	<u>60,764</u>
Operating loss	(32,133)	(34,834)	(34,927)
Net nonoperating revenues and capital contributions	<u>38,926</u>	<u>35,851</u>	<u>43,059</u>
Change in net position	6,793	1,017	8,132
Net position – beginning of year	<u>21,643</u>	<u>20,626</u>	<u>12,494</u>
Net position – end of year	<u>\$ 28,436</u>	<u>\$ 21,643</u>	<u>\$ 20,626</u>

June 30, 2022

**Total Revenues**

Total revenues increased \$7.1 million in fiscal year 2022 due to a \$1.6 million increase in federal COVID-19 funding, \$1.3 million increase in auxiliary sales, a \$1.4 million increase in other federal grant funding, and a \$1.3 million increase in state capital appropriations in 2022 vs. 2021 due to the Timothy J. Nelson Innovation Center building project finishing under budget. The increase in auxiliary sales was due to the resumption of operations that were limited during previous fiscal years due to the pandemic. Operating property tax revenues increased due to increases in underlying taxable values, offset by abatements and millage reductions due to the Headlee Amendment. Debt-related property tax revenue remained at \$0 in 2022 as the College made final payments on remaining debt service obligations during fiscal year 2021. Support from component unit increased primarily due to additional Foundation support provided for the Denno's Museum in 2022. Federal grant revenue increased due to the additional rounds of HEERF (II and III) funding recognized in fiscal year 2022.

Total revenues decreased \$10.3 million in fiscal year 2021 due primarily to the College recognizing \$7.2 million in State capital appropriations in fiscal year 2020 vs. a \$900,000 reduction in revenue in fiscal year 2021. Additionally, tuition and fees decreased \$770,000 due to a 9.4% decrease in billable contact hours (\$1.6 million decrease) and the College freezing its tuition rates for fiscal year 2021. Additionally, the College lost a substantial amount of revenue due to closures or cancellations stemming from the pandemic including non-credit tuition revenue losses (\$346,000), cancellation of events held in the Hagerty Center (\$724,000), and various other revenue delays and losses, offset in part by increased aviation flight fee revenue as face-to-face aviation training returned during fiscal year 2021 (\$546,000). Operating property tax revenues increased due to increases in underlying taxable values, offset by abatements. However, debt-related property tax revenue decreased by \$2.5 million as the College made final payments on remaining debt service obligations during fiscal year 2021. Support from component unit decreased due to the timing of debt obligations payments made between fiscal year 2021 and 2020; this was partially offset by an additional \$200,000 of support provided to the College by the Foundation due to the pandemic. The Foundation also reduced scholarship support by \$171,000 to return to similar amounts provided in years prior to fiscal year 2020 (see note below). Federal grant revenue increased due to the additional rounds of HEERF (II and III) funding awarded in fiscal year 2021.

The following graphs illustrate total revenues by source, by dollars and percentages, for the years ended June 30, 2022, 2021, and 2020:



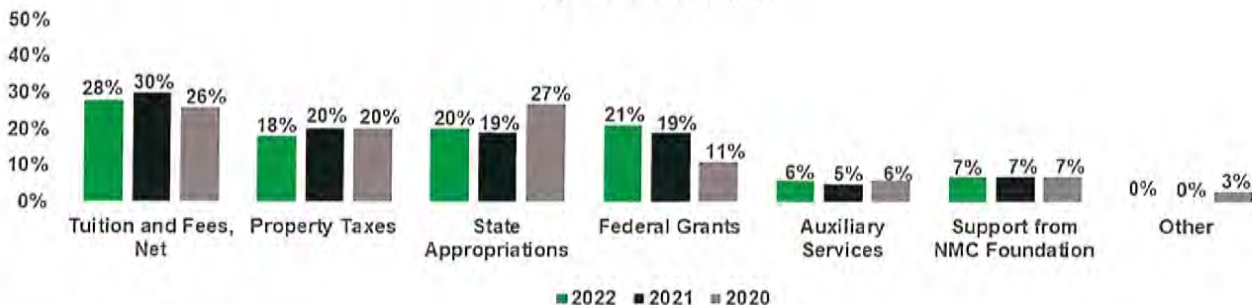


Northwestern Michigan College

Management's Discussion and Analysis

June 30, 2022

Revenues by Source  
(as a % of total revenues)



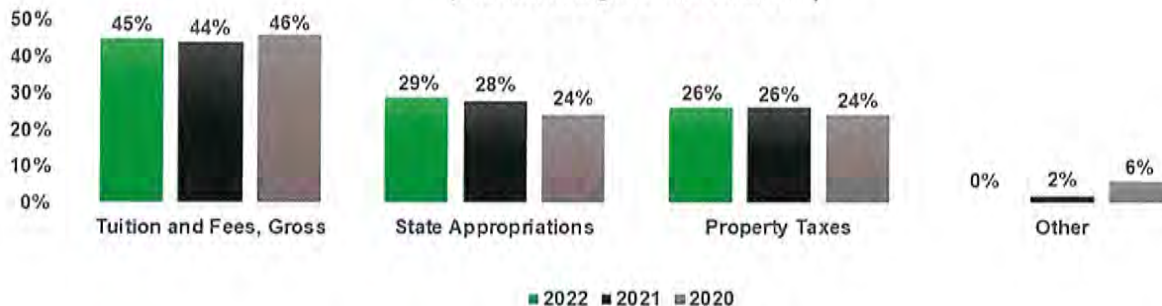
General Fund Revenues

The College accounts for its primary operations and programs within its General Fund. The primary General Fund revenue sources are tuition and fees, state appropriations, property taxes, federal grants, and support from the NMC Foundation. The following graphs illustrate total General Fund revenues by source, by dollars and percentages, for the years ended June 30, 2022, 2021, and 2020:

General Fund Revenues by Source  
(in millions)



General Fund Revenues by Source  
(as a % of total general fund revenues)



## Northwestern Michigan College

# Management's Discussion and Analysis

June 30, 2022

### Operating Revenues

The College classifies as operating revenues any sales or receipts derived from primary operations of the College such as tuition, fees, housing, and other auxiliary operations. In addition, certain Federal, State, and private grants are considered operating if they are not for capital purposes and are deemed a contract for services. The following table shows the sources of operating revenues for the years ended June 30, 2022, 2021, and 2020:

	Operating Revenues by Source		
	Years Ended June 30 (in thousands)		
	2022	2021	2020
Tuition and fees, net	\$ 18,259	\$ 17,541	\$ 18,311
Federal grants	3,037	1,626	1,962
State grants	211	123	135
Auxiliary services	4,169	2,938	3,938
Other operating	1,077	529	1,491
Total operating revenues	<u>\$ 26,753</u>	<u>\$ 22,757</u>	<u>\$ 25,837</u>

Changes in operating revenues for fiscal year 2022 were as follows:

- Tuition and fees increased \$718,000 due to increased contact hours and rates (\$717,000), increased offerings and related revenue for the College's non-credit enrichment program (\$228,000), more aviation flight fees (\$162,000), and the resumption of study abroad (\$147,000) and aviation's summer international program (\$71,000). These were partially offset by the College's elimination of its Flexible Learning Online (F.L.O.) fee for the 2021-2022 academic year. The F.L.O. fee was a per contact hour fee charged for online courses that generated \$492,000 less in fiscal year 2022 revenues than the previous year.
- Federal grant revenue from operations increased \$1.4 million due primarily to an increase in the direct support from MARAD for the Great Lakes Maritime Academy of \$658,000 from the prior year.
- Auxiliary and other operating sources increased due to the ability to reopen and resume activities following the impacts of COVID-19 in prior years, including elimination of capacity limits on student housing and resumption of operations at the Hagerty Center and Dennon Museum.

Changes in operating revenues for fiscal year 2021 were as follows:

- Tuition and fees decreased \$770,000 due to lost revenue related to limited offerings for the College's non-credit tuition program (\$346,000), and a 9.4% decline in billable contact hours associated with a tuition decrease of 10.4% (\$1.6 million) offset by an increase in aviation flight fees as training flights operated for the full fiscal year (\$546,000).
- Federal grant revenue from operations decreased \$336,000 due primarily to a decrease in the direct support from MARAD for the Great Lakes Maritime Academy of \$321,000 from the prior year.
- Auxiliary and other operating sources decreased due to the impact of COVID-19 including capacity limits on student housing and suspension of events at the Hagerty Center and Dennon Museum.



## Northwestern Michigan College

# Management's Discussion and Analysis

June 30, 2022

### Nonoperating Revenues and Capital Contributions

Nonoperating revenues are non-exchange in nature, meaning that the College receives value without directly giving equal value in return. Nonoperating revenues include state appropriations, Federal Pell grants, property taxes, support from component unit, and investment income. Capital contributions include state capital appropriations. The following table shows the amounts of these sources of nonoperating revenues for the years ended June 30, 2022, 2021, and 2020:

Nonoperating Revenues and Capital Contributions by Source					
Years Ended June 30 (in thousands)					
	2022		2021		2020
State appropriations	\$ 13,100	\$	12,420	\$	11,448
Pell grants	3,609		3,607		4,286
Federal COVID Funding	7,526		5,912		1,679
Property taxes	11,962		11,572		14,076
Support from the Foundation	4,758		4,338		4,649
Investment loss (income)	(1,705)		(338)		574
State capital appropriations	408		(893)		7,199
Total nonoperating revenues and capital contributions	\$ 39,658	\$	36,618	\$	43,911

Nonoperating revenue and capital contribution changes included the following factors for fiscal year 2022:

- State appropriations for general operations increased by \$0.7 million, or 5.5%. State appropriations for the MPSERS UAAL pass-through funding increased by \$251,000 from the prior fiscal year. The College received additional support from the State of \$425,000, a decrease of \$2,000 to help offset mandatory increases in employer contribution rates. The State's payments in lieu of property taxes of \$177,000 decreased by \$8,000 from prior year.
- Federal COVID Funding increased largely due to the recognition of \$3.4 million of revenue that was deferred from fiscal year 2021 due to the legislation date falling in fiscal year 2022 for eligible expenses and lost revenue incurred in fiscal year 2021. In addition, the College disbursed \$3.7 million in student emergency grants and utilized its remaining \$400,000 in institutional funding during fiscal year 2022.
- Property tax revenue increased by \$0.4 million, or 3.4%, due to a 4.7% increase in taxable values, offset by tax abatements and millage rate erosion due to the Headlee Amendment.
- Northwestern Michigan College Foundation support included \$1.5 million for scholarships, an increase of \$8,000. The remaining support of \$3.2 million was for debt service payments on sponsored projects, the Dennis Museum, instructional programs, board strategic initiatives, and general support.
- Investment income decreased by \$1.4 million due in large to the market's response to the pandemic. The College recognized unrealized losses of \$1.9 million and \$525,000 in fiscal years 2022 and 2021, respectively; a net reduction of \$1.4 million from prior year. Low interest rates in the market for the majority of the fiscal year resulted in interest income of \$179,000, a decrease of \$6,000 from prior year.
- The increase in state capital appropriations revenue is due to the completion of the Timothy J. Nelson Innovation Center building project, which finished under budget. The College received final payments in fiscal year 2022 for its 50% share of the project savings.

## Northwestern Michigan College

# Management's Discussion and Analysis

June 30, 2022

Nonoperating revenue and capital contribution changes included the following factors for fiscal year 2021:

- State appropriations for general operations increased by \$1.1 million, or 12.6%. State appropriations for the MPSERS UAAL pass-through funding did not change from the prior fiscal year. The College received additional support from the State of \$427,000, a decrease of \$31,000 to help offset mandatory increases in employer contribution rates. The State's payments in lieu of property taxes of \$185,000 decreased by \$14,000 from prior year.
- Through the CARES Act and CRRSAA, the College was awarded multiple grants as follows: allocated HEERF grants of \$2.2 million and spent \$0.5 million as of June 30, 2021 (remainder spent in fiscal year 2020), allocated CRF grants of \$1.1 and spent \$1.1 million as of June 30, 2021, and allocated HEERF II grants of \$4.3 and spent \$4.3 million as of June 30, 2021.
- Property tax revenue decreased by \$2.5 million or 17.8%. Operational property tax revenue increased by \$405,000, or 3.6%, due to increases in taxable values of 5.3% offset by property tax abatements. Debt-related property tax revenue decreased by \$2.5 million as a result of the College's debt millage expiring after satisfying the related debt in the prior year.
- Northwestern Michigan College Foundation support included \$1.5 million for scholarships, a decrease of \$171,000. The remaining support of \$2.7 million was for debt service payments on sponsored projects, the Dennon Museum, instructional programs, board strategic initiatives, and general support.
- Investment income decreased by \$912,000 due in large to the market's response to the pandemic. The College recognized unrealized gains/(losses) of (\$525,000) and \$43,000 in fiscal years 2021 and 2020, respectively; a net reduction of \$568,000 from prior year. Low interest rates in the market resulted in interest income of \$185,000, a decrease of \$345,000 from prior year.
- The decrease in state capital appropriations revenue is due to the completion of the Timothy J. Nelson Innovation Center building project during the fiscal year.



## Northwestern Michigan College

# Management's Discussion and Analysis

June 30, 2022

### Operating Expenses

Operating expenses include all the costs necessary to perform and conduct the programs and primary functions of the College such as wages and benefits, professional services, software and technology maintenance, utilities, staff development, and depreciation expense. In the College's external financial statements, these expenses are categorized by function in accordance with the *Michigan Community College Data Inventory Report* requirements. Total operating expenses increased by \$1.3 million (2.2%) for fiscal year 2022 after decreasing by \$3.1 million (-5.2%) in fiscal year 2021. The following table summarizes operating expenses by function for the years ended June 30, 2022, 2021, and 2020:

	Operating Expenses by Function Years Ended June 30 (in thousands)		
	2022	2021	2020
Instruction	\$ 16,147	\$ 17,518	\$ 17,775
Public service	1,541	1,508	2,484
Academic support	6,819	7,179	7,739
Student services	14,406	11,753	12,417
Institutional administration	6,460	6,316	6,889
Operation and maintenance of plant	4,633	4,940	5,191
Depreciation	5,011	4,672	4,435
Information technology	3,869	3,706	3,835
Total operating expenses	<u>\$ 58,886</u>	<u>\$ 57,592</u>	<u>\$ 60,765</u>

Highlights of the major changes between fiscal years 2022 and 2021 by category are as follows:

- Instruction and academic support costs decreased due primarily to negative adjustments of \$2.5 million and \$867,000, respectively, for changes in the net pension and OPEB liabilities and their related deferred inflows and outflows.
- Student services increased due primarily to the ARPA student awards of \$3.7 million.

Highlights of the major changes between fiscal years 2021 and 2020 by category are as follows:

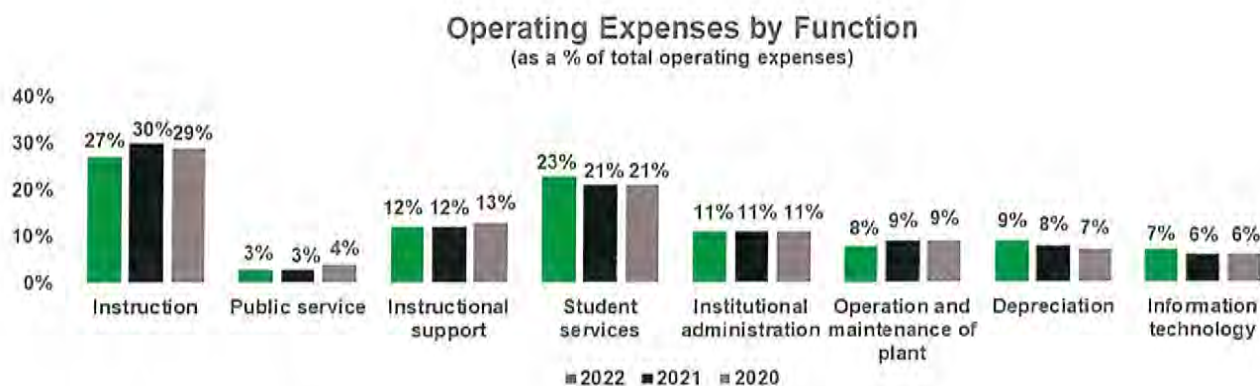
- Most functional operating expense categories decreased in fiscal year 2021 due to the impact of COVID-19 and closure of campus. Instruction costs decreased due to direct reductions in supplies stemming from the continued limitation of in-person instruction offered during the fiscal year.
- Public services decreased due primarily to closure of the Hagerty Center, the College's conferencing and events center, for the entire fiscal year in addition to limiting its operations for the Dennon Museum due to the pandemic.
- Student services decreased due primarily to a decrease in Pell grant awards of \$679,000.

## Northwestern Michigan College

# Management's Discussion and Analysis

June 30, 2022

For external reporting purposes, the College's funds are consolidated and internal expenses are eliminated. The following graph illustrates the composition of operating expenses for the years ended June 30, 2022, 2021, and 2020:



### Statements of Cash Flows

Another way to assess the College's financial health is by analyzing the statements of cash flows. This statement's primary purpose is to provide relevant information about the cash inflows and outflows of the College during a period of time. This statement also helps users assess the following:

- The College's ability to generate future cash flows
- Its ability to meet existing obligations as they come due
- Its needs for external financing

A summary of the College's cash flows for the years ended June 30, 2022, 2021, and 2020 is as follows:

	Cash Flows		
	Years Ended June 30 (in thousands)		
	2022	2021	2020
Cash (used in) provided by:			
Operating activities	\$ (32,954)	\$ (28,534)	\$ (26,582)
Noncapital financing activities	38,847	36,344	31,193
Capital financing activities	(3,831)	(1,732)	(13,314)
Investing activities	185	(5,201)	5,004
Net(decrease) increase in cash	2,247	878	(3,699)
Cash and cash equivalents, beginning of year	13,849	12,971	16,670
Cash and cash equivalents, end of year	<u>\$ 16,096</u>	<u>\$ 13,849</u>	<u>\$ 12,971</u>

Cash inflows from operating activities include receipts for tuition and fees, grants, contracts, and auxiliary activities, which include student housing, the Dennon Museum, University Center, Hagerty Center, and the bookstore. These cash inflows are offset by outflows for vendor and employee payroll payments. For fiscal year 2022, net cash used in operating activities increased primarily due to increases in personnel costs which was partially offset by increased receipts for auxiliary activities and decreased vendor expenses. For fiscal year 2021, net cash used in operating activities increased primarily due to reductions in receipts for tuition, fees, and auxiliary activities.



## Northwestern Michigan College

# Management's Discussion and Analysis

June 30, 2022

Cash inflows provided by noncapital financing activities include primarily receipts for the College's nonoperating revenues such as state appropriations, property taxes, Pell grants, and support from the Foundation for purposes other than capital. The increase in fiscal year 2022 is due primarily to increased receipts in noncapital state appropriations. The increase in fiscal year 2021 is due primarily to increased receipts in federal COVID funding.

Cash used in capital and related financing activities increased in fiscal year 2022 compared to fiscal year 2021 due to the fulfillment of capital funding from the State in 2021. Cash used in capital and related financing activities decreased in fiscal year 2021 due to the receipt of the capital funding from the State related to the construction of the Timothy J. Nelson Innovation Center.

Cash provided by or used in investing activities fluctuates depending on the timing of purchases and sales of investments. Cash used by investing activities increased in 2022 due to less investment activity and an unfavorable investment market. Similar to 2022, cash used by investing activities increased in 2021 due to less investment activity and an unfavorable investment market.

### Capital Assets

At June 30, 2022, the College had \$173 million invested in capital assets before accumulated depreciation of \$95 million. Depreciation charges totaled \$5.0 million for the current fiscal year. Details of these assets are as follows:

	Capital Assets as of June 30 (in thousands)		
	2022	2021	2020
Land and land improvements	\$ 10,408	\$ 10,366	\$ 10,374
Infrastructure	7,924	7,895	7,845
Buildings and improvements	120,096	118,420	98,729
Furniture, fixtures, and equipment	34,582	33,288	31,378
Construction in progress	29	876	20,195
Capital assets	<u>\$ 173,039</u>	<u>\$ 170,845</u>	<u>\$ 168,521</u>

Additional information regarding capital assets can be found in Note 6 to the financial statements.

### Debt Administration

The College's most recent bond rating by Standard & Poor's was AA. The College's most recent bond rating by Moody's was A1. The College had the following outstanding debt balances at June 30, 2022, 2021, and 2020:

	Debt Outstanding as of June 30 (in thousands)		
	2022	2021	2020
Bonds payable	<u>\$ 24,108</u>	<u>\$ 25,414</u>	<u>\$ 26,675</u>

Additional information regarding the College's debt can be found in Note 7 to the financial statements.

### Economic Factors That Will Affect the Future

The economic outlook for the College is strongly tied to national and state economic conditions. Although federal and state appropriations have been determined for the upcoming fiscal year, it is important to note that in times of



## Northwestern Michigan College

# Management's Discussion and Analysis

June 30, 2022

financial constraint, such funding can be adversely impacted. The College currently faces uncertainty due to the increased likelihood of a recession in the near future following more than a year of rapid inflation in the U.S., as the Federal Reserve seeks to slow the economy through a series of interest rate hikes through calendar year 2022. In times of increasing unemployment, community colleges often experience increased enrollment as students forgo a weak job market to seek new skills or learn a new trade. However, that traditional cycle may be counteracted by a lingering pandemic and changes in the public's perception of higher education.

Additionally, regional, state, and national data all indicate declining trends in birth rates and numbers of high school graduates. The College combats these trends through its strategic plan, which addresses the decline in student enrollment by investing in our distinctive programs, student success, and future focused education. The strategic plan seeks to expand flexible learning options and programs that can attract students from outside the region, such as our new Maritime Culinary Certificate program kicking off in Fall 2023. The plan also provides a diverse learning experience for regional students, which may lead to increases in the College's market share. The College maintains adequate operating reserves to address economic volatility that could impact its operations.

The College will receive a 2.6% increase in state appropriations for general operations during fiscal year 2023 based on the baseline appropriations for fiscal year 2022. The College's fiscal year 2023 budget also includes increased property tax revenue of 6.1% for expected increases in taxable values. For tuition, the College charges rates based on the primary residence of the student, including categories for in-district, in-state, out of state, or international. Further, the College uses a tiered structure to accommodate higher-cost programs such as its maritime, culinary, automotive, audio-technology, and nursing programs. To offset inflation and rising labor costs, the Board of Trustees approved a 5.0% rate increase for the 2022-2023 academic year. The College's Fall 2023 contact hours decreased 5.7% against a budgeted 2.0% decrease.

The College has separate labor agreements with its maintenance, custodial, and grounds employees, its faculty, and its academic chairs. The maintenance, custodial, and grounds agreement expires December 31, 2022. The faculty and academic chair agreements were renewed in July 2022 covering the 3-year period from August 1, 2022 to July 31, 2025. The 2023 fiscal year budget includes staff salary increases, which will be determined after Fall enrollment and other factors are known and go into effect January 1, 2023. Approximately 85% of College employees participate in the MPSERS, which mandates employer contributions to the plan. Required employer contribution rates have been on the rise in efforts to fully-fund and provide economic certainty for retiree pension and healthcare benefits. While there are various plans within the MPSERS, the contribution rate for the plan with the majority of the College's employees was set at 28.2% for the State's fiscal year ending September 30, 2023. Contribution rates for future years are unknown, but are expected to continue trending upwards.

With the guidance of GASB 68 and GASB 75, the College now reports its proportionate share of the net pension and net OPEB liabilities related to the MPSERS plans on its statements of net position. While the implementation of these standards have adversely impacted the College's net position, their application has not impacted the College's bond rating, cash position, nor its ability to meet current obligations. The State is projecting that the unfunded actuarial accrued liability will be fully-funded in approximately 25 years.

Following the private sector's adoption of balance sheet accounting for leases, the Governmental Accounting Standards Board issued GASB Statement No. 87, *Leases*, in June 2017 which is effective for the College's fiscal year 2022. The statement addresses the accounting for short and long-term leases for lessors and lessees. Since the College does not currently have significant leasing arrangements, this standard did not impact the College's financial statements during fiscal year 2022. The College will continue to monitor its leasing arrangement and the related financial statement impact of GASB 87.

The College is self-funded for its employee health benefit costs. Employees are required to contribute to the plan with the enactment of Public Act 152 of 2011. The College's healthcare costs have stabilized in recent years.

The College has reviewed its cash flow data and reserve funds. Northwestern Michigan College is financially positioned to continue normal operations.

## Northwestern Michigan College

# Board of Trustees and Administrative Officials

June 30, 2022

### Board of Trustees

Rachel A. Johnson  
*Chairperson*

Laura J. Oblinger  
*Vice Chairperson*

Andrew K. Robitshek  
*Secretary*

Kenneth E. Warner  
*Treasurer*

Douglas S. Bishop  
*Trustee*

Chris M. Bott  
*Trustee*

Kennard R. Weaver  
*Trustee*

### Business and Finance Staff

Lindsey Lipke  
*Controller*

Jennifer Hricik  
*Interim Executive Director, NMC Foundation  
and Associate VP of Resource Development*

### President

Nick Nissley, Ed. D.  
*President*

### Vice Presidents

Troy Kierczynski  
*Vice President of Finance and  
Administration*

Jason Slade  
*Vice President for Strategic Initiatives*

Stephen N. Siciliano  
*Vice President for Educational Services*

Todd Neibauer  
*Vice President of Student Services  
and Technology*



## Northwestern Michigan College

### Statement of Net Position

June 30, 2022 and 2021

	2022	2021
<b>Assets</b>		
Current assets:		
Cash and cash equivalents (Note 3)	\$ 13,907,368	\$ 11,660,987
Receivables - Net (Note 5)	8,716,535	9,371,057
Prepaid expenses and other assets	1,758,808	1,564,992
Total current assets	24,382,711	22,597,036
Noncurrent assets:		
Restricted cash and cash equivalents - Unspent bond proceeds (Note 3)	2,188,628	2,187,806
Investments (Note 3)	16,481,943	18,372,322
Capital assets - Net (Note 6)	78,217,737	81,034,451
Total noncurrent assets	96,888,308	101,594,579
Total assets	121,271,019	124,191,615
Deferred Outflows of Resources (Note 8)	10,280,489	15,381,909
<b>Liabilities</b>		
Current liabilities:		
Accounts payable	953,180	1,438,040
Accrued liabilities and other:		
Accrued wages and benefits	2,896,712	2,621,524
Accrued interest payable	120,386	126,832
Unearned revenue	2,168,238	5,812,123
Long-term obligations - Current (Note 7)	2,463,074	2,682,274
Total current liabilities	8,601,590	12,680,793
Noncurrent liabilities:		
Net pension liability (Note 8)	38,026,148	56,797,390
Net OPEB liability (Note 8)	2,390,998	8,622,821
Long-term obligations - Net of current portion (Note 7)	23,267,272	24,478,487
Deposits	2,426,486	1,665,120
Total noncurrent liabilities	66,110,904	91,563,818
Total liabilities	74,712,494	104,244,611
Deferred Inflows of Resources (Note 8)	28,403,470	13,685,818
<b>Net Position</b>		
Net investment in capital assets	56,298,239	57,808,257
Unrestricted (Note 9)	(27,862,695)	(36,165,162)
Total net position	<u>\$ 28,435,544</u>	<u>\$ 21,643,095</u>

## Northwestern Michigan College

### Statement of Revenue, Expenses, and Changes in Net Position

Years Ended June 30, 2022 and 2021

	2022	2021
<b>Operating Revenue</b>		
Student tuition and fees - Net of scholarship allowance of \$2,448,579 and \$2,493,650 for 2022 and 2021, respectively	\$ 18,259,173	\$ 17,541,197
Federal grants and contributions	3,037,004	1,626,052
State grants and contributions	211,470	123,205
Private gifts, grants, and contracts	103,389	73,970
Other sources	973,604	454,810
Sales and services of auxiliary activities	4,168,682	2,938,226
Total operating revenue	26,753,322	22,757,460
<b>Operating Expenses</b>		
Instruction	16,147,344	17,518,001
Public service	1,540,998	1,507,705
Academic support	6,819,324	7,178,877
Student services	14,405,963	11,752,668
Institutional administration	6,460,406	6,316,285
Operation and maintenance of plant	4,632,834	4,940,289
Depreciation	5,010,890	4,671,562
Information technology	3,868,454	3,706,320
Total operating expenses	58,886,213	57,591,707
<b>Operating Loss</b>	(32,132,891)	(34,834,247)
<b>Nonoperating Revenue (Expense)</b>		
State appropriations	13,100,187	12,419,660
Federal Pell grants	3,609,493	3,606,784
Federal COVID-19 funding	7,526,225	5,912,440
Property taxes	11,961,680	11,572,372
Support from component unit	4,757,638	4,337,904
Investment loss	(1,705,334)	(338,322)
Bond issuance and amortization costs	28,374	30,374
Interest expense on capital-related debt	(761,020)	(797,171)
Total nonoperating revenue	38,517,243	36,744,041
<b>Income - Before capital contributions - State capital appropriations</b>	6,384,352	1,909,794
<b>Capital Contributions - State capital appropriations</b>	408,097	(892,909)
<b>Change in Net Position</b>	6,792,449	1,016,885
<b>Net Position - Beginning of year</b>	21,643,095	20,626,210
<b>Net Position - End of year</b>	<u>\$ 28,435,544</u>	<u>\$ 21,643,095</u>



## Northwestern Michigan College

### Statement of Cash Flows

Years Ended June 30, 2022 and 2021

	2022	2021
<b>Cash Flows from Operating Activities</b>		
Tuition and fees	\$ 18,447,593	\$ 17,920,015
Grants and contracts	3,529,707	5,778,723
Payments to suppliers	(31,767,385)	(34,456,219)
Payments to employees	(27,978,276)	(21,024,323)
Auxiliary activities receipts	4,168,682	2,938,226
Other	645,597	309,808
Federal direct lending receipts	5,178,834	5,489,094
Federal direct lending disbursements	(5,178,834)	(5,489,094)
Net cash and cash equivalents used in operating activities	(32,954,082)	(28,533,770)
<b>Cash Flows from Noncapital Financing Activities</b>		
Property taxes	11,961,680	11,569,141
Gifts and contributions for other than capital purposes	4,353,970	3,735,009
State appropriations	13,206,933	11,551,295
Pell grants	3,609,493	3,606,784
Federal COVID-19 funding	5,715,209	5,881,712
Net cash and cash equivalents provided by noncapital financing activities	38,847,285	36,343,941
<b>Cash Flows from Capital and Related Financing Activities</b>		
Purchase of capital assets	(2,194,176)	(2,651,216)
Proceeds from the sale of capital assets	-	57,000
Principal paid on capital debt	(1,275,000)	(1,230,000)
Interest paid on capital debt	(769,966)	(803,889)
Capital property taxes	-	3,231
Capital appropriations	408,097	2,892,928
Net cash and cash equivalents used in capital and related financing activities	(3,831,045)	(1,731,946)
<b>Cash Flows from Investing Activities</b>		
Proceeds from sales and maturities of investments	18,198,083	36,403,237
Interest and investment loss - Net	(3,595,814)	(863,268)
Purchase of investments - Net	(14,417,224)	(40,740,701)
Net cash and cash equivalents provided by (used in) investing activities	185,045	(5,200,732)
<b>Net Increase in Cash and Cash Equivalents</b>	2,247,203	877,493
<b>Cash and Cash Equivalents - Beginning of year</b>	13,848,793	12,971,300
<b>Cash and Cash Equivalents - End of year</b>	<b>\$ 16,095,996</b>	<b>\$ 13,848,793</b>
<b>Classification of Cash and Cash Equivalents</b>		
Cash and cash equivalents	\$ 13,907,368	\$ 11,660,987
Restricted cash and cash equivalents	2,188,628	2,187,806
Total cash and cash equivalents	<b>\$ 16,095,996</b>	<b>\$ 13,848,793</b>

See notes to financial statements.



## Northwestern Michigan College

### Statement of Cash Flows (Continued)

Years Ended June 30, 2022 and 2021

	2022	2021
<b>Reconciliation of Operating Loss to Net Cash and Cash Equivalents from Operating Activities</b>		
Operating loss	\$ (32,132,891)	\$ (34,834,247)
Adjustments to reconcile operating loss to net cash and cash equivalents from operating activities:		
Depreciation	5,010,890	4,671,562
Loss on disposal of assets	-	33,145
Changes in assets and liabilities:		
Receivables	(512,041)	(532,745)
Prepaid expenses and other assets	(193,816)	(399,303)
Deferred outflows of resources	5,101,420	3,951,056
Accounts payable	(484,860)	(3,028,902)
Accrued liabilities and other	275,188	65,945
Unearned revenue	550,298	4,722,523
Compensated absences	(124,541)	109,785
Net pension liability	(18,771,242)	(1,094,626)
Net OPEB liability	(6,231,823)	(3,664,667)
Deferred inflows of resources	14,559,336	1,466,704
Net cash and cash equivalents used in operating activities	<u>\$ (32,954,082)</u>	<u>\$ (28,533,770)</u>

## Northwestern Michigan College

### Discretely Presented Component Unit Statement of Financial Position - Northwestern Michigan College Foundation

June 30, 2022 and 2021

	2022	2021
<b>Assets</b>		
Cash and cash equivalents	\$ 6,950,728	\$ 7,468,832
Investments	47,175,891	52,589,579
Pledges receivable - Net of allowance	3,072,640	3,517,372
Cash surrender value of life insurance	577,710	532,949
Prepaid expenses and other assets	-	6,106
	<u>57,776,969</u>	<u>64,114,838</u>
Total assets	<b>\$ 57,776,969</b>	<b>\$ 64,114,838</b>
<b>Liabilities</b>		
Accounts payable	\$ 37,563	\$ 24,662
Deferred revenue	2,256	100,514
Payable to Northwestern Michigan College	3,187,979	2,772,812
Split-interest agreements payable	38,855	74,082
	<u>3,266,653</u>	<u>2,972,070</u>
Total liabilities	3,266,653	2,972,070
<b>Net Assets</b>		
Without donor restrictions	4,318,130	5,471,633
With donor restrictions	50,192,186	55,671,135
	<u>54,510,316</u>	<u>61,142,768</u>
Total net assets	54,510,316	61,142,768
Total liabilities and net assets	<b>\$ 57,776,969</b>	<b>\$ 64,114,838</b>

## Northwestern Michigan College

### Discretely Presented Component Unit Statement of Activities - Northwestern Michigan College Foundation

Years Ended June 30, 2022 and 2021

	2022	2021
<b>Revenue, (Losses) Gains, and Other Support</b>		
Contributions	\$ 3,738,663	\$ 5,720,591
Special event revenue	293,305	309,228
Net realized and unrealized (losses) gains on investments	(6,737,378)	10,992,765
Investment income	1,144,212	926,124
Change in value of split-interest agreements	34,001	38,577
Total revenue, (losses) gains, and other support	(1,527,197)	17,987,285
<b>Expenses</b>		
Program expenses - Distributions to the College	3,982,552	3,361,851
Management and general	55,511	40,764
Fundraising	1,067,192	1,205,588
Total expenses	5,105,255	4,608,203
<b>Change in Net Assets</b>	(6,632,452)	13,379,082
<b>Net Assets - Beginning of year</b>	61,142,768	47,763,686
<b>Net Assets - End of year</b>	<u>\$ 54,510,316</u>	<u>\$ 61,142,768</u>



**June 30, 2022 and 2021**
**Note 1 - Significant Accounting Policies**
***Reporting Entity***

Northwestern Michigan College (the "College") is a Michigan community college whose financial statements have been prepared in accordance with generally accepted accounting principles, as applicable to public colleges and universities outlined in Governmental Accounting Standards Board (GASB) Statement No. 35 and the *Manual for Uniform Financial Reporting - Michigan Public Community Colleges, 2001*.

The accompanying financial statements have been prepared in accordance with criteria established by the GASB for determining the various governmental organizations to be included in the reporting entity. These criteria include significant operational or financial relationships with the College. Based on the application of the criteria, the College has one component unit. A component unit is a separate legal entity that is included in the College's reporting entity because of the significance of its operational financial relationship with the College.

Northwestern Michigan College Foundation (the "Foundation") is a separate legal entity established as a 501(c)(3) corporation to solicit, collect, hold, and invest donations made for the promotion of educational activities at the College and to augment the facilities of the College. Although the College does not necessarily control the timing or amount of receipts from the Foundation, the majority of resources, or income earned thereon, and the Foundation's holdings and investments are restricted by the donors for the activities of the College. Because these restricted resources held by the Foundation can be used only by, or for the benefit of, the College, the Foundation is considered a component unit of the College. Certain revenue recognition criteria and presentation features are different from those under GASB. No modifications have been made to the Foundation's financial information included in the College's financial report to account for these differences. Separate financial statements of the Foundation may be obtained by contacting Northwestern Michigan College Foundation, 1701 East Front Street, Traverse City, MI 49686.

Significant accounting policies followed by Northwestern Michigan College are described below to enhance the usefulness of the financial statements to the reader:

***Basis of Accounting***

The financial statements of the College use the economic resources measurement focus and the accrual basis of accounting. Revenue is recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

**Cash and Cash Equivalents**

Cash and cash equivalents consist of all highly liquid investments with an initial maturity of three months or less when acquired.

**Investments**

Investments are reported at fair value. Realized and unrealized gains and losses are reflected in the statement of revenue, expenses, and changes in net position as investment income. During fiscal years 2022 and 2021, there was \$(1,890,480) and \$(524,946) of unrealized losses, respectively, on investments the College recognized.

**Restricted Cash and Cash Equivalents**

The proceeds of the 2016 Community College Facilities Bonds are held in cash and investments and restricted for capital projects.



June 30, 2022 and 2021

**Note 1 - Significant Accounting Policies (Continued)****Capital Assets**

Capital assets are recorded at cost or, if donated, the acquisition value at the time of donation. Expenses for maintenance and repairs are charged to current expenses as incurred. Depreciation is computed using the straight-line method. No depreciation is recorded on land and the art collection. Expenses for major renewals and betterments that extend the useful lives of the assets are capitalized. Interest incurred during the construction of capital assets of business-type activities is expensed as incurred. Management reviews capital assets for impairment annually.

Capital assets are depreciated using the straight-line method over the following useful lives:

	<u>Depreciable Life - Years</u>
Buildings/Building improvements	30-40
Land improvements and infrastructure	15
Furniture, fixtures, and equipment	4-10
Docks	10

**Deferred Outflows of Resources**

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to future periods and will not be recognized as an outflow of resources (expense/expenditure) until then. The College reports deferred outflows of resources for certain pension-related and OPEB-related amounts, such as change in expected and actual experience, changes in assumptions, and certain contributions made to the plan subsequent to the measurement date. More detailed information can be found in Note 8.

**Unearned Revenue**

Revenue received prior to year end that is related to the next fiscal period is recorded as unearned revenue or deposits. The balance consists of approximately \$157,000 and \$197,000 for the 2022 and 2021 fall semester; approximately \$894,000 and \$1,064,000 for the 2022 and 2021 summer semesters, respectively; and approximately \$0 and \$151,000 for the housing payable for the Maritime program for 2022 and 2021, respectively. Grants received prior to qualifying expenses of approximately \$1,117,000 and \$4,400,000 for 2022 and 2021, respectively, are also included in unearned revenue. Generally, the College first applies restricted resources when an expense is incurred for which both restricted and unrestricted resources are available.

**Pension**

For the purpose of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Michigan Public School Employees' Retirement System (MPERS) and additions to/deductions from MPERS fiduciary net position have been determined on the same basis as they are reported by MPERS. MPERS uses the economic resources measurement focus and the full accrual basis of accounting. Contribution revenue is recorded as contributions are due, pursuant to legal requirements. Benefit payments (including refunds of employee contributions) are recognized as expense when due and payable in accordance with the benefit terms. Related plan investments are reported at fair value.



June 30, 2022 and 2021

**Note 1 - Significant Accounting Policies (Continued)****Other Postemployment Benefit Costs**

For the purpose of measuring the net other postemployment benefit (OPEB) liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the MPSERS and additions to/deductions from MPSERS fiduciary net position have been determined on the same basis as they are reported by MPSERS. MPSERS uses the economic resources measurement focus and the full accrual basis of accounting. For this purpose, MPSERS recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity of one year or less at the time of purchase, which are reported at cost.

**Deferred Inflows of Resources**

In addition to liabilities, the statement of net position will report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue or expense reduction) until that time. The College reports deferred inflows of resources for certain pension-related and OPEB-related amounts, such as the difference between projected and actual earnings of the plan's investments. More detailed information can be found in Note 8.

**Net Position**

Net position is classified according to external donor restrictions or availability of assets for satisfaction of college obligations. Restricted net position represents amounts over which third parties have imposed restrictions that cannot be changed by the board, including amounts that the board has agreed to set aside under contractual agreements with third parties. Generally, the College first applies restricted resources when an expense is incurred for which both restricted and unrestricted resources are available. Unrestricted net position represents net position that is not subject to externally imposed constraints. Unrestricted net position may be designated for specific purposes by action of management or the board of trustees. Net investment in capital assets consists of capital assets, net of accumulated depreciation and net of related debt.

**Tuition and Fees**

The academic programs are offered in traditional fall and spring semesters. Revenue from tuition and student fees is recognized during the academic term. Revenue from the summer semester, which commences in May and ends in August, is split and recognized proportionally to the number of days of the semester within the fiscal year. Tuition revenue is reported at established rates net of institutional financial aid and discounts provided by the College to the students.

**Scholarship Discounts and Allowances**

Student tuition and fees are reported net of scholarship discounts and allowances in the statement of revenue, expenses, and changes in net position. Scholarship discounts and allowances are the difference between the stated charge for goods and services provided by the College and the amount that is paid by students and/or third parties making payments on the students' behalf. Certain governmental grants, such as Pell grants and other federal, state, or nongovernmental programs, are recorded as either operating or nonoperating revenue in the College's financial statements. To the extent that revenue from such programs is used to satisfy tuition and fees and other student charges, the College has recorded a scholarship discount and allowance.



**June 30, 2022 and 2021**
**Note 1 - Significant Accounting Policies (Continued)**
**Grants and Contributions**

The College is often awarded grants from the federal government, the State of Michigan, and other agencies. Revenue from grants is recognized when all eligibility requirements, including time requirements, are met. Grants may be restricted for specific operating or capital purposes. Amounts restricted to capital acquisitions are reported after nonoperating revenue and expenses.

**Federal Financial Assistance Programs**

The College participates in federally funded Pell grants, Federal Supplemental Educational Opportunity Grants (SEOG) grants, Federal Work-Study, and Federal Direct Lending programs. Federal programs are audited in accordance with Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the compliance supplement.

During the years ended June 30, 2022 and 2021, the College distributed \$5,178,834 and \$5,489,094, respectively, for direct lending through the U.S. Department of Education, which is not included as revenue and expenditures on the accompanying financial statements.

**Sales and Services of Auxiliary Activities**

Auxiliary activities primarily represent revenue generated from housing, dining, conferences, and various other departmental activities that provide services to the student body, faculty, staff, and general public.

**Operating and Nonoperating Revenue and Expenses**

Revenue and expense transactions are normally classified as operating revenue and expenses when such transactions are generated by the College's principal ongoing operations. However, revenue that is considered to be nonexchange, such as property tax revenue, state appropriations, federal COVID-19 funding, and Pell grants, is classified as nonoperating revenue.

**Internal Service Activities**

Revenue and expenses related to internal service activities, including conference services, postage, and telecommunications, have been eliminated.

**Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

**Significant Event Impacting the College**

On March 11, 2020, the World Health Organization declared the outbreak of a respiratory disease caused by a new coronavirus, now known as COVID-19, a pandemic. In response to the COVID-19 pandemic, governments have taken preventive or protective actions, such as temporary closures of nonessential businesses and shelter-in-place guidelines for individuals. As a result, the global economy has been negatively affected, and the College's operations were also impacted. Due to the shelter-in-place guidelines during April and May 2020, the College shifted to a remote online learning environment and sent students home. To offset the financial impact to students and the losses incurred by the College due to the disruption caused by COVID-19, the College received grants and other relief from the Coronavirus Aid, Relief, and Economic Security (CARES) Act; the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA); and the American Rescue Plan (ARP) Act.



June 30, 2022 and 2021

**Note 1 - Significant Accounting Policies (Continued)**

For the year ended June 30, 2020, the College was allocated Higher Education Emergency Relief Fund (HEERF) grants under the CARES Act totaling \$2,124,216, of which 50 percent was required to be given directly to students. The College also received \$104,000 of Strengthening Institutions Program (SIP) funding as part of HEERF. During the year ended June 30, 2020, the College recognized HEERF grant revenue totaling \$1,679,357. During the year ended June 30, 2020, state appropriation revenue was reduced, and, instead, the College received Coronavirus Relief Funds (CRF) of \$1.1 million, which were required to be spent by December 30, 2020 on expenditures related to COVID-19.

For the year ended June 30, 2021, the College was allocated additional HEERF grants under CRRSAA and ARP totaling \$11,330,448, as well as \$173,226 of SIP. During the year ended June 30, 2021, the College recognized HEERF grant revenue totaling \$4,840,240 and deferred revenue of \$3,432,817 due to the eligibility requirement to provide grants to students in order to recognize the institutional portion. Additionally, the College recognized CRF grant revenue totaling \$1,072,200 during the year ended June 30, 2021.

For the year ended June 30, 2022, the College recognized HEERF grant revenue totaling \$7,526,225, of which \$3,679,516 was disbursed as emergency grants to students, \$313,892 for SIP, and the remainder was used for institutional expenses and lost revenue. As of June 30, 2022, the College has no remaining HEERF grant awards to disburse to students or spend.

**Upcoming Accounting Pronouncements**

In May 2020, the Governmental Accounting Standards Board issued Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITAs)*, which defines SBITAs and provides accounting and financial reporting for SBITAs by governmental entities. This statement requires the College to recognize a subscription liability and an intangible right-to-use subscription asset for SBITAs. The College is currently evaluating the impact this standard will have on the financial statements when adopted. The provisions of this statement are effective for the College's financial statements for the year ending June 30, 2023.

In June 2022, the Governmental Accounting Standards Board issued Statement No. 101, *Compensated Absences*, which updates the recognition and measurement guidance for compensated absences under a unified model. This statement requires that liabilities for compensated absences be recognized for leave that has not been used and leave that has been used but not yet paid in cash or settled through noncash means and establishes guidance for measuring a liability for leave that has not been used. It also updates disclosure requirements for compensated absences. The provisions of this statement are effective for the College's financial statements for the year ending December 31, 2024.

**Note 2 - Property Taxes**

Property tax revenue is recognized in the year for which taxes have been levied.

Property taxes are levied on July 1 and December 1 based on taxable values as of the preceding December 31. The taxes, which are collected and remitted to the College by townships and cities within the College's taxing district, are collected through February 28. Uncollected real property taxes of the College are turned over to the county in which the district is located for subsequent collection. The College is subsequently paid 100 percent of delinquent real property taxes through the county's tax revolving funds. These payments are usually received within three to five months after the delinquency date.

During the years ended June 30, 2022 and 2021, 2.0935 mills and 2.1137 mills, respectively, of tax per \$1,000 of taxable property value in the College's taxing district were levied for general operating purposes on all property. Total operating property tax revenue was \$11,961,680 and \$11,572,372 for the years ended June 30, 2022 and 2021, respectively.



## Northwestern Michigan College

## Notes to Financial Statements

June 30, 2022 and 2021

### Note 2 - Property Taxes (Continued)

The College's property tax revenue is affected by tax abatements entered into by other governments. The College's property tax revenue was reduced as follows for the years ended June 30, 2022 and 2021:

	2022	2021
City of Traverse City, Michigan	\$ 164,689	\$ 155,221
Blair Township	7,011	7,014
East Bay Township	1,938	1,953
Fife Lake Township	524	743
Garfield Township	73,417	73,154
Green Lake Township	5,686	6,113
Acme Township	407	405
Paradise Township	729	679
Long Lake Township	2,964	2,964
Peninsula Township	1,108	1,119
Total	<u>\$ 258,473</u>	<u>\$ 249,365</u>

### Note 3 - Deposits and Investments

Deposits and investments are reported in the financial statements as follows:

	2022	2021
Cash and cash equivalents	\$ 13,907,368	\$ 11,660,987
Investments	16,481,943	18,372,322
Restricted cash and cash equivalents	2,188,628	2,187,806
Restricted investment securities	<u>\$ 32,577,939</u>	<u>\$ 32,221,115</u>

State statutes and the College's investment policy authorize the College to make deposits in the accounts of federally insured banks, credit unions, and savings and loan associations that have offices in Michigan. The College is allowed to invest in U.S. Treasury or agency obligations, U.S. government repurchase agreements, bankers' acceptances, state obligations, commercial paper of corporations located in this state rated prime at the time of purchase, mutual funds, and investment pools that are composed of authorized investment vehicles. The College's deposits are in accordance with statutory authority.

The College has designated Huntington Bank and Chase Bank for the deposit of its funds.

The College's cash and investments are subject to several types of risk, which are examined in more detail below:

#### **Custodial Credit Risk of Bank Deposits**

Custodial credit risk is the risk that, in the event of a bank failure, the College's deposits may not be returned to it. The College's investment policy requires that financial institutions be evaluated and only those with an acceptable risk level for custodial credit risk be used for the College's deposits. The College thoroughly examines the banks with which it chooses to deposit funds for the following qualifications: federally chartered, State of Michigan qualified depository, Federal Reserve System, FDIC member, compliance with Community Reinvestment Act, Bauer bank rating of adequate to good, and Bankrate rating of sound to performing. As of June 30, 2022, the College's operations and debt deposit balances of \$4,379,508 had bank deposits of \$3,879,508 (checking and savings accounts) that were uninsured and uncollateralized. As of June 30, 2021, the College's operations and debt deposit balances of \$6,666,837 had bank deposits of \$3,119,110 (checking and savings accounts) that were uninsured and uncollateralized. The College believes that, due to the dollar amount of cash deposits and the limits of FDIC insurance, it is impractical to insure all deposits.

## Northwestern Michigan College

## Notes to Financial Statements

June 30, 2022 and 2021

### Note 3 - Deposits and Investments (Continued)

#### *Custodial Credit Risk of Investments*

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the College will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The College's policy for custodial credit risk states that custodial credit risk will be minimized by limiting investments to the types of securities allowed by state law and by prequalifying the financial institutions, broker/dealers, intermediaries, and advisors with which the College will do business using the criteria established in the investment policy. All investment securities that are uninsured and unregistered are held by counterparties.

#### *Interest Rate Risk*

Interest rate risk is the risk that the value of investments will decrease as a result of a rise in interest rates. The College's policy minimizes interest rate risk by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities in the open market.

#### *Credit Risk*

State law limits investments in commercial paper to prime ratings issued by nationally recognized statistical rating organizations. The College's investment policy does not further limit its investment choices.

#### *Concentration of Credit Risk*

The College's policy minimizes concentration of credit risk by requiring diversification of the investment portfolio so that the impact of the potential losses from any one type of security or issuer will be minimized.

At year end, the College had the following investments and maturities:

Description	2022				
	Carrying Value	Less Than 1 Year	1-5 Years	5-10 Years	More Than 10 Years
Money market accounts	\$ 359,582	\$ 359,582	\$ -	\$ -	\$ -
Commercial paper	10,340,946	10,340,946	-	-	-
U.S. government agency securities	16,481,943	-	4,620,650	11,861,293	-
Total investments in debt securities	<u>\$ 27,182,471</u>	<u>\$ 10,700,528</u>	<u>\$ 4,620,650</u>	<u>\$ 11,861,293</u>	<u>\$ -</u>
Description	2021				
	Carrying Value	Less Than 1 Year	1-5 Years	5-10 Years	More Than 10 Years
Money market accounts	\$ 2,182,010	\$ 2,182,010	\$ -	\$ -	\$ -
Commercial paper	4,363,647	4,363,647	-	-	-
U.S. government agency securities	18,373,322	-	8,685,572	9,686,750	-
Total investments in debt securities	<u>\$ 24,917,979</u>	<u>\$ 6,545,657</u>	<u>\$ 8,685,572</u>	<u>\$ 9,686,750</u>	<u>\$ -</u>



## Northwestern Michigan College

## Notes to Financial Statements

June 30, 2022 and 2021

### Note 3 - Deposits and Investments (Continued)

At June 30, 2022 and 2021, the College's investments (commercial paper and U.S. government agency securities) subject to credit risk (interest rate fluctuations) and related ratings consisted of the following:

Investment	June 30, 2022 S&P Quality Rating			
	Aaa	AA+	A1	A2
U.S. government agency securities	\$ 3,242,343	\$ 13,239,600	\$ -	\$ -
Commercial paper	-	-	7,149,083	3,193,863
Total	\$ 3,242,343	\$ 13,239,600	\$ 7,149,083	\$ 3,193,863

Investment	June 30, 2021 S&P Quality Ratings			
	Aaa	AA+	A1	A2
U.S. government agency securities	\$ 13,511,372	\$ 4,860,950	\$ -	\$ -
Commercial paper	-	-	2,363,953	1,999,694
Total	\$ 13,511,372	\$ 4,860,950	\$ 2,363,953	\$ 1,999,694

The nationally recognized statistical rating organization (NRSRO) utilized is primarily Standard & Poor's Rating Services.

More than 5 percent of the College's investments at June 30, were invested as follows:

	2022	2021
U.S. government agency securities	61.00 %	74.00 %
Commercial paper	31.00	18.00

### Note 4 - Fair Value Measurements

The College categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are significant other observable inputs, and Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy below.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The College's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset.

U.S. government agency securities totaling \$16,481,943 and \$18,372,322 and commercial paper totaling \$10,340,946 and \$4,363,647 for June 30, 2022 and 2021, respectively, are valued on a recurring basis using quoted market prices (Level 1 inputs). Money market accounts totaling \$359,582 and \$2,182,010 for June 30, 2022 and 2021, respectively, are valued at amortized cost and are not subject to fair value measurements.

## Notes to Financial Statements

June 30, 2022 and 2021

## Note 4 - Fair Value Measurements (Continued)

The following tables present information about the Foundation's assets measured at fair value on a recurring basis at June 30, 2022 and 2021:

	Assets Measured at Fair Value on a Recurring Basis at June 30, 2022			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance at June 30, 2022
<b>Assets</b>				
Mutual funds:				
Domestic equity	\$ 30,746,271	\$ -	\$ -	\$ 30,746,271
Fixed income	3,457,145	-	-	3,457,145
Total mutual funds	34,203,416	-	-	34,203,416
Fixed income:				
U.S. Treasury securities	922,836	-	-	922,836
Corporate bonds	-	6,338,769	-	6,338,769
Total fixed income	922,836	6,338,769	-	7,261,605
Total	<u>\$ 35,126,252</u>	<u>\$ 6,338,769</u>	<u>\$ -</u>	41,465,021
Investments measured at NAV:				
Private equity				3,718,951
Real estate				967,195
Multistrategy				1,024,724
Total investments measured at NAV				<u>5,710,870</u>
Total assets				<u>\$ 47,175,891</u>

## Northwestern Michigan College

## Notes to Financial Statements

June 30, 2022 and 2021

### Note 4 - Fair Value Measurements (Continued)

	Assets Measured at Fair Value on a Recurring Basis at June 30, 2021			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance at June 30, 2021
<b>Assets</b>				
Mutual funds:				
Domestic equity	\$ 36,842,352	\$ -	\$ -	\$ 36,842,352
International equity	3,881,522	-	-	3,881,522
Alternative strategies	188,340	-	-	188,340
Total mutual funds	40,912,214	-	-	40,912,214
Fixed income:				
U.S. Treasury securities	3,792,717	-	-	3,792,717
Corporate bonds	-	3,486,082	-	3,486,082
Total fixed income	3,792,717	3,486,082	-	7,278,799
Total	\$ 44,704,931	\$ 3,486,082	\$ -	48,191,013
Investments measured at NAV:				
Private equity				2,569,851
Real estate				771,468
Multistrategy				1,057,247
Total investments measured at NAV				4,398,566
Total assets				\$ 52,589,579

### Note 5 - Accounts Receivable

The following is the detail of accounts receivable:

	2022	2021
Student	\$ 2,480,135	\$ 2,267,802
Grants and contracts	744,134	2,302,308
State appropriations	2,315,583	2,264,013
Foundation	3,142,597	2,738,929
Third-party and other	585,216	492,366
Gross accounts receivable	9,267,665	10,065,418
Allowance for doubtful accounts	(551,130)	(694,361)
Total accounts receivable - Net	\$ 8,716,535	\$ 9,371,057



## Northwestern Michigan College

## Notes to Financial Statements

June 30, 2022 and 2021

### Note 6 - Capital Assets

Capital asset activity for the years ended June 30, 2022 and 2021 was as follows:

	Balance July 1, 2021	Additions	Disposals	Transfers	Balance June 30, 2022
Capital assets not being depreciated:					
Land	\$ 4,626,042	\$ -	\$ -	\$ -	\$ 4,626,042
Construction in progress	876,146	4,420	-	(851,760)	28,806
Art collection	1,704,379	144,387	-	-	1,848,766
Subtotal	7,206,567	148,807	-	(851,760)	6,503,614
Capital assets being depreciated:					
Infrastructure	7,894,779	28,825	-	-	7,923,604
Buildings and improvements	118,419,647	824,132	-	851,760	120,095,539
Docks	2,359,401	-	-	-	2,359,401
Furniture, fixtures, and equipment	29,224,362	1,150,018	-	-	30,374,380
Land improvements	5,739,582	42,394	-	-	5,781,976
Subtotal	163,637,771	2,045,369	-	851,760	166,534,900
Accumulated depreciation:					
Infrastructure	7,138,629	136,823	-	-	7,275,452
Buildings and improvements	51,169,146	3,160,375	-	-	54,329,521
Docks	1,961,614	61,678	-	-	2,023,292
Furniture, fixtures, and equipment	24,335,208	1,566,593	-	-	25,901,801
Land improvements	5,205,290	85,421	-	-	5,290,711
Subtotal	89,809,887	5,010,890	-	-	94,820,777
Net capital assets being depreciated	73,827,884	(2,965,521)	-	851,760	71,714,123
Capital assets - Net	\$ 81,034,451	\$ (2,816,714)	\$ -	\$ -	\$ 78,217,737

## Northwestern Michigan College

## Notes to Financial Statements

June 30, 2022 and 2021

### Note 6 - Capital Assets (Continued)

	Balance July 1, 2020	Additions	Disposals	Transfers	Balance June 30, 2021
Capital assets not being depreciated:					
Land	\$ 4,626,042	\$ -	\$ -	\$ -	\$ 4,626,042
Construction in progress	20,194,920	1,400,823	-	(20,719,597)	876,146
Art collection	1,648,881	55,498	-	-	1,704,379
Subtotal	26,469,843	1,456,321	-	(20,719,597)	7,206,567
Capital assets being depreciated:					
Infrastructure	7,845,246	37,485	-	12,048	7,894,779
Buildings and improvements	98,728,526	111,802	(117,144)	19,696,463	118,419,647
Docks	2,359,401	-	-	-	2,359,401
Furniture, fixtures, and equipment	27,370,122	1,045,608	(202,454)	1,011,086	29,224,362
Land improvements	5,748,392	-	(8,810)	-	5,739,582
Subtotal	142,051,687	1,194,895	(328,408)	20,719,597	163,637,771
Accumulated depreciation:					
Infrastructure	6,981,053	157,576	-	-	7,138,629
Buildings and improvements	48,312,118	2,857,028	-	-	51,169,146
Docks	1,896,613	65,001	-	-	1,961,614
Furniture, fixtures, and equipment	23,059,968	1,513,503	(238,263)	-	24,335,208
Land improvements	5,126,836	78,454	-	-	5,205,290
Subtotal	85,376,588	4,671,562	(238,263)	-	89,809,887
Net capital assets being depreciated	56,675,099	(3,476,667)	(90,145)	20,719,597	73,827,884
Capital assets - Net	\$ 83,144,942	\$ (2,020,346)	\$ (90,145)	\$ -	\$ 81,034,451

## Northwestern Michigan College

## Notes to Financial Statements

June 30, 2022 and 2021

### Note 7 - Long-term Obligations

Long-term debt activity for the years ended June 30, 2022 and 2021 can be summarized as follows:

	2022				
	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Bonds payable:					
2012 Community College Refunding Bonds	\$ 180,000	\$ -	\$ (180,000)	\$ -	\$ -
2016 Community College Facilities Bonds	18,225,000	-	(810,000)	17,415,000	840,000
2018 Community College Facilities Bonds	6,500,000	-	(285,000)	6,215,000	295,000
Total principal outstanding	24,905,000	-	(1,275,000)	23,630,000	1,135,000
Unamortized bond premiums	509,000	-	(30,874)	478,126	30,874
Total bonds payable	25,414,000	-	(1,305,874)	24,108,126	1,165,874
Accrued vacation and sick leave	1,632,361	1,230,171	(1,292,312)	1,570,220	1,266,000
Voluntary separation plan	114,400	-	(62,400)	52,000	31,200
Total long-term obligations	<u>\$ 27,160,761</u>	<u>\$ 1,230,171</u>	<u>\$ (2,660,586)</u>	<u>\$ 25,730,346</u>	<u>\$ 2,463,074</u>
	2021				
	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Bonds payable:					
2012 Community College Refunding Bonds	\$ 355,000	\$ -	\$ (175,000)	\$ 180,000	\$ 180,000
2016 Community College Facilities Bonds	19,005,000	-	(780,000)	18,225,000	810,000
2018 Community College Facilities Bonds	6,775,000	-	(275,000)	6,500,000	285,000
Total direct borrowings and direct placements principal outstanding	26,135,000	-	(1,230,000)	24,905,000	1,275,000
Unamortized bond discounts	539,874	-	(30,874)	509,000	30,874
Total bonds payable	26,674,874	-	(1,260,874)	25,414,000	1,305,874
Accrued vacation and sick leave	1,439,228	1,216,223	(1,023,090)	1,632,361	1,314,000
Voluntary separation plan	197,748	-	(83,348)	114,400	62,400
Total long-term debt	<u>\$ 28,311,850</u>	<u>\$ 1,216,223</u>	<u>\$ (2,367,312)</u>	<u>\$ 27,160,761</u>	<u>\$ 2,682,274</u>



## Northwestern Michigan College

## Notes to Financial Statements

June 30, 2022 and 2021

### Note 7 - Long-term Obligations (Continued)

#### *Community College Refunding Bonds, 2012*

The College issued \$1,620,000 in General Obligation - Limited Tax Refunding Bonds with an interest rate of 2.05 percent to refund \$1.635 million of outstanding 2002 Series Bonds with an interest rate of 4.625 to 5.15 percent, maturing in 2022. The 2012 bonds are payable from operating revenue of the College in installments ranging from \$165,000 to \$180,000, are callable at a premium, and mature at varying amounts through 2022. As of June 30, 2022 and 2021, the 2012 Series Bonds are considered defeased, and the liability has been removed from the statement of net position. At June 30, 2022 and 2021, no amounts remain in escrow, and the defeased bonds have been paid in full. The bonds were paid off during the fiscal year ended June 30, 2022.

#### *Community College Facilities Bonds, 2016*

The College issued \$20,890,000 in Limited Tax General Obligation Bonds with an interest rate of 2.78 percent. The 2016 bonds are payable from operating revenue of the College in installments ranging from \$405,000 to \$1,405,000 and mature at varying amounts through 2038. The net proceeds of \$20,788,154 (after payment of \$101,846 in underwriting fees and other issuance cost) are being used to construct residence housing, renovations to the museum, a new library, and various other campus infrastructure projects.

#### *Community College Facilities Bonds, 2018*

The College issued \$7,300,000 in Limited Tax General Obligation Bonds with an interest rate of 3.25 percent to 3.50 percent. The 2018 bonds are payable from operating revenue of the College in installments ranging from \$260,000 to \$495,000 and mature at varying amounts through 2038. The net proceeds of \$7,130,750 (after payment of \$169,250 in underwriting fees and other issuance cost) were used to finance the West Hall Innovation Center renovation.

#### *Accrued Vacation and Sick Leave*

The College provides vacation benefits to employees, as defined by each respective labor contract and administrative policy. The liability has been recorded based on the number of days available for each employee. Additionally, the College accrues unused sick days for those union employees who have met the conditions of the plan at year end.

#### *Voluntary Separation Plan*

During 2018, the College offered a voluntary separation plan to certain employees. The liability and expense was recognized when the employee accepts the offer and the amounts can be estimated.

#### *Debt Service Requirements to Maturity*

Annual debt service requirements to maturity for the above bonds and note obligations are as follows:

Years Ending June 30	Principal	Interest	Total
2023	\$ 1,135,000	\$ 730,213	\$ 1,865,213
2024	1,175,000	695,425	1,870,425
2025	1,215,000	659,413	1,874,413
2026	1,265,000	622,175	1,887,175
2027	1,310,000	583,400	1,893,400
2028-2032	7,315,000	2,284,013	9,599,013
2033-2037	8,780,000	1,069,050	9,849,050
2038	1,435,000	45,525	1,480,525
Total	\$ 23,630,000	\$ 6,689,214	\$ 30,319,214



June 30, 2022 and 2021

**Note 8 - Retirement Plans*****Plan Description***

The College participates in the Michigan Public School Employees' Retirement System (the "System"), a statewide, cost-sharing, multiple-employer defined benefit public employee retirement system governed by the State of Michigan that covers substantially all employees of the College. Certain college employees also receive defined contribution retirement and health care benefits through the System. The System provides retirement, survivor, and disability benefits to plan members and their beneficiaries. The System also provides postemployment health care benefits to retirees and beneficiaries who elect to receive those benefits.

The System, and all assumptions therein, is administered by the Office of Retirement Services (ORS). The Michigan Public School Employees' Retirement System issues a publicly available financial report that includes financial statements and required supplemental information for the pension and postemployment health care plans. That report is available on the web at <http://www.michigan.gov/orsschools>.

***Benefits Provided***

Benefit provisions of the defined benefit (DB) pension plan and the postemployment health care plan are established by state statute, which may be amended. Public Act 300 of 1980, as amended, establishes eligibility and benefit provisions for the defined benefit pension plan and the postemployment health care plan.

Depending on the plan option selected, member retirement benefits are calculated as final average compensation times years of services times a pension factor ranging from 1.25 percent to 1.50 percent. The requirements to retire range from attaining the age of 46 to 60 with years of service ranging from 5 to 30 years, depending on when the employee became a member. Early retirement is computed in the same manner as a regular pension but is permanently reduced to 0.50 percent for each full and partial month between the pension effective date and the date the member will attain age 60. There is no mandatory retirement age.

Depending on the member's date of hire, MPSERS offers the option of participating in the defined contribution (DC) plan that provides a 50 percent employer match (up to 3 percent of salary) on employee contributions.

Members are eligible for nonduty disability benefits after 10 years of service and for duty-related disability benefits upon hire. Disability retirement benefits are determined in the same manner as retirement benefits but are payable immediately without an actuarial reduction. The disability benefits plus authorized outside earnings are limited to 100 percent of the participant's final average compensation, with an increase of 2 percent each year thereafter.

Benefits may transfer to a beneficiary upon death and are determined in the same manner as retirement benefits but with an actuarial reduction.

Benefit terms provide for annual cost of living adjustments to each employee's retirement allowance subsequent to the employee's retirement date. The annual adjustment, if applicable, is 3 percent. Some members who do not receive an annual increase are eligible to receive a supplemental payment in those years in which investment earnings exceed actuarial assumptions.

MPSERS provides medical, prescription drug, dental, and vision coverage for retirees and beneficiaries. A subsidized portion of the premium is paid by MPSERS, with the balance deducted from the monthly pension of each retiree health care recipient. Depending on the member's date of hire, this subsidized portion ranges from 80 percent to the maximum allowed by the statute.



June 30, 2022 and 2021

**Note 8 - Retirement Plans (Continued)****Contributions**

Public Act 300 of 1980, as amended, required the College to contribute amounts necessary to finance the coverage of pension benefits of active and retired members. Contribution provisions are specified by state statute and may be amended only by action of the state Legislature. Under these provisions, each school district's contribution is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance a portion of the unfunded accrued liability.

Under the OPEB plan, retirees electing this coverage contribute an amount equivalent to the monthly cost for Part B Medicare and 10 percent, or 20 percent for those not Medicare eligible, of the monthly premium amount for the health, dental, and vision coverage at the time of receiving the benefits. The MPSERS board of trustees annually sets the employer contribution rate to fund the benefits. Participating employers are required to contribute at that rate.

Under Public Act 300 of 2012, members were given the choice between continuing the 3 percent contribution to the retiree health care and keeping the premium subsidy benefit described above or choosing not to pay the 3 percent contribution and, instead, opting out of the subsidy benefit and becoming participants in the Personal Healthcare Fund (PHF), a portable tax-deferred fund that can be used to pay health care expenses in retirement. Participants in the PHF are automatically enrolled in a 2 percent employee contribution into their 457 accounts as of their transition date, earning them a 2 percent employer match into a 401(k) account. Members who selected this option stopped paying the 3 percent contribution to retiree health care as of the day before their transition date, and their prior contributions were deposited into their 401(k) accounts.

The College's contributions are determined based on employee elections. There are multiple pension and health care benefit options included in the plan available to employees based on date of hire and the elections available at that time. Contribution rates are adjusted annually by the ORS.

The ranges of rates are as follows:

	Pension	OPEB
October 1, 2019 - September 30, 2020	13.39% - 19.41%	7.57% - 8.09%
October 1, 2020 - September 30, 2021	13.39% - 19.78%	7.57% - 8.43%
October 1, 2021 - September 30, 2022	13.73% - 20.14%	7.23% - 8.09%

Depending on the plan selected, member pension contributions range from 0 percent up to 7.0 percent of gross wages. For certain plan members, a 4 percent employer contribution to the defined contribution pension plan is required. In addition, for certain plan members, a 3 percent employer match is provided to the defined contribution pension plan.

The College's required and actual pension contributions to the plan for the years ended June 30, 2022 and 2021 were \$5,275,923 and \$5,001,913, respectively, which include the College's contributions required for those members with a defined contribution benefit. The College's required and actual pension contributions include an allocation of \$2,373,453 and \$2,215,137 in revenue received from the State of Michigan and remitted to the System to fund the MPSERS unfunded actuarial accrued liability (UAAL) stabilization rate for the years ended June 30, 2022 and 2021, respectively.

The College's required and actual OPEB contributions to the plan for the years ended June 30, 2022 and 2021 were \$1,303,094 and \$1,282,734, respectively, which include the College's contributions required for those members with a defined contribution benefit.



June 30, 2022 and 2021

**Note 8 - Retirement Plans (Continued)*****Net Pension Liability***

At June 30, 2022 and 2021, the College reported a liability of \$38,026,148 and \$56,797,390, respectively, for its proportionate share of the net pension liability. The net pension liability was measured as of September 30, 2021 and 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of September 30, 2020 and 2019, which used update procedures to roll forward the estimated liability to September 30, 2021 and 2020. The College's proportion of the net pension liability was based on a projection of its long-term share of contributions to the pension plan relative to the projected contributions of all participating reporting units, actuarially determined. At September 30, 2021, 2020, and 2019, the College's proportion was 0.160615 percent, 0.165344 percent, and 0.174810 percent, respectively, representing a change of (2.858044) and (5.417310) percent, respectively.

***Net OPEB Liability***

At June 30, 2022 and 2021, the College reported a liability of \$2,390,998 and \$8,622,821, respectively, for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of September 30, 2021 and 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of September 30, 2020 and 2019, which used update procedures to roll forward the estimated liability to September 30, 2021 and 2020. The College's proportion of the net OPEB liability was based on a projection of its long-term share of contributions to the OPEB plan relative to the projected contributions of all participating reporting units, actuarially determined. At September 30, 2021, 2020, and 2019, the College's proportion was 0.156645 percent, 0.160956 percent, and 0.171189 percent, respectively, representing a change of (2.677975) and (5.978392) percent, respectively.

***Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions***

For the years ended June 30, 2022 and 2021, the College recognized pension expense of \$2,640,876 and \$7,192,027, respectively, inclusive of payments to fund the MPSERS UAAL stabilization rate. At June 30, 2022 and 2021, the College reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	2022		2021	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 589,041	\$ (223,929)	\$ 867,818	\$ (121,226)
Changes in assumptions	2,397,032	-	6,293,698	-
Net difference between projected and actual earnings on pension plan investments	-	(12,225,284)	238,637	-
Changes in proportion and differences between the College's contributions and proportionate share of contributions	-	(3,270,695)	-	(3,420,670)
The College's contributions to the plan subsequent to the measurement date	4,406,386	-	4,175,573	-
<b>Total</b>	<b>\$ 7,392,459</b>	<b>\$ (15,719,908)</b>	<b>\$ 11,575,726</b>	<b>\$ (3,541,896)</b>

## Northwestern Michigan College

## Notes to Financial Statements

June 30, 2022 and 2021

### Note 8 - Retirement Plans (Continued)

The \$2,373,453 and \$2,215,137 reported as deferred inflows of resources resulting from the pension portion of state aid payments received pursuant to the UAAL payment will be recognized as state appropriations revenue for the years ended June 30, 2022 and 2021, respectively. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Years Ending	Amount
2023	\$ (2,474,287)
2024	(3,237,766)
2025	(3,576,676)
2026	(3,445,106)
Total	\$ (12,733,835)

In addition, the contributions subsequent to the measurement date will be included as a reduction of the net pension liability in the next year.

#### ***OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB***

For the years ended June 30, 2022 and 2021, the College recognized OPEB recovery of \$1,776,582 and \$627,189, respectively.

At June 30, 2022 and 2021, the College reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	2022		2021	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ (6,824,934)	\$ -	\$ (6,424,807)
Changes in assumptions	1,998,756	(299,089)	2,843,115	-
Net difference between projected and actual earnings on OPEB plan investments	-	(1,802,138)	71,967	-
Changes in proportionate share or difference between amount contributed and proportionate share of contributions	15,259	(1,383,948)	10,777	(1,503,978)
Employer contributions to the plan subsequent to the measurement date	874,015	-	880,324	-
Total	\$ 2,888,030	\$ (10,310,109)	\$ 3,806,183	\$ (7,928,785)



## Northwestern Michigan College

## Notes to Financial Statements

June 30, 2022 and 2021

### Note 8 - Retirement Plans (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows (note that employer contributions subsequent to the measurement date will reduce the net OPEB liability and, therefore, will not be included in future pension expense):

Years Ending	Amount
2023	\$ (2,242,610)
2024	(2,043,759)
2025	(1,798,043)
2026	(1,601,494)
2027	(539,417)
Thereafter	(70,771)
Total	<u>\$ (8,296,094)</u>

#### Actuarial Assumptions

The total pension and OPEB liabilities as of September 30, 2021 and 2020 are based on the results of an actuarial valuation as of September 30, 2020 and 2019, respectively, and rolled forward. The total liabilities were determined using the following actuarial assumptions:

	2022	2021	
Actuarial cost method			Entry age normal
Investment rate of return - Pension	6.00% - 6.80%	6.00% - 6.80%	Net of investment expenses based on the groups
Investment rate of return - OPEB	6.95%	6.95%	Net of investment expenses based on the groups
Salary increases	2.75% - 11.55%	2.75% - 11.55%	Including wage inflation of 2.25%
Health care cost trend rate - OPEB	5.25 - 7.75% (Year 1 graded to 3.5% in year 15, 3.0% in year 12)	7.00% (Year 1 graded to 3.5% in year 12)	
Mortality basis	RP-2014 Male and Female Employee Annuitant Mortality tables, scaled 100% (retirees: 82% for males and 78% for females) and adjusted for mortality improvements using projection scale MP-2017 from 2006	RP-2014 Male and Female Employee Annuitant Mortality tables, scaled 100% (retirees: 82% for males and 78% for females) and adjusted for mortality improvements using projection scale MP-2017 from 2006	
Cost of living pension adjustments	3.00%	3.00%	Annual noncompounded for MIP members

Assumption changes as a result of an experience study for the periods from 2012 to 2017 have been adopted by the System for use in the annual pension and OPEB valuations beginning with the September 30, 2018 valuation.

Significant assumption changes since the prior measurement date, September 30, 2020, for the OPEB plan include an increase in the health care cost trend rate of 0.75 percentage points for members under 65 and reduction from 7.0 percent to 5.25 percent for members over 65. There were no significant changes in assumptions for the pension or OPEB plans since the prior measurement date of September 30, 2020.

Significant assumption changes since the measurement date, September 30, 2021, for both the pension and OPEB plan include a reduction of both plans' discount rates to 6.0 percent. The change increases the total plans net pension liability by approximately \$8.1 billion and the total plan's net OPEB liability by approximately \$1.1 billion.



## Northwestern Michigan College

## Notes to Financial Statements

June 30, 2022 and 2021

### Note 8 - Retirement Plans (Continued)

#### Discount Rate

The discount rate used to measure the total pension liability was 6.00 to 6.80 percent as of September 30, 2021 and 2020, depending on the plan option. The discount rate used to measure the total OPEB liability was 6.95 percent as of September 30, 2021 and 2020. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that district contributions will be made at statutorily required rates.

Based on those assumptions, the pension plan's fiduciary net position and the OPEB plan's fiduciary net position were projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan and OPEB plan investments was applied to all periods of projected benefit payments to determine the total pension liability and total OPEB liability.

The long-term expected rate of return on pension plan and OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	2022		2021	
	Target Allocation	Long-term Expected Real Rate of Return	Target Allocation	Long-term Expected Real Rate of Return
Domestic equity pools	25.00 %	5.40 %	25.00 %	5.60 %
Private equity pools	16.00	9.10	16.00	9.30
International equity pools	15.00	7.50	15.00	7.40
Fixed-income pools	10.50	(0.70)	10.50	0.50
Real estate and infrastructure pools	10.00	5.40	10.00	4.90
Absolute return pools	9.00	2.60	9.00	3.20
Real return/Opportunistic pools	12.50	6.10	12.50	6.60
Short-term investment pools	2.00	(1.30)	2.00	(0.10)
Total	100.00 %		100.00 %	

Long-term rates of return are net of administrative expense and inflation of 2.0 percent.

#### Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the College, calculated using the discount rate depending on the plan option. The following also reflects what the College's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	2022		
	1 Percentage Point Decrease (5.00 - 5.80%)	Current Discount Rate (6.00 - 6.80%)	1 Percentage Point Increase (7.00 - 7.80%)
Net pension liability of the College	\$ 54,367,079	\$ 38,026,148	\$ 24,478,444

## Northwestern Michigan College

## Notes to Financial Statements

June 30, 2022 and 2021

### Note 8 - Retirement Plans (Continued)

	2021		
	1 Percentage Point Decrease (5.00 - 5.80%)	Current Discount Rate (6.00 - 6.80%)	1 Percentage Point Increase (7.00 - 7.80%)
Net pension liability of the College	\$ 73,514,587	\$ 56,797,390	\$ 42,942,561

#### **Sensitivity of the Net OPEB Liability to Changes in the Discount Rate**

The following presents the net OPEB liability of the College, calculated using the current discount rate. It also reflects what the College's net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	2022		
	1 Percentage Point Decrease (5.95%)	Current Discount Rate (6.95%)	1 Percentage Point Increase (7.95%)
Net OPEB liability of the College	\$ 4,442,906	\$ 2,390,998	\$ 649,661

	2021		
	1 Percentage Point Decrease (5.95%)	Current Discount Rate (6.95%)	1 Percentage Point Increase (7.95%)
Net OPEB liability of the College	\$ 11,076,993	\$ 8,622,821	\$ 6,556,613

#### **Sensitivity of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate**

The following presents the net OPEB liability of the College, calculated using the current health care cost trend rate. It also reflects what the College's net OPEB liability would be if it were calculated using a health care cost trend rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	2022		
	1 Percentage Point Decrease	Current Rate	1 Percentage Point Increase
Net OPEB liability of the College	\$ 581,950	\$ 2,390,998	\$ 4,426,395

	2021		
	1 Percentage Point Decrease	Current Rate	1 Percentage Point Increase
Net OPEB liability of the College	\$ 6,477,502	\$ 8,622,821	\$ 11,062,856

#### **Pension Plan and OPEB Plan Fiduciary Net Position**

Detailed information about the plan's fiduciary net position is available in the separately issued MPSERS financial report.

#### **Payable to the Pension Plan and OPEB Plan**

At June 30, 2022, the College reported a payable of \$638,559 and \$89,005 for the outstanding amount of contributions to the pension plan and OPEB plan, respectively, required for the year ended June 30, 2022.

At June 30, 2021, the College reported a payable of \$579,391 and \$79,317 for the outstanding amount of contributions to the pension plan and OPEB plan, respectively, required for the year ended June 30, 2021.



## Northwestern Michigan College

## Notes to Financial Statements

June 30, 2022 and 2021

### Note 9 - Unrestricted Net Deficit

The College, through application of the board-approved resources guidelines, reserved the use of unrestricted net deficit as follows at June 30:

	2022	2021
Reserved for General Operating Fund	\$ 11,697,703	\$ 12,188,309
Reserved for maintenance and replacement after bond commitments	5,749,504	5,398,088
Reserved for auxiliary expenses	9,723,088	9,567,395
Reserved for GLMA equipment and vessel	512,401	512,401
Reserved for HEERF	-	(3,432,817)
Reserved for transformation	1,586,740	1,704,584
Reserved for strategic projects	1,203,865	1,256,884
Reserved for wellness initiatives	364,114	364,114
Total reserves before pension and OPEB liabilities	30,837,418	27,558,958
Reserved for OPEB liability fund deficit	(9,813,077)	(12,745,423)
Reserved for pension liability fund deficit	(48,727,050)	(50,978,697)
Total	<u>\$ (27,702,712)</u>	<u>\$ (36,165,162)</u>

### Note 10 - Risk Management

The College is exposed to various risks of loss related to property loss, torts, errors, omissions, employee injuries (workers' compensation), and medical benefits provided to employees. The College participates in risk management pools for claims relating to auto, property, workers' compensation, errors, omissions, and liability.

#### *Risk-sharing Programs*

The College participates in the Michigan Community College Risk Management Authority (MCCRMA) risk management pool for auto, property, and liability claims and in the SET-SEG risk management pool for workers' compensation claims, errors, and omissions coverage. Both programs operate as claims servicing pools for amounts up to member retention limits and operate as common risk-sharing management programs for losses in excess of member retention amounts. Although premiums are paid annually to the pools, which the pools use to pay claims up to the retention limits, the ultimate liability for those claims remains with the College.

#### *Self-insurance*

The College is self-insured for unemployment compensation and health benefits. The College estimates the liability for self-insured claims that have been incurred through the end of the fiscal year, including both those claims that have been reported and those that have not yet been reported. The estimated liabilities for unemployment compensation for the fiscal years ended June 30, 2022 and 2021 were insignificant. Changes in the estimated liability for the fiscal years ended June 30, 2022 and 2021 for health benefits were as follows:

	Medical Claims		
	2022	2021	2020
Unpaid claims - Beginning of year	\$ 240,813	\$ 332,800	\$ 139,304
Incurred claims, including claims incurred but not reported	3,032,430	3,209,461	3,109,973
Claim payments	(3,143,757)	(3,301,448)	(2,916,477)
Unpaid claims - End of year	<u>\$ 129,486</u>	<u>\$ 240,813</u>	<u>\$ 332,800</u>



## Northwestern Michigan College

## Notes to Financial Statements

June 30, 2022 and 2021

### Note 11 - Contingent Liabilities

The College is subject to various legal proceedings and claims that arise in the ordinary course of its activities. The College believes that the amount, if any, of ultimate liability with respect to legal actions will be insignificant or will be covered by insurance.

### Note 12 - Dennon Museum Center

Dennon Museum Center operates as an auxiliary function of the College. Revenue and expenses for Dennon Museum Center for the years ended June 30 were as follows:

	2022	2021
<b>Revenue</b>		
Sales and services	\$ 419,245	\$ 190,295
Federal grants and contracts	-	5,298
State grants and contracts	16,550	22,200
Support from component unit	907,320	453,208
Other sources	20,497	11,043
Total revenue	1,363,612	682,044
<b>Operating and Capital Expenses</b>		
Public service	855,258	721,971
Operations and maintenance of plant	109,779	91,156
Total operating and capital expenses	965,037	813,127
<b>Change in Net Position before Transfers</b>	398,575	(131,083)
<b>Transfers (Out) In</b>	(133,429)	328,206
<b>Change in Net Position</b>	265,146	197,123
<b>Net Position (Deficit) - Beginning of year</b>	(66,983)	(264,106)
<b>Net Position (Deficit) - End of year</b>	\$ 198,163	\$ (66,983)

### Note 13 - Northwestern Michigan College Foundation

#### Contributions Receivable

Foundation contributions receivable consist of several unconditional promises to give generated from a capital campaign. They include the following:

	2022	2021
Gross promises to give before unamortized discount	\$ 3,302,100	\$ 3,764,252
Less allowance for uncollectible contributions	(25,000)	(25,000)
Less allowance for net present value discount	(204,460)	(221,880)
Total	\$ 3,072,640	\$ 3,517,372

Amounts due in less than one year and amounts due between one and five years total \$820,767 and \$2,251,873, respectively.

## Northwestern Michigan College

## Notes to Financial Statements

June 30, 2022 and 2021

### Note 13 - Northwestern Michigan College Foundation (Continued)

#### Investments

Investments at the Foundation are as follows:

	2022	2021
Mutual funds	\$ 34,203,416	\$ 40,912,214
U.S. Treasury securities	922,836	3,792,717
Corporate bonds	6,338,769	3,486,082
Alternative investments	5,710,870	4,398,566
Total	<u>\$ 47,175,891</u>	<u>\$ 52,589,579</u>

Net realized gains from security transactions for the Foundation for the years ended June 30, 2022 and 2021 were \$150,883 and \$1,747,505, respectively. Net unrealized gains (losses) from security transactions for the Foundation for the years ended June 30, 2022 and 2021 were \$(6,888,261) and \$9,245,260, respectively. The mutual funds and U.S. Treasury securities are valued using Level 1 inputs, while the corporate bonds are valued using Level 2 inputs.

#### Net Assets

Net assets without donor restrictions consist of the following as of June 30:

	2022	2021
Quasi endowment	\$ 1,483,484	\$ 1,503,480
Undesignated net assets	2,834,646	3,968,153
Total	<u>\$ 4,318,130</u>	<u>\$ 5,471,633</u>

Net assets with donor restrictions as of June 30 are available for the following purposes:

	2022	2021
Subject to expenditure for a specified purpose or the passage of time:		
University Center	\$ 1,815,969	\$ 2,117,453
Programs and scholarships	24,498,414	28,877,869
Dennos Museum Center	6,351,864	8,264,830
Great Lakes Campus	-	1,035
Not subject to appropriation or expenditure:		
Endowment - Programs and scholarships	13,271,877	12,173,825
Endowment - Dennos Museum Center	4,254,062	4,236,123
Total	<u>\$ 50,192,186</u>	<u>\$ 55,671,135</u>

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## Required Supplemental Information

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**Northwestern Michigan College**

Required Supplemental Information  
 Schedule of the College's Proportionate Share of the Net Pension Liability  
 Michigan Public School Employees' Retirement System

	Last Eight Plan Years							
	Plan Years Ended September 30							
	2021	2020	2019	2018	2017	2016	2015	2014
College's proportion of the net pension liability	0.16061 %	0.16534 %	0.17481 %	0.18127 %	0.18535 %	0.18849 %	0.18036 %	0.17962 %
College's proportionate share of the net pension liability	\$ 38,026,148	\$ 56,797,390	\$ 57,892,016	\$ 54,492,788	\$ 48,031,699	\$ 47,027,079	\$ 44,052,461	\$ 39,564,005
College's covered payroll	\$ 14,371,428	\$ 14,416,413	\$ 15,079,019	\$ 15,354,013	\$ 15,460,385	\$ 16,077,647	\$ 15,446,667	\$ 15,420,406
College's proportionate share of the net pension liability as a percentage of its covered payroll	264.60 %	393.98 %	383.92 %	354.91 %	310.68 %	292.50 %	285.19 %	256.57 %
Plan fiduciary net position as a percentage of total pension liability	72.32 %	59.49 %	60.08 %	62.12 %	63.96 %	63.01 %	63.17 %	66.20 %

Note: GASB Statement No. 68 was implemented in fiscal year 2015. This schedule is being built prospectively. Ultimately, 10 years of data will be presented.

Benefit changes - There were no changes of benefit terms for the plan years ended September 30.

Changes in assumptions - There were no significant changes of assumptions for each of the reported plan years ended September 30 except for the following:

2019 - The discount rate used in the September 30, 2018 actuarial valuation decreased by 0.25 percentage points.

2018 - The discount rate used in the September 30, 2017 actuarial valuation decreased by 0.45 percentage points. The valuation also includes the impact of an updated experience study for the periods from 2012 to 2017.

2017 - The discount rate used in the September 30, 2016 actuarial valuation decreased by 0.50 percentage points.

# Northwestern Michigan College

## Required Supplemental Information Schedule of Pension Contributions Michigan Public School Employees' Retirement System

	Last Eight Fiscal Years Years Ended June 30							
	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 5,070,861	\$ 4,818,835	\$ 4,571,582	\$ 4,688,968	\$ 4,683,462	\$ 4,397,619	\$ 4,112,085	\$ 4,726,013
Contributions in relation to the contractually required contribution	5,070,861	4,818,835	4,571,582	4,688,968	4,683,462	4,397,619	4,112,085	4,726,013
<b>Contribution Deficiency</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
College's Covered Payroll	\$ 14,879,380	\$ 14,250,782	\$ 14,429,193	\$ 15,279,724	\$ 15,376,191	\$ 15,454,034	\$ 15,593,732	\$ 15,479,214
<b>Contributions as a Percentage of Covered Payroll</b>	<b>34.08 %</b>	<b>33.81 %</b>	<b>31.68 %</b>	<b>30.69 %</b>	<b>30.46 %</b>	<b>28.46 %</b>	<b>26.37 %</b>	<b>30.53 %</b>

Note: GASB Statement No. 68 was implemented in fiscal year 2015. This schedule is being built prospectively. Ultimately, 10 years of data will be presented.



## Northwestern Michigan College

### Required Supplemental Information Schedule of the College's Proportionate Share of the Net OPEB Liability Michigan Public School Employees' Retirement System

	Last Five Plan Years				
	Plan Years Ended September 30				
	2021	2020	2019	2018	2017
College's proportion of the net OPEB liability	0.15665 %	0.16096 %	0.17119 %	0.17928 %	0.18655 %
College's proportionate share of the net OPEB liability	\$ 2,390,998	\$ 8,622,821	\$ 12,287,488	\$ 14,250,585	\$ 16,520,072
College's covered payroll	\$ 14,371,428	\$ 14,416,413	\$ 15,079,019	\$ 15,354,013	\$ 15,460,385
College's proportionate share of the net OPEB liability as a percentage of its covered payroll	16.64 %	59.81 %	81.49 %	92.81 %	106.85 %
Plan fiduciary net position as a percentage of total OPEB liability	88.87 %	59.76 %	48.67 %	43.10 %	36.53 %

Note: GASB 75 was implemented in fiscal year 2018. This schedule is being built prospectively. Ultimately, 10 years of data will be presented. There were no changes of benefit terms for the plan years ended September 30.

Changes in assumptions - There were no significant changes of assumptions for each of the reported plan years ended September 30 except for the following:

2021 - The health care cost trend rate used in the September 30, 2020 actuarial valuation increased by 0.75 percentage points for members under 65 and decreased by 1.75 percentage points for members over 65. In addition, actual per person health benefit costs were lower than projected. This reduced the plan's total OPEB liability by \$1.3 billion in 2021.

2020 - The health care cost trend rate used in the September 30, 2019 actuarial valuation decreased by 0.50 percentage points, and actual per person health benefit costs were lower than projected. This reduced the plan's total OPEB liability by \$1.8 billion in 2020.

2019 - The discount rate used in the September 30, 2018 actuarial valuation decreased by 0.20 percentage points. The valuation also includes the impact of an updated experience study for the periods from 2012 to 2017. This resulted in lower than projected per person health benefit costs to reduce the plan's total OPEB liability by an additional \$1.4 billion in 2019.

2018 - The discount rate used in the September 30, 2017 actuarial valuation decreased by 0.35 percentage points. The valuation also includes the impact of an updated experience study for the periods from 2012 to 2017. This resulted in lower than projected per person health benefit costs to reduce the plan's total OPEB liability by \$1.4 billion in 2018.



## Northwestern Michigan College

### Required Supplemental Information Schedule of the College's OPEB Contributions Michigan Public School Employees' Retirement System

	<b>Last Five Fiscal Years</b>				
	<b>Years Ended June 30</b>				
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Statutorily required contribution	\$ 1,178,001	\$ 1,164,378	\$ 1,148,856	\$ 1,192,398	\$ 1,109,834
Contributions in relation to the statutorily required contribution	<u>1,178,001</u>	<u>1,164,378</u>	<u>1,148,856</u>	<u>1,192,398</u>	<u>1,109,834</u>
<b>Contribution Deficiency</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>College's Covered Payroll</b>	\$ 14,879,380	\$ 14,250,782	\$ 14,429,193	\$ 15,279,724	\$ 15,376,191
<b>Contributions as a Percentage of Covered Payroll</b>	7.92 %	8.17 %	7.96 %	7.80 %	7.22 %

GASB Statement No. 75 was implemented in fiscal year 2018. This schedule is being built prospectively. Ultimately, 10 years of data will be present.

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## Other Supplemental Information

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**Northwestern Michigan College**

**Other Supplemental Information  
Combining Statement of Net Position**

**June 30, 2022**  
**(with comparative totals for 2021)**

	Current Funds							2022	2021
	General Fund	Board-designated Fund	Auxiliary Fund	Pension and OPEB Liability Fund	Restricted Fund	Plant Fund	Loan Fund		
<b>Assets</b>									
Current assets:									
Cash and cash equivalents	12,874,223	\$ -	4,650	\$ -	200	1,028,295	\$ -	13,907,368	\$ 11,660,987
Receivables - Net	7,160,044	174,008	150,847	-	691,292	-	3,035	8,716,535	9,371,057
Prepaid expenses and other assets	895,653	-	404,197	-	-	458,958	-	1,758,808	1,564,982
Due (to) from other funds	(22,247,884)	4,713,527	9,551,119	-	1,785,044	4,427,779	(537,309)	2,307,724	-
Total current assets	(1,317,964)	4,887,535	10,110,813	-	2,476,536	5,915,032	-	24,382,711	22,597,096
Noncurrent assets:									
Restricted cash and cash equivalents	-	-	-	-	-	2,188,628	-	2,188,628	2,187,808
Investments	16,481,943	-	-	-	-	78,217,737	-	16,481,943	18,372,322
Capital assets - Net	-	-	-	-	-	80,406,355	-	78,217,737	81,034,451
Total noncurrent assets	16,481,943	-	-	-	-	160,812,720	-	160,812,720	161,594,581
Total assets	15,163,979	4,887,535	10,110,813	-	2,476,536	86,321,397	-	121,271,019	124,191,615
<b>Deferred Outflows of Resources</b>									
	-	-	-	-	-	-	-	10,280,489	15,381,909
<b>Liabilities</b>									
Current liabilities:									
Accounts payable	605,057	10,532	38,652	-	27,239	45,142	-	28,358	1,438,040
Accrued liabilities and other:									
Accrued wages and benefits	1,090,281	-	-	-	-	120,366	-	1,806,431	2,621,524
Accrued interest payable	926,684	-	124,305	-	1,117,219	-	30	120,386	126,632
Unearned revenue	1,297,200	-	-	-	-	1,165,874	-	30	5,812,123
Long-term obligations - Current	-	-	-	-	-	-	-	2,463,074	2,682,274
Total current liabilities	4,119,222	10,532	163,157	-	1,144,458	1,331,402	-	1,832,819	12,680,793
Noncurrent liabilities:									
Net pension liability	-	-	-	38,026,148	-	-	-	-	38,026,148
Net OPEB liability	-	-	-	2,390,988	-	-	-	-	2,390,998
Long-term obligations - Net of current portion	325,020	-	-	-	-	22,942,252	-	23,267,272	24,478,487
Deposits	391,900	-	224,568	-	1,332,078	-	-	477,940	1,685,120
Total noncurrent liabilities	716,920	-	224,568	40,417,146	1,332,078	22,942,252	-	65,110,504	91,563,818
Total liabilities	4,836,142	10,532	387,725	40,417,146	2,476,536	24,273,654	-	74,712,494	104,244,611
<b>Deferred Inflows of Resources</b>									
	-	-	-	-	-	-	-	28,403,470	13,665,818
<b>Net Position (Deficit)</b>									
Net investment in capital assets	10,327,837	4,877,003	9,723,088	(58,540,127)	-	56,298,239	-	56,298,239	57,808,257
Unrestricted	-	-	-	-	-	5,749,504	-	(27,862,698)	(58,165,162)
Total net position (deficit)	\$ 10,327,837	\$ 4,877,003	\$ 9,723,088	\$ (58,540,127)	\$ -	\$ 62,047,743	\$ -	\$ 28,435,541	\$ 21,643,095



**Northwestern Michigan College**

**Other Supplemental Information**  
**Combining Statement of Revenue, Expenses, and Changes in Net Position**  
**Year Ended June 30, 2022**  
**(with comparative totals for 2021)**

	Current Funds						Eliminations	2022	2021
	General Fund	Board-designated Fund	Auxiliary Fund	Pension and OPEB Liability Fund	Restricted Fund	Plant Fund			
<b>Operating Revenue</b>									
Student tuition and fees	\$ 20,501,108	\$ 177,991	\$ 12,678	\$ -	\$ 15,975	\$ -	\$ (2,448,579)	\$ 17,541,197	
Federal grants and contributions	21,100	-	-	-	3,015,904	-	-	1,626,052	
State grants and contributions	4,492	-	-	-	190,428	-	-	211,470	
Private gifts, grants, and contracts	58,270	-	16,550	-	45,119	-	-	103,389	
Expended for plant facilities	-	-	-	-	(1,375)	3,041,517	(3,041,517)	73,970	
Sales and services of auxiliary activities	32,483	-	4,137,574	-	575	-	-	2,938,226	
Other sources	478,604	-	484,425	-	-	-	-	973,604	
	21,096,057	177,991	4,661,227	-	3,266,626	3,041,517	(5,490,096)	22,757,460	
<b>Operating Expenses</b>									
Instruction	18,557,709	11,933	171	(2,491,189)	405,342	171,826	(508,438)	17,518,001	
Public service	213,122	-	1,301,647	(154,790)	280,163	128,700	(228,444)	1,540,988	
Academic support	7,005,149	4,696	102,125	(667,192)	542,172	31,974	-	6,819,324	
Student services	4,708,484	-	3,496,782	(758,759)	10,277,388	35,037	(3,349,989)	14,405,963	
Institutional administration	5,984,289	719,927	55,730	(390,267)	80,145	602	-	11,752,088	
Operation and maintenance of plant	4,685,935	-	201,143	(436,500)	191,927	904,084	(913,666)	6,316,285	
Depreciation	3,498,229	-	-	(242,602)	92,617	5,010,890	(488,559)	4,940,289	
Information technology	44,651,408	738,556	5,157,598	(5,342,309)	11,870,164	7,292,892	(5,490,096)	4,671,562	
	(23,565,351)	(598,565)	(496,371)	5,342,309	(8,603,538)	(4,251,375)	-	3,706,320	
<b>Operating (Loss) Income</b>									
Nonoperating Revenue (Expense)									
State appropriations	13,258,503	-	-	(158,316)	3,609,483	-	-	13,100,167	
Federal Pell grants	-	-	-	-	7,526,225	-	-	3,606,784	
Federal COVID-19 funding	-	-	-	-	1,675,294	-	-	5,912,440	
Property taxes	11,961,680	-	-	-	-	821,903	-	11,572,372	
Support from component unit	1,172,354	102,703	985,384	-	-	13,259	-	4,337,904	
Investment loss	(1,716,003)	-	-	-	-	28,374	-	(398,322)	
Bond issuance and amortization costs	-	-	-	-	-	-	-	30,374	
Interest expense on capital-related debt	-	-	-	-	-	(761,020)	-	(797,171)	
	24,673,934	102,703	985,384	(158,316)	12,811,012	102,526	-	36,744,041	
<b>Capital Contributions</b>									
Transfers (Out) In	(1,759,172)	285,000	(333,320)	-	(774,658)	408,097	-	(892,909)	
Change in Net Position	(650,589)	(170,862)	155,693	5,183,993	3,432,816	(1,158,602)	-	1,016,895	
Net Position (Deficit) - Beginning of year	10,978,426	5,047,865	9,567,395	(63,724,120)	(3,432,816)	63,206,345	-	20,626,210	
<b>Net Position (Deficit) - End of year</b>	<b>\$ 10,327,837</b>	<b>\$ 4,877,003</b>	<b>\$ 9,723,088</b>	<b>\$ (58,540,127)</b>	<b>\$ -</b>	<b>\$ 62,047,743</b>	<b>\$ -</b>	<b>\$ 21,643,095</b>	



**MEMO**  
*Office of the President*

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**To:** NMC Board of Trustees  
**From:** Nick Nissley, President  
**Subject:** October Mid-Month Update  
**Date:** Friday, October 14, 2022

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Dear Board of Trustees,

Since our September Board meeting, the following are key updates:

- Capital Outlay. SB78 (capital outlay projects) passed out of the Joint Capital Outlay Committee. The bill will head to the Senate Appropriations Committee after the November election. The present bill includes \$2.5 million authorization for our Osterlin Renovation Project. The bill would also afford another \$4 million for NMC.
- Aviation Growth Plan. We continue to deliver our message: *NMC's Aviation Growth Plan isn't a silver bullet solution, but it does ensure that Michigan is doing all we can to help with the industry's pilot shortage challenge. In fact, NMC's request is a \$7 million workforce development investment that will begin paying returns with trained pilots entering the workforce immediately.* This past month, we have had advocacy meetings with Kevin Klein, CEO of Cherry Capital Airport, as well as hosting a legislative delegation that included Speaker Jason Wentworth and Representative VanWoerkom (vying to become the next House Appropriations Chairperson).
- Michigan Achievement Scholarship. As part of a large supplemental bill, the legislature and the Governor's Office struck a deal to implement a very large scholarship program for the Class of 2023, and hopefully beyond. The Michigan Achievement Scholarship, focused on traditional-aged students, will provide scholarship grants to eligible in-state students that graduate high school or achieve an equivalency certificate in 2023. Full time students graduating in 2023 will be eligible for the \$2,750 scholarship. To give you a sense of the potential impact, if the scholarship had been available this fall, 194 students would have been eligible. The first \$1,750 of the program is first-dollar, with \$1,000 being last dollar.

- Community College Academic Catch-Up Program. The State's FY23 budget includes \$10M for the Community College Academic Catch-Up Program. Grants are designed to support each community college's efforts to combat learning loss among recent high school graduates who experienced interruptions to in-person learning due to the Covid-19 pandemic. It's estimated that NMC will qualify for \$250,000. We are in the process of preparing a grant submission.
- Funding Formula Task Force. The State budget calls for a new task force to be formed to review, evaluate, discuss, and make recommendations regarding community college operations funding, with a focus on addressing disparities and ensuring that funding levels are equitable across tuition, state support, and local tax revenue. The task force includes: four specific legislators (Representatives Frederick and Steckloff, and Senators LaSata and Irwin), the President of MCCA, and three representatives of community colleges that represent colleges of various size and geographic diversity. The task force will review whether the current performance metrics used for the formula are the most appropriate and reliable indicators available and determine the most efficient methodology for connecting state funding to performance. The task force will also suggest methodology concerning equitable and appropriate funding levels to community colleges. The task force must publish a report with findings and recommendations by December 15, 2022. At our recent MCCA President's Meeting held at Kirtland Community College in September, we began a discussion with the three community college presidents who are serving on the committee.
- Associate Degree in Nursing (ADN) to Bachelor of Science in Nursing (BSN) Completion Grant Program. Recall, the FY23 budget includes \$56M for the Michigan ADN BSN Completion Grant program. The program allows students who have attained an Associate Degree in Nursing (ADN) to complete a Bachelor of Science in Nursing (BSN) on a community college campus, in partnership with a public university. Each community college (including NMC) will be eligible for a minimum of \$2M for this project. To be eligible a community college must have a signed agreement with a four-year institution. To that end, NMC is releasing a Request for Information (RFI) for an ADN to BSN Articulation Agreement (i.e., inviting universities to express interest as possible partners). Proposals are due to NMC by November 14, and the College will review proposals and notify submitters by December 12.
- Foundation Strategic Planning Process. The NMC Foundation is continuing to advance its strategic planning process, with tremendous community engagement – e.g., more than 600 individuals, across all stakeholder groups, responded to the initial CampusWorks survey. The following work has been initiated: articulating mission and vision statements; a “Trends in Higher Education Fundraising Workshop” (allowing folks to better understand the ‘future of fundraising’); the crafting of strategy statements (seeking to identify the 3-7 key strategic priorities that the Foundation will prioritize and focus on); a



“Donor Experience Workshop” (similar to the “Student Experience Workshop”, during NMC’s strategic planning process, however, focus was on our donors).

- Points of Pride:
  - Last week, the Dennis Museum screened the poignant documentary “**Color of Care**”, which explores how people of color suffer from systemically substandard healthcare in the United States. In addition, NMC hosted the community for a panelist discussion following the film screening. The discussion was facilitated by Dennis Museum Director Craig Hadley and NMC Nursing Instructor Tamella Livingood participated as a panelist, along with other community healthcare professionals. More than 50 people attended, including NMC nursing students.
  - September 29-30, NMC hosted the **Lakebed 2030** conference with 141 in-person attendees and 46 virtual participants. Formed in 2019, [Lakebed 2030](#) is a consortium of researchers, policy, governmental and industry partners which seeks to fully map the 244,160 square kilometers of the Great Lakes at high resolution by 2030. Presently, only approximately 15 percent is mapped. With a keynote delivered by RADM Benjamin K. Evans, Director, NOAA Office of Coast Survey, the conference brought together Great Lakes experts and stakeholders from around the U.S. and Canada. NMC students also participated in the conference, including a marine technology roundtable employer discussion regarding career opportunities.
  - NMC played host, with our partner Waterlution, launching the **Water Innovation Lab (WIL) - Great Lakes**, this past month. The WIL is a capacity building and innovation acceleration initiative involving young water leaders who work across the Great Lakes region from both Canada and the US. This initiative is breathing life into our vision of the college supporting the new blue economy. So many volunteers from our local entrepreneurship ecosphere gave their time to support the participants as they shaped their ideas into pitches, which may be featured in upcoming TCNewTech pitch nights.
  - Last Friday, we held NMC's "**Building Tomorrow**" event. This is a hands-on construction and automotive career and college readiness event where students find out what it’s like to be a project manager, an automotive technician, an electrician, a welder, and even a heavy equipment operator — direct from the people who do these jobs every day! Local students are afforded an opportunity to explore careers in the construction industry. It was very well attended, and attracted much positive media coverage.
  - On Monday, October 10, the College community gathered ‘under the pines’ for our **Indigenous Peoples' Day Celebration**. The NMC Native American Student Organization (NASO), Grand Traverse Band members, drummers, dancers, and

many others from throughout our community helped educate and celebrate the day. A special thanks to our Native American Student Organization leaders who organized the event.

- o I facilitated a panel discussion at the Annual **Home Builders Association (HBA) Scholarship Awards Dinner**. The event focuses on the skilled building trades as a career choice, while raising funds for scholarships to support students who are pursuing this path (at NMC). This year, \$12,000 was awarded to ten students pursuing their skilled trades training at NMC.
- Key Entries from the President's Calendar:
  - o On Tuesday, October 11, the College's Center for Instructional Excellence and the Professional Development Institute hosted our seventh NMC October Conference. This is a college-wide professional development event for all regular faculty and staff, as well as adjunct faculty. Our keynote speaker was Dr. Todd Zakrajsek, learning science author and speaker from University of North Carolina Chapel Hill and the Lilly Conferences. This year's theme was linked to our strategic plan and vision statement, "NMC Next: Unlock Your Full Potential". It was very well attended and a positive energy permeated all of the day's events – including a first annual staff versus faculty kickball game!
  - o Matt Wille, the CEO of Munson Medical Center, has extended an invitation to me to serve on the **Munson Medical Center Community Healthcare Council**. In addition to my present volunteer service on the Boards of Goodwill Northern Michigan and Traverse Connect, I have agreed to do so (pending approval at the November meeting of the Munson Healthcare Governance Committee).
  - o Participated in the **Traverse City Master Plan 'Listening Session'** – ensuring College-perspectives are voiced and heard by the City's master planning process.
  - o Traverse Connect partnered with the **Michigan Economic Development Corporation** MERC and hosted a group of professional corporate site selectors for a regional tour October 2-4. The goal of the tour was to highlight the region's assets and promote the region as a business location. I provided a formal welcome to them, at the Hagerty Center, and shared a college overview.
  - o Actively participated in the **MCCA Autumn Board of Directors Meeting**, with Trustee Bott. The meeting was held at Kirtland Community College. Additionally, I participated in the President's Committee pre-meeting, affording Presidents time together to discuss pressing topics.

- o This month, the **President's Council held a retreat** facilitated by Janie McNabb, focused on the objectives: 1) to help us better understand our individual strengths, and 2) to help us begin to understand how we can better leverage the team's strengths. Our desire is to improve the dynamics of our team, so we can in-turn better move forward the goals of the College. With a new President's Council team taking shape, it's an important team development initiative.
- o Along with Jason Slade and Trustee Oblinger, we continued our 'road tour' deliberately connecting with area businesses – sharing our strategic plan and seeking to better understand business needs. We had a highly productive meeting with the **Sara Lee** HR team this week, and have already begun mapping out how NMC can help deliver on their training needs.
- o Met with Prem Bodagala (Director of **Michigan State University's venture capital fund, Red Cedar Ventures**) and former NMC trustee and local business owner Bill Meyers, exploring how the Fund might support NMC student entrepreneurs.
- Upcoming Dates of Note:
  - o October 24—Regular monthly Board of Trustees meeting
  - o October 26-29, 2022—ACCT Leadership Congress
  - o November 7—Traverse Connect's Annual Economic Summit
  - o November 21—Regular monthly Board of Trustees meeting





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## MEMO

**To:** Northwestern Michigan College Board of Trustees  
**Cc:** Dr. Nick Nissley, Ed.D.  
**From:** Gabe Schneider, Founder/Principal, Northern Strategies 360  
**Date:** Monday, October 10, 2022  
**Re:** State/Federal Legislative Update

### State

#### **Legislative Session**

With the legislature on break between now and the election there is no legislative activity anticipated in the next month. Depending on the outcome of the election in terms of which party controls which chamber(s) there could be an active or largely inactive lame duck session. With the general election occurring on November 8<sup>th</sup> and the legislature typically taking time off between November 15<sup>th</sup> and Thanksgiving, any lame duck session would be expected in early December. At this point, there are only nine days of session scheduled between now and the end of the year.

#### **Open Meetings Act Legislation**

Representative Julie Calley recently introduced [HB 6423](#) which would make a number of changes to the Open Meetings Act. The bill has been referred to the House Committee on Rules and Competitiveness where a hearing has been scheduled for Thursday, October 13<sup>th</sup>.

Specifically, the legislation would add several definitions including specifying that if a board deliberates by text, email or other electronic communication during an open session, it would constitute a closed session.

It would also make allowances for some types of gatherings of a quorum of a board without those instances qualifying as a public meeting (social, professional or chance gatherings for example addressing a civic organization, conducting a listening session, attending a workshops or training).

The legislation also adds that a committee or subcommittee that is merely advisory and is capable of only making a recommendation does not constitute a public body.

The MCCA will work on a full summary of the legislation and is soliciting feedback from trustees and others on this legislation.

#### **Michigan Reconnect**

Prior to adjourning this month, the Michigan House approved [HB 6129](#) and [HB 6130](#) which would make a number of changes to the statutes that govern the Michigan Reconnect program. These changes include some things that we and the MCCA support and some that are still a bit concerning, specifically as it relates to increased accountability for student outcomes. These bills have been referred to the Senate Economic and Small Business Development Committee, chaired by Senator Ken Horn. The MCCA believes that we can work with Senator Horn and other committee members to find middle ground on our concerns.

### **Michigan Achievement Scholarship**

As part of the supplemental spending bill that was approved a few weeks ago, the legislature and the Governor's office struck a deal to implement a significant scholarship program for the Class of 2023. While it is one time funding, the hope would be that additional funds are allocated in the future to continue this program. The Michigan Achievement Scholarship would provide scholarship grants to eligible in-state students that graduate high school or achieve an equivalency certificate in 2023 or after and attend an eligible Michigan public university, community college, tribal college or independent nonprofit college or university full-time. Community college or tribal students would receive a minimum scholarship of \$1,750 plus the lesser of \$1,000 or last-dollar tuition and fees payment amount.

### **Capital Funding**

As you know, we have been pursuing funding for several capital projects both through the traditional capital outlay process (Osterlin) and the legislatively directed process (Aviation).

Prior to adjourning this month, the Joint Capital Outlay Committee met and passed a capital outlay bill that included authorization for the Osterlin project. The bill also contained \$250 million for a statewide Talent Attraction and Retention grant program- designed to award funding to colleges to purchase technology, equipment, make student housing improvements and other capital improvements. Colleges who also had a capital outlay request (such as Osterlin) would be eligible for \$4 million from this new grant fund. This legislation now goes to the Senate Appropriations Committee chaired by Senator Stamas with the possibility that it advances further in lame duck.

We also continue to advocate for our legislatively directed funding for the Aviation project. This has included hosting several members of our northern Michigan delegation for a site visit of the hanger as well as facilitating a flight for Senator Schmidt to better acquaint him with our fleet and impress upon him the importance of this project. According to Senator Schmidt's Facebook post, he was proud to share that "We discussed the importance of getting funding to expand the hanger and doubling the capacity of the amount of student pilots NMC is able to train each year." We continue to hear that the Aviation request would get funded in an additional supplemental bill that could pass later this year and would be included as an enhancement grant (another term for earmark).

### **Federal**

#### **Earmark process**

We continue to track and advocate for \$2.7 million in federal funding for our geothermal project that Senator Stabenow was able to secure in the Senate Appropriations Chairman's markup of the FY23 federal budget. With the federal government now operating under a continuing resolution which expires December 16th, we would expect to learn more about the fate of this funding at that time.

**NORTHWESTERN MICHIGAN COLLEGE  
BOARD OF TRUSTEES  
MINUTES  
Monday, September 26, 2022  
NMC Hagerty Center, Room C**

**CALL TO ORDER**—Chair Rachel A. Johnson called the regular meeting to order at 5:30 p.m.

**ROLL CALL**

**Trustees present:** Rachel A. Johnson, Laura J. Oblinger, Chris M. Bott, Douglas S. Bishop, Kenneth E. Warner, Andrew K. Robitshek

**Trustees absent:** Kennard R. Weaver

**Also present:** President Nick Nissley, Lynne Moritz, Diana Fairbanks, Troy Kierczynski, Mark Liebling, Lindsey Lipke, Kyle Morrison, Todd Neibauer, Jennifer Hricik, Stephen Siciliano, Jason Slade, Nick Roster, Ed Bailey, Lindsey Lipke, Scott Swan, Patti Burgess, Nancy Schulte, Hans Van Sumeren, Tom Mair, Ann Rogers

**REVIEW OF AGENDA**—The agenda was accepted as presented.

**STRATEGIC FOCUS**—Future Focused Education—Jason Slade, Vice President of Strategic Initiatives, and Stephen Siciliano, Vice President of Educational Services, summarized the progress made on strategy one and adjustments made to the metrics analyzed for each objective within the strategy.

**REPORTS AND PRESENTATIONS**

**Program Focus: Great Lakes Water Studies Institute (GLWSI)**—Hans Van Sumeren, Director of GLWSI, and Ed Bailey, Program Director of the Marine Center, highlighted the comprehensive work of the water studies institute. As a part of strategy 5, objective two for NMC Next, Bailey emphasized the program review initiated by President Nissley. Partnerships with Greenspire High School and Discovery Pier, as well as a national marketing and recruiting plan, are two methods being pursued to achieve the goal of filling all course sections. The Marine Center offers professional and technical training, including continuing education, conferences, events, and webinars. Bailey reviewed partnerships and highlighted the Lakebed 2030 objective of mapping the Great Lakes by the year 2030.

**Faculty Report: Equity Grading in Anatomy and Physiology**—Dr. Nick Roster, Instructor and Assessment Coordinator, provided a brief overview of the history of grading and the three pillars of Equity Grading—accurate, bias resistant, motivational. According to this approach, grading must use calculations that are mathematically sound, easy to understand, and correctly describe a student’s level of academic performance.

**Enrollment Report**—Todd Neibauer, Vice President for Student Services and Technologies, reviewed the fall enrollment report, highlighting the enrollment data of other Michigan community colleges and noting the elaborated housing data.

**FY 2023 Five-Year Capital Outlay Plan Overview**—Troy Kierczynski, Vice President of Finance and Administration, stated the memo included in this month’s packet is a prelude to next month’s presentation of the Capital Outlay Plan. Kierczynski provided an update on the current Capital



Outlay project, the Osterlin Student Services Hub, which the Joint Committee on Capital Outlay will hold a hearing on September 28 in Lansing.

**PUBLIC INPUT**—There was public input offered by Ann Rogers.

## UPDATES

**President's Update**—President Nick Nissley began his update by acknowledging kudos to the Great Lakes Culinary Institute received from the Detroit Red Wings Team Performance Dietician after GLCI provided meals for the team's training camp in Traverse City. In addition to reviewing fall semester welcome events, Nissley discussed the Aviation growth plan and provided updates on Capital Outlay, NMC Foundation's Strategic Planning process, and the state's Funding Formula Task Force. Lastly, Nissley acknowledged that 14 of the Traverse City Business News' "40 Under 40" honorees this year are NMC alumni.

**Board Chair Update**—Chair Rachel Johnson reminded trustees to complete their presidential evaluation survey by the deadline of this Friday, September 30, and noted she welcomes feedback on the process. Johnson invited trustees to share their memories in recognition of former trustee K. Ross Childs, who passed away on September 7, 2022.

**CONSENT ITEMS**—On a motion by Doug Bishop, seconded by Laura Oblinger, the following items were approved by a unanimous vote as a group, without discussion:

- Minutes of the August 22, 2022 regular meeting
- Financial Report—*Troy Kierczynski, Vice President of Finance and Administration*
- PRMC Report—*Diana Fairbanks, Associate Vice President of Public Relations, Marketing, and Communications*
- Foundation Report—*Jennifer Hricik, Interim Associate Vice President for Resource Development and Executive Director of Foundation*
- Board Policy Committee—*Chris Bott, Committee Chair*
- Fellows Nominating Committee—*Ken Warner, Committee Chair*
- Presidential Performance and Compensation Committee—*Rachel Johnson, Committee Chair*

## ACTION ITEMS

**Local Strategic Value Resolution**—On a motion by Ken Warner, seconded by Laura Oblinger, the Board adopted the Local Strategic Value Resolution, as presented, certifying that Northwestern Michigan College meets the best practice standards required by the appropriations law for fiscal year 2023. The motion passed with a unanimous vote.

**Board Policies**—On a motion by Doug Bishop, seconded by Andy Robitshek, the following policies were adopted on a first-reading basis by a unanimous vote: Policy B-100.00 Board of Trustees Delegation to the President, Policy B-101.00 President's Role and Job Description, and (amended) Policy C-104.00 Institutional Effectiveness Criteria.

**NMC Foundation By-laws**—On a motion by Chris Bott, seconded by Doug Bishop, the Board unanimously approved the amended NMC Foundation Bylaws as presented. The motion passed with a unanimous vote.

**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 7:35 p.m.

Recorded by Lynne Moritz, Executive Director of the President’s Office and Board Operations.

SIGNED \_\_\_\_\_  
Rachel A. Johnson, Chair

ATTESTED \_\_\_\_\_  
Andrew K. Robitshek, Secretary



**Northwestern  
Michigan  
College**

*Enrollment Services*

To: Dr. Nick Nissley, President  
 From: Todd Neibauer, VP for Student Services & Technologies  
 Date: October 14, 2022  
 Subject: Enrollment Report – October 2022

### **Spring 2023**

Registration Spring 2023 will open for current students on October 19, 2022. New student orientations will begin on November 18, 2022. Spring 2020 was our last pre-covid admissions cycle. Though it is still early, it would be a positive sign to have our current trend of applications and admits continue to resemble those numbers.

### **Current Statistics**

(Source: October 13, 2021 -Digital Dashboard – Same Date Comparison, SP2020-2023)

	<b>2020</b>	<b>2021*</b>	<b>2022</b>	<b>2023</b>
<b>Inquiries</b>	445	744	398	433
<b>Applicants</b>	434	677	397	430
<b>Admits</b>	235	418	146	238

\*Futures for Frontliners launched for spring semester of 2021.

### **Fall 2023**

October is a busy month for Admissions with many college fairs and high school visits around the state. NMC hosted our annual college fair on October 12, 2022 as well as a regional high school counselors breakfast meeting in late September. Below is a breakdown of events that have already taken place or are scheduled for the month of October.

High school and college fair visits: 59

Individual student tours: 37

High school senior class group tours: 9

In addition, staff from Financial Aid will be visiting local high schools with Admissions staff to help students complete the FAFSA and submit their names to the Michigan Grants system to be eligible for the new Achievement Scholarship.





*MEMO*  
*Administrative Services*

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**To:** Dr. Nick Nissley, President

**From:** Troy Kierczynski, Vice President of Finance and Administration

**Date:** October 17, 2022

**Subject:** Summary Report for the General Fund as of September 30, 2022

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The attached reports summarize the financial results for the General Fund as of September 30, 2022. The third month represents 25% of the year.

The general fund ended the month with revenue under expenses of \$29,864. Revenue decreased by 9% when comparing September 2022 to September 2021 due to timing of property tax receipts. (A 2.1 million dollar deposit was posted after the end of the reporting quarter in October) Expenses increased by 5% when comparing September 2022 to September 2021 primarily due to increased volume and pricing of fuel for Aviation and higher EES instructor expenses, offset by reduced labor costs due to open positions.

**Revenue (letters refer to the attached General Fund summary)**

- A. Tuition and fees: For Fall 2022, the budget is 34,758 for a total budgeted revenue of \$6,999,079. Actual fall billing hours are at 32,916 with actual fall revenue of \$6,653,568. Fall revenue is under budget by \$345,511.
- B. Property Taxes: Tax revenue is recorded as payments are received. The overall increase for the fiscal year is expected to be 6% over the previous fiscal year.
- C. State Sources include budget appropriations, personal property tax payments and MPSERS retirement payments. State appropriations payments will begin in October.
- D. Federal Sources consist primarily of the MARAD grants and fuel payments. These funds are to be used directly for the Maritime program.
- E. Actual year-to-date investment income recorded for fiscal year 2023 reflects interest and dividend income only. Interest income is expected to surpass fiscal year 2022 due to rising interest rates.
- F. Both Private Sources and Other Sources are timing and event dependent.

**Expenses**

- G. Salaries and benefits are under budget partially due to open positions.
- H. Overall expenses are under budget at this time due to lower supplies and other expenses.
- I. Capital Outlay reflects expenditures budgeted through the allocation of COAT dollars.

Northwestern Michigan College  
Unaudited



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

*Summary Report for General Fund Accounts  
Fiscal Year 2023, Period 03*

Funds	Accounts	2022-2023 Adjusted Budget	YTD Activity	% of Annual Budget	
<b>TOTAL GENERAL FUND</b>					
<b>50</b>	<b>Revenues</b>				
	Tuition and Fees	22,001,840	5,518,306	25.08%	A
	Property Taxes	12,769,825	2,861,077	22.40%	B
	Other Local	<u>0</u>	<u>0</u>	*	
	Local Sources	34,771,665	8,379,383	24.10%	
	State Sources	10,745,000	899	0.01%	C
	Federal Sources	0	0	*	D
	Private Sources	979,765	220,279	22.48%	F
	Investment Income	196,000	56,481	28.82%	E
	Other Sources	<u>426,100</u>	<u>205,657</u>	48.26%	F
	<b>Total Revenues</b>	<b>47,118,530</b>	<b>8,862,699</b>	<b>18.81%</b>	
<b>60</b>	<b>Labor</b>				
	Salaries & Wages	23,916,066	4,425,033	18.50%	G
	Benefits	<u>10,025,563</u>	<u>1,922,747</u>	19.18%	G
	<b>Total Labor</b>	<b>33,941,629</b>	<b>6,347,780</b>	<b>18.70%</b>	
<b>70</b>	<b>Expenses</b>				
	Purchased Services	2,753,059	667,027	24.23%	H
	Supplies & Materials	3,041,584	580,782	19.09%	H
	Internal Services	103,065	-221	-0.21%	H
	Other Expenses	1,628,696	259,826	15.95%	H
	Institutional Expenses	1,738,804	283,061	16.28%	H
	Maintenance & Renovation	1,762,581	526,184	29.85%	H
	Prof Develop, Travel & Events	594,112	74,032	12.46%	H
	Capital Outlay	<u>170,000</u>	<u>17,383</u>	10.23%	i
	<b>Total Expenses</b>	<b>11,791,901</b>	<b>2,408,074</b>	<b>20.42%</b>	
	<b>Total Expenditures</b>	<b>45,733,530</b>	<b>8,755,854</b>	<b>19.15%</b>	
<b>80</b>	<b>Transfers</b>				
	Transfers	-1,385,000	136,709	-9.87%	
	<b>Total Transfers</b>	<b><u>-1,385,000</u></b>	<b><u>136,709</u></b>	<b>-9.87%</b>	
	<b>Total Expenditures and Transfers</b>	<b>44,348,530</b>	<b>8,892,563</b>	<b>20.05%</b>	
	<b>Net Revenues over (under) Expenditures</b>	<b>2,770,000</b>	<b>-29,864</b>		



**Northwestern Michigan College  
Comparison - Month Over Month  
General Fund  
Sep 2022 vs. Aug 2022**

**INTERIM**

This statement does not  
reflect year-end results.

	YTD <u>9/30/2022</u>	YTD <u>8/31/2022</u>	Sep 22 <u>Activity</u>	Aug 22 <u>Activity</u>	<u>Comments</u>
<b>Revenue</b>					
Local Sources:					
Tuition & Fees	\$ 5,518,306	\$ 3,489,931	\$ 2,028,375	\$ 1,343,218	September had 4 weeks of fall tuition allocated; August had 1 week of summer & 1 week of fall tuition
Property Taxes	2,861,077	1,680,931	1,180,146	1,613,084	Timing of tax collections received
<b>Total Local Sources</b>	<b>8,379,383</b>	<b>5,170,862</b>	<b>3,208,521</b>	<b>2,956,302</b>	
State Sources	899	-	899		- Annual Ren Zone payment received in September
State PPT Reimbursement	-	-	-		- Consistent with prior month
Federal Sources	-	-	-		- Consistent with prior month
Private Sources	220,279	-	220,279		- Quarterly Foundation invoicing recognized in September
Investment Income	56,481	34,778	21,703	22,644	Consistent with prior month
Other Sources	205,657	102,716	102,941	74,841	Primarily driven by timing of revenue recognized for Culinary catering services
<b>Total Revenue</b>	<b>8,862,699</b>	<b>5,308,356</b>	<b>3,554,343</b>	<b>3,053,787</b>	
<b>Expenses</b>					
Salaries and Wages	4,425,033	2,598,775	1,826,258	1,623,660	Increased hours for adjuncts, supplementals, and students in Sept as Fall semester commenced
Benefits	1,922,747	1,154,597	768,150	626,555	Increased hours for adjuncts, supplementals, and students in Sept as Fall semester commenced
Purchased Services	667,027	452,051	214,976	310,628	Primarily due to timing of food services for the GLMA cruises and EES instructor payments in August
Supplies & Materials	580,782	327,799	252,983	166,450	Primarily due to timing of new printer/scanner equipment purchases, higher supplies related expenses, and higher printing expenses in September; partially offset by timing of aviation fuel purchases
Internal Services	(221)	8,588	(8,809)	7,686	Timing of internal events/charges (including opening conference and HR new employee orientation) offset by internal transfer to general fund from the halls auxiliary fund for fitness fee revenue recognized in September
Other Expenses	259,826	133,763	126,063	92,680	Primarily driven by a higher Native Tuition waiver in September
Institutional Expenses	283,061	147,692	135,369	115,551	Timing of insurance payments in September
Maintenance & Renovation	526,184	209,662	316,522	118,403	Primarily due to timing of IT related expenses in September
Professional Development	74,032	38,805	35,227	32,427	Consistent with prior month
Capital Outlay	17,383	8,083	9,300	8,083	\$5,323 Tennant Sale & Service Co (floor scrubber) and \$3,977 MSC Industrial Supply Co (baldor grinder - manufacturing technology)
<b>Total Expenses</b>	<b>8,755,854</b>	<b>5,079,815</b>	<b>3,676,039</b>	<b>3,102,123</b>	
<b>Transfers</b>	<b>136,709</b>	<b>-</b>	<b>136,709</b>		- Aviation flight hours transfer
<b>Total Expenses &amp; Transfers</b>	<b>8,892,563</b>	<b>5,079,815</b>	<b>3,812,748</b>	<b>3,102,123</b>	
<b>Net Revenue Over (Under) Expenses</b>	<b>\$ (29,864)</b>	<b>\$ 228,541</b>	<b>\$ (258,405)</b>	<b>\$ (48,336)</b>	





**Northwestern Michigan College  
Comparison - Fiscal Year to Date  
General Fund  
Sep 2022 vs. Sep 2021**

**INTERIM**  
This statement does not  
reflect year-end results.

	YTD 9/30/2022	YTD 9/30/2021	\$ Diff	% Diff	Comments
<b>Revenue</b>					
Local Sources:					
Tuition & Fees	\$ 5,518,306	\$ 5,515,881	\$ 2,425	0%	Primarily due to timing of fall tuition allocations and aviation flight revenue in FY23; partially offset by lower summer tuition in FY23
Property Taxes	2,861,077	3,982,361	(1,121,284)	-28%	Timing of property tax payments received from townships (\$2.1 million deposited on 10/4/22)
<b>Total Local Sources</b>	<b>8,379,383</b>	<b>9,498,242</b>	<b>(1,118,859)</b>	<b>-12%</b>	
State Sources	899	1,376	(477)	-35%	Changes in values for Ren Zone payment
State PPT Reimbursement	-	-	-	0%	Consistent with prior year
Federal Sources	-	-	-	0%	Consistent with prior year
Private Sources	220,279	110,185	110,094	100%	Timing of Foundation gifts including Foundation support for programs such as Culinary Taste and ELI
Investment Income	56,481	40,877	15,604	38%	Higher interest/dividends recognized in FY23 than in FY22
Other Sources	205,657	92,557	113,100	122%	Primarily due to higher Marine Center revenue and revenue for Culinary services provided for external events
<b>Total Revenue</b>	<b>8,862,699</b>	<b>9,743,237</b>	<b>(880,538)</b>	<b>-9%</b>	
<b>Expenses</b>					
Salaries and Wages	4,425,033	4,423,221	1,812	0%	Consistent with prior year
Benefits	1,922,747	1,945,734	(22,987)	-1%	Consistent with prior year
Purchased Services	667,027	519,479	147,548	28%	Primarily due to higher EES instructor expenses as activity picks up in FY23, higher ad management related expenses, and increased security costs.
Supplies & Materials	580,782	443,129	137,653	31%	Primarily driven by higher printing expenses and the timing of aviation fuel purchases in FY23
Internal Services	(221)	(11,709)	11,488	-98%	Timing of internal events/charges including fall fitness fee transfers and internal bookstore charges in FY23
Other Expenses	259,826	281,761	(21,935)	-8%	Primarily due to lower financial fees (during summer FY22 we were transitioning to a new bank and had a short period of overlap in which we were being assessed fees by both institutions)
Institutional Expenses	283,061	247,486	35,575	14%	Primarily due to the timing of utilities invoices/payments
Maintenance & Renovation	526,184	369,196	156,988	43%	Primarily due to timing of contract renewals and timing of IT related invoices
Professional Development	74,032	65,163	8,869	14%	Timing of professional development fees and reimbursements
Capital Outlay	17,383	6,760	10,623	8083%	Timing of COAT purchases
<b>Total Expenses</b>	<b>8,755,854</b>	<b>8,290,220</b>	<b>465,634</b>	<b>6%</b>	
<b>Transfers</b>	<b>136,709</b>	<b>164,693</b>	<b>(27,984)</b>	<b>-17%</b>	Aviation flight hours transfer
<b>Total Expenses &amp; Transfers</b>	<b>8,892,563</b>	<b>8,454,913</b>	<b>437,650</b>	<b>5%</b>	
<b>Net Revenue Over (Under) Expenses</b>	<b>\$ (29,864)</b>	<b>\$ 1,288,324</b>	<b>\$ (1,318,188)</b>	<b>-102%</b>	

**Northwestern Michigan College**  
**Statement of Net Position**  
**General Fund**  
**September 30, 2022**



	<b>As of September 30,</b>	
	<b>2022</b>	<b>2021</b>
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 1,054,212	\$ 3,839,462 <b>A</b>
Accounts receivable, net	5,989,112	5,895,731
Prepaid expenses and other current assets	1,913,433	1,026,587 <b>B</b>
<b>Total current assets</b>	<b>8,956,757</b>	<b>10,761,780</b>
<b>Noncurrent assets</b>		
Long-term investments	24,359,942	22,985,122 <b>A</b>
Due to other funds	(15,913,945)	(14,274,010)
<b>Total noncurrent assets</b>	<b>8,445,997</b>	<b>8,711,112</b>
<b>Total assets</b>	<b>\$ 17,402,754</b>	<b>\$ 19,472,892</b>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable	\$ 50,514	\$ 90,761
Accrued payroll	2,007,950	2,024,123
Unearned revenue	4,986,991	4,977,903
<b>Total current liabilities</b>	<b>7,045,455</b>	<b>7,092,787</b>
<b>Noncurrent liabilities</b>		
Voluntary separation plan	\$ 52,000	\$ 114,400
<b>Total noncurrent liabilities</b>	<b>52,000</b>	<b>114,400</b>
<b>Total liabilities</b>	<b>\$ 7,097,455</b>	<b>\$ 7,207,187</b>
<b>Net position</b>		
Net position, beginning of year	\$ 10,327,835	\$ 10,978,421
Change in net position	(22,536)	1,287,284
<b>Total net position</b>	<b>10,305,299</b>	<b>12,265,705</b>
<b>Total liabilities and net position</b>	<b>\$ 17,402,754</b>	<b>\$ 19,472,892</b>

**Notes:**

**A** - Cash and investments balances fluctuate due to timing of investment purchases, sales, and payroll.

**B** - Prepaids includes a \$943,000 unrealized loss in investments due to investment market (discussed in further detail in the Investment Memo)



Northwestern  
Michigan  
College

*MEMO*  
*Administrative Services*

**To:** Troy Kierczynski, VP Finance and Administration  
**From:** Lindsey Lipke, Controller  
**Date:** October 17, 2022  
**Subject:** Realized and Unrealized Investment Gains & Losses for the Quarter Ended September 30, 2022

Northwestern Michigan College (“the College”) manages its investments in effort to maximize returns while carefully assessing portfolio security, interest rate risk, and cash flow needs. The College’s investment options are limited to those allowable under Michigan’s *Community College Act of 1966*, as amended, including but not limited to bonds, treasury bills, treasury notes, certificates of deposit, savings accounts, commercial paper, and mutual funds, trusts, or investment pools composed entirely of instruments that are eligible collateral.

The College invests primarily in bonds, commercial paper, and certificates of deposit. In its long-term strategy, the College typically holds investments to maturity rather than seeking short-term gains at the expense of future returns. Market conditions ultimately drive the College’s investment holdings, income and overall performance.

The College reports investments on its statement of net position at fair value. Dividends, interest, and gains (realized and unrealized) are reflected in aggregate as **net investment income** in the College’s statement of revenue, expenses, and changes in net position. The College recognized the following investment income (general fund only):

**Investment Income - General Fund Only**

*For the periods ending:*

	June 30 2021	June 30 2022	September 30 2022
Realized gains (losses)	\$ -	\$ -	\$ (1,657)
Unrealized gains (losses)	(525,507)	(1,891,082)	(942,730)
Dividends and interest	148,546	172,479	58,138
<b>Investment income, net</b>	<u>(376,961)</u>	<u>(1,718,603)</u>	<u>(886,249)</u>

The College had no realized gains in fiscal years 2021 and 2022 (year to date). The realized gain in fiscal year 202 is the result of a realized loss recognized from the changes in exchange rate changes at the time of payment issued to us from Yellow River.

The unrealized losses in fiscal years 2021, 2022, and 2023 (year to date) represent a rebound in bond market rates after bottoming out in June 2020.

In March 2020, the Fed enacted emergency rate cuts, slashing the federal funds rate 150 basis points (to near zero) in response to the economic impact of the Coronavirus pandemic. In response to inflation concerns, the Fed began rate increases beginning in March 2022 and are planning to continue their additional planned rate hikes for the remainder for 2022 and into the first quarter of 2023, which could result in a more positive impact on future returns.



Northwestern Michigan College  
Investments Held  
September 30, 2022

Financial Institution	CUSIP	Security Issuer	Abbr.	Security Type	Maturity	Coupon or Interest Rate	Interest Frequency	Cost	NMC Notes
Huntington Bank	3136G4N33	Federal National Mortgage Association	FNMA	U.S. Agency Bond	8/27/2025	0.500%	Semi-Annual	\$ 5,000,000	callable on 11/27/22
Huntington Bank	3136G45G4	Federal National Mortgage Association	FNMA	U.S. Agency Bond	10/27/2028	0.750%	Semi-Annual	\$ 5,000,000	callable on 10/27/22
Huntington Bank	3135GA3L3	Federal National Mortgage Association	FNMA	U.S. Agency Bond	11/23/2029	1.070%	Semi-Annual	\$ 5,000,000	callable on 11/23/22
Huntington Bank	3134GWNX0	Federal Home Loan Mortgage Corporation	FHLM	U.S. Agency Bond	8/27/2030	1.100%	Semi-Annual	\$ 3,900,000	callable on 11/27/22
Huntington Bank	53944RL30	LMA Americas LLC Commercial Paper		Corporate Bond	11/3/2022	1.900%	Maturity	\$ 2,000,000	matures 11/3/22
Huntington Bank	62455BKH7	Mouncliff FDG LLC Commercial Paper		Corporate Bond	10/17/2022	1.800%	Maturity	\$ 2,200,000	matures 10/17/22
Huntington Bank	40434RQH8	HSBC USA Inc Commercial Paper		Corporate Bond	3/17/2023	3.600%	Maturity	\$ 2,200,000	matures 3/17/23
Huntington Bank	87019SPDO	SwedBank AB Commercial Paper		Corporate Bond	2/13/2023	3.250%	Maturity	\$ 2,000,000	matures 2/13/23
<b>Total Investments Held</b>								<b>\$ 27,300,000</b>	



## **MEMO**

*Public Relations, Marketing,  
and Communications*

**To:** Nick Nissley, President

**From:** Diana Fairbanks, Associate VP of PR, Marketing and Communications

**Date:** 10-14-22

**Subject:** September 2022 Monthly Report

PRMC work to support the strategic plan continues with the launch of our campaigns with our new digital marketing vendor, as well as strategy and creative development. We had 100% positive or neutral earned media sentiment driven by increased efforts to build engagement and awareness. Highest earned media stories include a Denos mention in Oprah magazine, and television coverage of Marine Tech work in Elk Lake. September saw a MOM dip in social media performance compared to the busy August social push. Highest engaged social posts include students on campus, study abroad and audio technology. The following is an overview of the work of Public Relations, Marketing and Communication for September 2022.

### ***Paid Media*** -

- New digital campaigns launched in September. A full month results will be available in October.

### ***Earned Media*** ↑

- Media mentions 91
- Positive/neutral sentiment 100%
- Publicity value \$23.4k

### ***Owned Media*** ↑

- NMC Now: 903 followers, 50% open rate
- Content development on January Nexus

### ***Shared Media*** mixed

- Facebook followers +1.4%
- Facebook engagement -46%
- Instagram followers +0.1%
- Instagram engagement -4.2%



## *MEMO: Resource Development*

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**To:** NMC Board of Trustees  
President Nick Nissley, Ed.D.

**From:** Jennifer Hricik  
Interim Assoc. Vice President, Resource Development  
and Executive Director, NMC Foundation

**Date:** October 17, 2022

**Subj:** Foundation Update

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### Fund Raising – Report on FY23 goals

- The number of gifts received to date this fiscal year 898
- FY23 total dollars raised through the NMC Foundation
  - \$507,539 Total received (including Annual Fund, pledges, and *documented planned gift intentions*) raised toward goal
  - + \$11,721 Gross event revenue
  - \$519,260 Total raised through new gifts, commitments, & events**  
(Goal: \$1,200,000)
  - + \$0 *from previously documented planned gifts*

Of the F23 funds raised, donors are impacting the following areas of the college:

- Unrestricted gifts to the Fund for NMC - \$100,442
- Scholarships at NMC - \$182,073
- Programs and capital projects at NMC - \$236,746

### Foundation Initiatives

- The strategic planning process for the foundation board is underway (slated for completion December 2022), updates to governance policies and review of the Memorandum of Understanding between the foundation and the college will happen in the coming spring months. These processes will inform each other and set the stage for the next visionary goals of the foundation.
- Jeremy Heinlein assumed the role of Director of Annual Giving on October 10th filling the position vacated by now Director of Development, Katharine Marvin. Join me in welcoming Jeremy to this vital role in the work that we do on behalf of NMC.





**MEMO**  
**Enrollment Services**

TO: Nick Nissley, President  
Todd Neibauer, Vice President for Student Services & Technologies

FROM: Linda Berlin, Director of Financial Aid

DATE: October 15, 2022

SUBJECT: NMC Scholarship and Financial Aid Report for Aid Year 2021-2022

Northwestern Michigan College (NMC) Enrollment Services provides students and families with a variety of opportunities to learn about the availability of federal, state, and institutional financial aid. From financial aid, scholarship and FAFSA (Free Application for Federal Student Aid) workshops, to individualized assistance, we strive to promote college affordability and payment options to students. We encourage students and families to actively engage in their financial aid process and to take advantage of our services, from before they make a college decision to long after they graduate from NMC. Once students apply to NMC, we continue to promote the scholarship application throughout the year, and even search for and reach out to students who meet criteria for specific scholarships but have not applied.

**Federal Emergency Grants**

During the 2021-2022 aid year, NMC disbursed \$3.1 million in Higher Education Emergency Relief Funds to our students. As of June 30, 2022 we completed disbursement of these funds for a total of over \$5 million in COVID-related federal relief funds given directly to students since the beginning of the pandemic.

**New Emergency Assistance Program Implemented**

To carry on the work of helping students experiencing financial challenges that interfere with college, we partnered with the Student Life Office and the NMC Foundation to launch an NMC emergency assistance program. Thanks to gifts from our generous donors, we can provide up to \$500 per student per year to help with emergencies related to: health, housing, utilities, accidents, disasters, deaths in family, and transportation. In 2021-22, we received 36 applications and disbursed \$4,500. The emergency application also provides an opportunity for the emergency team to provide financial aid counseling and community resource assistance (delivered by Student Life MSW interns). So far, transportation issues represent the most requested at 30% of applications, followed by housing, and course-related needs.

**Cost of Attendance and Student Need**

Financial need is the difference between cost of attendance and expected family contribution. Fifty-three percent of NMC students completed a FAFSA this year. Fifty percent received aid (difference is ineligible students).

Cost of attendance (COA) refers to the total amount of education expenses: tuition, fees, books and supplies, housing and dining, personal expenses, and transportation expenses. NMC's annual full time cost of attendance ranged from \$13,750 for an in-district student in a general program living with family to \$58,500 for an out-of-state Aviation student living off campus. The average COA was \$15,961.

Expected Family Contribution (EFC) is the result of the FAFSA calculation, which determines the amount the student/family could contribute toward the COA. The average EFC was \$4,615.

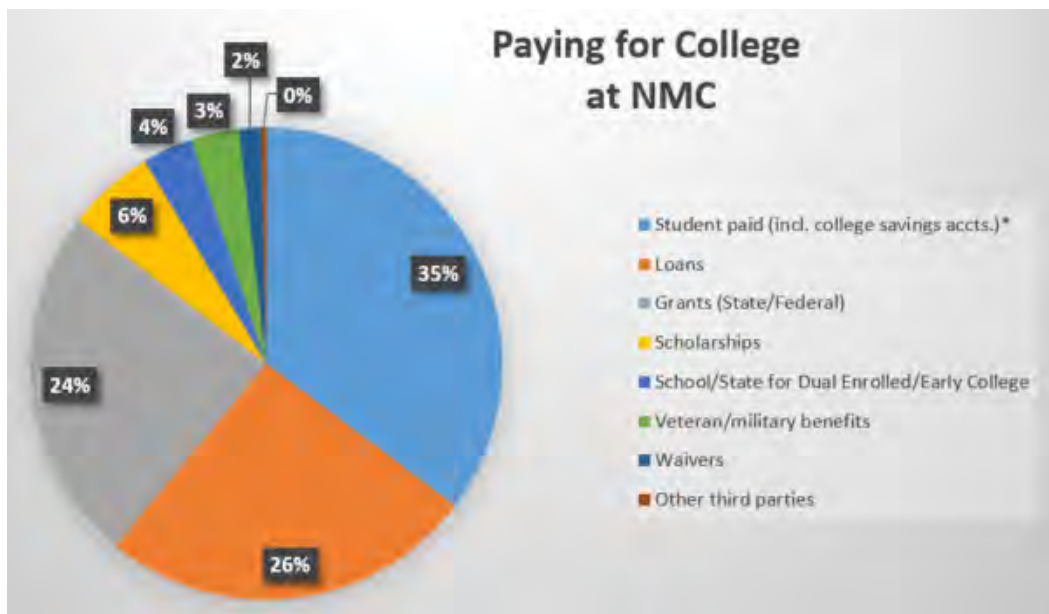
The average gross need for NMC students this year was \$10,190.

Gross Need \$10,190 – Average Aid \$5,175\* = Average Unmet Need \$5,015

\*Aid is defined here as federal, state, and institutional scholarships, grants, loans, and work-study.

**Paying for College**

While NMC students and their families pay the biggest share of their college expenses, financial aid is critical to covering the cost of attendance.



\* Does not reflect amounts students paid for costs not billed by NMC (off campus housing, transportation, etc), while grants, loans, and scholarship amounts may include funds refunded to students for these costs. Also does not include payments to flight accounts.

**Financial Aid Sources**

NMC’s financial aid includes funding from federal, state, institutional and other outside resources. Of the \$15 million in financial aid disbursed to students in 2021-2022:

- \$10.0 million or 66% from Title IV and other Federal Student Aid programs: Pell Grant, Supplemental Educational Opportunity Grant, Direct Student and Parent Loans, Work-Study funds, and Futures for Frontliners (federal funding administered through State).
- \$1.9 million or 13% from the State of Michigan: Tuition Incentive Program, Michigan Competitive Scholarship, Fostering Futures Scholarship, and Michigan Reconnect.
- \$1.8 million or 12% from external sources: scholarships and private loans (most commonly used by Aviation students to cover flight fees).
- \$1.3 million or 9% from NMC scholarships.

Thanks to increases in State and Federal Grant we continue to see increases in grants and scholarships over loans.

	2020-2021		2021-2022	
Grants and Scholarships	\$ 7,134,742	51%	\$ 8,150,949	54%
Loans	\$ 6,785,182	49%	\$ 6,906,063	46%
<b>Total Aid</b>	<b>\$ 13,919,924</b>		<b>\$ 15,057,012</b>	

### NMC Foundation Scholarships

Thirty-one percent of NMC students received scholarships. The most recent National Postsecondary Student Aid Study (NCES NPSAS:18-AC) states that only 5.5% of public 2-year college students receive institutional aid. Fifty-eight percent of NMC Foundation scholarships are need-based. The general scholarship application was open January 1 – December 17, 2021.

Scholarships	2020-2021	2021-2022
Available*	\$ 1,347,087	\$ 1,475,044
Disbursed	\$ 1,167,252	\$ 1,334,817
Percent Disbursed *	87%	90%
# of NMC Scholarship Recipients	1,259	1,206
% of Unduplicated Headcount	30%	31%
Average Amount per Recipient	\$ 927	\$ 1,107
External Scholarships Disbursed	\$ 320,468	\$ 270,108
# of External Scholarship Recipients	169	147
Average Amount	\$ 1,896	\$ 1,837
CARES Act Higher Education Emergency Grants	\$ 1,746,320	\$ 3,117,084
# of CARES Recipients	1881	3,059
Average Amount	\$ 928	\$ 1,019

\*Changed methodology and updated both years to remove excess budgeted amount from "Available" for Commitment Scholarship. All eligible students are given the calculated amount, so there are really no additional funds that could be expended.

**Unduplicated Headcount for the year** is the actual number of individual students enrolled for the year. Students may be enrolled in one or more classes, but they are counted only once. \*Percentages are based on the total number of unduplicated students for the year.

2020-2021	2021-2022
4,152	3,938

### Unspent Funds

In 2021-2022, we disbursed 90% of available funds.

Most colleges and universities open scholarship applications for a three to four month period early in the calendar year, award funds and do not try to re-award unused funds. NMC keeps the application open all year and strives to expend all funds during the aid year. If students do not attend or become ineligible, we make every attempt to re-award those funds to other students.

However, even with these efforts, not all funds can be disbursed in an award year.

- The majority of scholarships are awarded for the entire year with the award being split 50% to fall and 50% to spring. If the student does not attend spring semester, the remaining funds are sometimes below the minimum award amount stated in the donor agreement.



- Some scholarships are very restrictive and there are no students who fit the criteria. The NMC Foundation continuously works to educate donors on crafting agreements that will stand the test of time.
- Academic area scholarships have a March 1 deadline and do not always get re-awarded if unused by the initial awardee.
- Each year we get fewer applicants for Presidential and Founders Scholarships, which are awarded to high achieving high school seniors. We are in the process of re-imagining those and other unrestricted scholarship funds in order to best support recruitment and retention efforts.

### **Student Loan Debt**

The Financial Aid Office provides loan counseling and monitors student debt and default rates:

- 31% of NMC's full-time, first-time undergraduate students borrowed federal loans
- \$12,836 is the median total debt after graduation
- \$128/mo. is the typical monthly loan payment

(Source: U.S. Dept. of Education College Scorecard)

We will not report cohort default rates for a few years, as the payment pause (through December 31, 2022) has made those figures irrelevant.

We are currently assisting students to take advantage of the Biden-Harris Administration's Student Debt Relief Plan:

1. **Debt cancellation for low- and middle-income borrowers** will have a huge impact on NMC's current and former students who had loans prior to the end of the 2021-2022 aid year. We estimate that more than half of our borrowers will receive debt cancellation and most of the students in loan default will receive full cancellation as the median balance of loans in default is \$3,750.
2. **Fresh Start Loan Repayment program**, which allows students to get loans out of default, receive federal aid, and reset repayment plans. Nearly all defaulted borrowers are eligible for this program.

Northwestern Michigan College  
Board of Trustees  
**Audit Committee Minutes**  
October 10, 2022  
President's Office Conference Room  
Tanis Building  
1701 E. Front Street, Traverse City, MI 49686

Committee Chair Kennard Weaver called the meeting to order at 2:00 p.m.

Members Present: Kennard Weaver, Ken Warner, Andy Robitshek

Others Present: Nick Nissley, Lynne Moritz, Vicki VanDenBerg, Jeff Pohler (via Zoom),  
Troy Kierczynski, Lindsey Lipke

**Review of draft audited financial statements**

Vicki VanDenBerg and Jeff Pohler of Plante & Moran, PLLC, presented the draft Independent Auditor's Report for Northwestern Michigan College for years ended June 30, 2022, as well as related notes. VanDenBerg stated they have given the college an unmodified opinion.

There was some explanatory discussion pertaining to the NMC Foundation's qualified opinion. VanDenBerg explained when an organization, such as the NMC Foundation, meets the definition for a governmental entity, the financial statements of the organization must follow the Governmental Accounting Standards Board (GASB). The NMC Foundation had been reporting under the Financial Accounting Standards Board (FASB) previously.

As VanDenBerg reviewed the Management Discussion and Analysis, committee members shared their initial questions. As the committee received the documents later than expected, a secondary committee meeting was scheduled for later in the week, for the purpose of providing committee members time for thorough review and additional questions before recommending the audit move to the full Board for acceptance at their meeting on October 24, 2022.

**Other Discussion**

Committee Chair Kennard Weaver requested any questions developed by committee members upon further review of the materials should be sent via email to Vicki VanDenBerg, copying the President's Office, so that all questions and responses are shared with the group and documented publicly.

**Public Input**—There was no public comment offered.

The meeting was adjourned at 2:56 p.m.

Recorded by Lynne Moritz, Executive Director of the President's Office and Board Operations

Northwestern Michigan College  
Board of Trustees  
**Audit Committee Minutes**  
October 14, 2022  
President's Office Conference Room  
Tanis Building  
1701 E. Front Street, Traverse City, MI 49686

Committee Chair Kennard Weaver called the meeting to order at 1:34 p.m.

Members Present: Kennard Weaver, Ken Warner, Andy Robitshek

Others Present: President Nick Nissley, Lynne Moritz, Troy Kierczynski, Lindsey Lipke, Vicki VanDenBerg (via Zoom)

### **Review draft audited financial statements**

As the committee had minimal time to review the draft statements prior to the meeting on Monday, October 10, 2022, the committee met again to address any further questions.

Before adjourning the past meeting, Committee Chair Kennard Weaver requested questions from the committee be sent to Plante Moran in advance of Friday's secondary meeting. Below are the questions submitted by committee members, as well as the responses provided by VanDenBerg.

1. Can next year's audit be done using GASB for the Foundation, eliminating the qualified report?  
*Response: Yes, if the Foundation adopts the GASB framework for the year ended June 30, 2023, Plante Moran assumes that the Foundation would want to issue comparative statements as they have done traditionally and will also adopt for the year ended June 30, 2022. If this is the case, Plante Moran will include a paragraph in the opinion letter noting the opinion on the prior year has been changed from qualified to unmodified.*
  
2. On page 49, Note 13, there are assets listed as "Quasi endowment". What is included in that number?  
*Response: This Footnote specifically relates to the Foundation activity and this is part of the unrestricted net assets. Several years ago, the Foundation set aside unrestricted dollars as quasi-endowments in order to utilize the same spending policy as traditional endowments on surpluses from operations. The intent is to have funds set aside to support general foundation operations and to date there has been minimal use of the corpus of the board designated funds, and there continue to be additions to the fund when there are operational surpluses.*
  
3. The NMC Foundation's contribution to the Culinary Institute and the Dennon Museum operating funds have practically doubled. The Foundation's contribution in the form of scholarships paid to NMC as tuition is substantial. Is the total Foundation contribution to NMC's operations disclosed in this report?  
*Response: The total amount received by the College from the Foundation is on Page 20 in the Nonoperating Section and is labeled "Support from Component Unit" for*



*\$4,757,368 which is comparable to the amount the year before. The full breakdown of the \$4.7 million is not disclosed further within the audited financial statements of the College. Note 12 on page 48 does break out the support from the component unit for the Dennis Museum Center.*

4. Should the “Covid-19 Relief Funding” section on page 5 more fully emphasize that those funds will likely not recur in the future? Perhaps that cautionary note should be repeated in the section on “non operating Revenue...” And elsewhere. And should the extent to which those funds contributed to the net growth in assets be disclosed?

*Response: This is not specifically stated on page 5 though the last sentence could be modified to end with “...2022 utilizing the last of the grants funds awarded.”. It is specifically noted in the last sentence of the Covid footnote on page 29 of the financial statements. It would be difficult to clearly and factually state the amount that HEERF contributed to net asset growth.*

### **Other Discussion**

There was discussion regarding the recent meeting of the NMC Foundation’s Finance and Audit Committee, as Nissley and Kierczynski noted there was considerable concern from the Foundation’s Finance and Audit Committee regarding the qualified opinion on the Foundation’s FY22 Audit.

**Public Input**—There was no public comment offered.

On a motion by Ken Warner, seconded by Andy Robitshek, the committee unanimously supported bringing the audit report to the full Board with the recommendation that it be approved at their meeting on October 24, 2022.

The meeting was adjourned at 1:44 p.m.

Recorded by Lynne Moritz, Executive Director of the President’s Office and Board Operations

Northwestern Michigan College  
Board of Trustees  
**Policy Committee Minutes**  
October 10, 2022  
President's Office Conference Room  
Tanis Building  
1701 E. Front Street, Traverse City, MI 49686

Committee Chair Chris Bott called the meeting to order at 8:32 a.m.

Members Present: Chris Bott, Andy Robitshek, Doug Bishop

Others Present: Lynne Moritz

**Policies Scheduled for Review in 2022**

The committee reviewed the following policies and recommended verbiage changes to reflect prospective "shall" language in each:

- B-102.00 Monitoring Presidential Performance
- B-103.00 Communication and Counsel to the Board
- D-100.00 Learning Outcomes
- D-200.00 Enrichment

In addition, for Policy B-103.00 Communication and Counsel to the Board, the committee also recommended adding "or events" to item #1 and editing item #7 to read as follows:

Provide information as requested **through the President's Office** by any individual board member per Board Policy B-100.00 Delegation to the President.

Upon reviewing the policy review schedule, Policy D-202.00 Public School Academies was also identified as being up for review in 2022. The committee reviewed the policy thoroughly and determined no edits at this time.

The committee unanimously recommended the five policies mentioned above to be presented to the full Board for recommendation of adoption on a first-reading basis at their regular meeting on October 24, 2022.

**Other Discussion**

The committee requested that as policies are reviewed the President's Office proactively add the preferred "shall" prospective language. It was also recommended that in 2023 the committee consider developing a policy regarding filling a vacancy within the Board. Currently, the President's Office maintains internal procedures based upon state law requirements for filling a vacancy but no official Board policy exists at present time.

**Public Input**—There was no public comment offered.

The meeting was adjourned at 8:52 a.m.

Recorded by Lynne Moritz, Executive Director of the President's Office and Board Operations

# Northwestern Michigan College



## Five-Year Capital Outlay Plan Fiscal Year 2024

**Submitted to:**

NMC Board of Trustees  
October 24, 2022

**Prepared By:**

Troy Kierczynski  
VP of Finance and Administration  
231-995-1147  
tkierczynski@nmc.edu



**NORTHWESTERN MICHIGAN COLLEGE  
FIVE-YEAR CAPITAL OUTLAY PLAN  
FISCAL YEAR 2024**

Northwestern Michigan College (NMC) was the first comprehensive community college chartered in the State of Michigan in 1951. Since its founding, NMC has provided quality, affordable access to higher education for learners of all ages and backgrounds. NMC is integrally woven into the economic, social and cultural fabric of the region, providing leadership and support for key initiatives that shape our communities and prepare our learners for rich and meaningful lives.

NMC provides programming at five principal sites in Traverse City:

- Main Campus located in Traverse City on East Front Street at the base of the Peninsula
- Great Lakes Campus located at the base of West Grand Traverse Bay
- Aero Park Campus located in the Traverse City airport industrial park
- University Center Campus located on Boardman Lake off of South Cass Street
- Rogers Observatory site located in Garfield Township a few miles South of Main Campus

## **I. Mission Statement**

### **Mission**

Northwestern Michigan College delivers lifelong learning opportunities to transform lives and enrich our communities.

### **Vision**

We aspire to be a global community where all learners unlock their full potential.

### **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:** We are lifelong learners; learning is foundational to a thriving community and is at the center of all we do.
- **Integrity:** We act with the highest degree of ethics, personal responsibility, fairness and openness ensuring that we match our actions with our words.
- **Collaboration:** We embrace co-creative solutions and celebrate the joy of working together, empowering each other and nurturing community partnerships for the benefit of our learners.
- **Respect:** We demonstrate mutual regard and appreciation for one another to assure a culture of trust.
- **Inclusion:** We foster belonging and build organizational capacity that celebrates diversity and promotes equity.
- **Innovation:** We are agile, imaginative and forward thinking, taking risks to meet future needs of the college and our communities.
- **Stewardship:** We practice stewardship by investing responsibly in the human, physical, financial and environmental resources entrusted to our care.
- **Excellence:** We commit to the highest standards of quality and service, and to exceeding the expectations of our learners and communities through continuous improvement.

### Purposes

To meet our mission, we are fully engaged in each of the following purposes, with the result that our learners meet their goals of being college-ready, transfer-ready, career-ready and ready for lifelong-learning:

- Associate degree, certificate, and transfer education in liberal arts and sciences and occupational studies
- Career/occupational education and workforce development
- Bachelor degrees in select programs
- Cultural and personal enrichment
- Baccalaureate and graduate program facilitation
- Regional economic development

### Strategic Plan Initiatives

In order to accomplish NMC's stated Mission, Vision, and Purposes, organizational activities focus on achieving the following strategic goals:

- **Future-Focused Education:** Enhance offerings through flexible academic pathways, innovative instructional delivery models and relevant, hands-on educational experiences to empower global learners for the future.
- **Student Engagement and Success:** Develop and deliver comprehensive support services, robust engagement opportunities and a vibrant collegiate experience to foster learner success, goal completion and employability.
- **Diversity, Equity and Inclusion:** Cultivate an inclusive environment that fosters a sense of belonging and delivers equitable opportunities so all are able to thrive and succeed.
- **Community Partnerships and Engagement:** Enhance collaborations that advance community engagement, economic and workforce development and innovative opportunities for lifelong learning.
- **Institutional Distinction and Sustainability:** Leverage distinctive programs that strengthen institutional sustainability and expand global connections for our learners and communities.

## **II. Instructional Programming**

At NMC, you'll find more than 60 areas of academic study, all of which feature dedicated faculty, small classes and personal attention. NMC offers transfer courses, bachelor's degrees in select areas, two-year associate degrees and professional certificates, with access to BA and advanced degrees through our University Center partners. To provide flexible learning options and more accessibility for our students, we offer a variety of traditional in-person, online, and hybrid courses.

As part of our capital outlay planning process, we assess our current academic programs, ongoing College initiatives, regional and national workforce needs, and trends in delivery to help determine our academic facilities and infrastructure needs. Section II-A addresses current academic programming and future growth.

**II-A. Describe existing academic programs and projected programming changes in the next 5 years in so far as academic programs are affected by specific structural considerations (i.e. laboratories, classrooms, current and future distance learning initiatives, etc.)**

See this link for an A-Z listing of NMC's current programs: <https://catalog.nmc.edu/programs-az/>

**New and Projected Programming Changes**

Changes to NMC's programming and other offerings are influenced by the following factors:

- Current and projected enrollment and industry trends
- Community workforce needs
- Contributing to the economic development of our region
- Improving the success rates of our learners
- Ensuring the fiscal stability of the College

NMC has developed the following certificates and programs during the last five years:

- Audio Technology—AAS
- Engineering Technology-Biomedical Technician—AAS
- Culinary-Baking and Pastry Arts—Level II Certificate
- Engineering, Associates of Science in Engineering
- Surveying—AAS
- Early Childhood Education—AAS
- Carpentry Technology – Level II Certificate
- Maritime Culinary Certificate (Fall 2023)
- Water Quality and Environmental Technology—AAS (Fall 2023)
- Nursing Articulation Agreement—ADN to BSN (under development)

As the College assesses current and future programming, we give consideration to the related capital, structural, and technology needs to ensure we can deliver every program effectively on our campus facilities and/or virtually. Our Strategic Plan contains five Strategic Plan Initiatives (See Section I) and twenty-three underlying strategic objectives. The following are examples of objectives relevant to the College's capital planning considerations:

**Future-Focused Education**

- To increase the College's proportion of online courses from 28% to 35% by 2024.
- Create six accelerated course pathways in multiple academic disciplines by 2024.

**Student Engagement and Success**

- To Increase the percentage of area high school graduates attending NMC by 3% by 2024.
- To increase enrollment by 10% in age categories 21+ by Spring 2024.
- Enhance student completion support to increase the 3-year completion success rates by 2025
- Increase the percentage of students using success coach services by 3% by 2025.



### **Institutional Distinction and Sustainability**

- Aviation will execute its multi-phase expansion plan to increase program enrollment by 25% by 2024. The multi-phase expansion plan includes a vision for a large expansion of our hangar.
- Our Great Lakes Maritime Academy and Great Lakes Culinary Institute will collaborate to develop and offer a maritime culinary certificate by Fall 2023.
  - We intend to use the galley aboard our maritime vessel *T/S State of Michigan* as our primary learning lab. As this program grows to its potential, we plan to construct a simulation galley lab in our Great Lakes Building.

### **II-B. Identify the unique characteristics of each institution's academic mission.**

Northwestern Michigan College is recognized by members of its service district and various accrediting agencies for unique characteristics and special programming that are a part of the fabric of the college.

*These include:*

- |  |   |
|--|---|
| ● Aviation Division (Pilot Training Program) | ● International Partnerships                |
| ● Unmanned Aerial Systems Training           | ● Joseph H. Rogers Observatory              |
| ● Audio Technology Program                   | ● Math Center                               |
| ● Center for Instructional Excellence        | ● Michigan Energy Demonstration Center      |
| ● Childcare Center                           | ● Military and Veteran Services             |
| ● Commitment Scholarship Program             | ● Marine Center                             |
| ● Construction Technology Program            | ● NMC Foundation                            |
| ● Dennon Museum Center (DMC)                 | ● Online Nursing                            |
| ● Early Colleges                             | ● Outdoor Sculpture Collection              |
| ● Engineering Technology                     | ● Phi Theta Kappa                           |
| ● Entrepreneurial Studies                    | ● Remote Operated Vehicle Training (Marine) |
| ● Extended Educational Services              | ● Service Learning                          |
| ● Global Endorsement                         | ● Student Success Center                    |
| ● Great Lakes Culinary Institute             | ● Tutoring Center                           |
| ● Great Lakes Maritime Academy               | ● University Center                         |
| ● Great Lakes Water Studies Institute        | ● Writing and Reading Center                |
| ● Health Education Institute                 | ● WNMC-FM Radio Station                     |
| ● International Affairs Forum                |   |
| ● International Services                     |   |

Below are brief descriptions for some of these unique characteristics and special programs.

#### **Aviation Division**

Established in 1967, Northwestern Michigan College has a proven background in delivering safe and effective flight training to generations of pilots. Today, the Aviation Division operates an FAA approved Part 141 training facility, has established exclusive training agreements with (5) international universities to provide flight training in Traverse City, and offers extensive hands-on training on several different Unmanned Aerial Systems platforms.

The professional pilot program currently operates at maximum student capacity, training 100 full time students in a diverse fleet of 17 aircraft valued at more than \$7 million. The Aviation Division has

established numerous hiring partnerships with regional airlines, allowing graduates direct routes to employment opportunities.

In 2011, the Aviation Division launched Michigan's first Unmanned Aerial Systems (UAS) program, with focus on preparing UAS operators to meet the needs of a rapidly growing industry. In 2015, NMC was named one of the *15 Best Drone Training Colleges in America* and was the only community college listed in the top 10.

One of the 2015 recipients of the Community College Skilled Trades Equipment Fund (CCSTEF), the UAS Department now maintains a fleet of commercial-grade unmanned aircraft designed to meet the training and experience demands of today's (and tomorrow's) employers.

### **Great Lakes Maritime Academy**

Established in 1969, the Great Lakes Maritime Academy (GLMA) is one of only seven maritime academies in the United States that is federally regulated under 46 Code of Federal Regulations 310. These regulations allow for a holistic approach which allows GLMA to accept a cadet with no prior seagoing experience and within four years he or she can complete both a bachelor's degree and earn a merchant mariner's credential valid for service on large tonnage vessels which are in ocean or Great Lakes service.

All GLMA cadets must complete one course in Naval Science which is delivered by active duty Naval personnel. Those cadets that are accepted into the U.S. Navy's Strategic Sealift Officer's program complete an additional two classes in Naval Science, earn a commission as a Naval Officer, and are awarded \$32,000, by the U.S. Navy, over the course of their four years at the academy.

In August 2002 the U. S. Maritime Administration (MARAD), at the request of Michigan's Governor, transferred operation of the *USNS Persistent (T-AGOS-6)* to GLMA where she was rechristened the *T/S State of Michigan*. Since that time the vessel has been an integral part of the Academy's training program. The following are just a few examples of the value-added by the *T/S State of Michigan* vessel:

- Having the use of the training ship ensures that GLMA cadets can accrue requisite sea service required for graduation and licensure.
- GLMA has been able to ensure the curriculum meets both the U.S. law as described in 46 CFR, and also be in full compliance with the complex international treaty Standards for Training, Certification and Watchkeeping for Seafarers (STCW Code).
- By having cadets complete their first sea project on the *T/S State of Michigan*, they are fully versed in shipboard culture prior to being assigned a berth on a commercial vessel as part of subsequent sea project (cadets must complete three sea projects). This has greatly improved retention.
- The *T/S State of Michigan* serves as a dockside laboratory for courses of instruction in diesel engines, shipboard auxiliary systems, air conditioning and refrigeration, firefighting and damage control, stability, and navigation, just to name a few.
- Interdisciplinary uses of the ship being studied include collaboration with the Great Lakes Culinary Institute (GLCI). These collaborations have resulted in several graduates from GLCI earning Merchant Marine Credentials in addition to their Associate's degree, thus greatly expanding employment opportunities. The vessel's galley will also be used to provide a training lab for the College's maritime culinary certificate program launching in Fall 2023.

The Michigan Legislature passed House Bill 4496 enabling Michigan community colleges to offer a select number of baccalaureate degrees, among them a Bachelor of Science degree in Maritime Technology on December 13, 2012. The Governor signed the bill into law on December 27, 2012.

In April 2013, the NMC Board of Trustees authorized the college to offer the Bachelor of Science degree in Maritime Technology program and supported the administration to seek approval of the Higher Learning Commission to authorize the college to offer the degree.

In February 2019, the United States Coast Guard reappraised the Academy's programs. It is now approved through February 2023, and certified as meeting the requirements of the international treaty STCW Code. This includes the most recent amendment to the STCW Code.

### **Great Lakes Water Studies Institute**

The Great Lakes Water Studies Institute (GLWSI), located on the Great Lakes campus, delivers programs and conducts research directly related to the area's most important natural resource. Students may focus on multiple areas of water technology and science including water quality, environmental remediation, or may focus in marine technology including applied technical work in support of the marine industries involving the calibration, deployment, operation, maintenance, and management of marine technology assets, including data collection, processing and mapping, for use in the marine environment both offshore and onshore.

In fall 2015, the GLWSI officially launched NMC's third Bachelors of Science in Maritime Technology major in the area of Marine Technology. This program is unique to the United States and one of the only in the world and builds directly on the AAS marine technology program. Specific training emphasis includes remotely operated vehicles (ROV) and marine platforms, marine acoustics and sonar, marine data processing and project management. Multiple industry collaborations allow graduates a broad range of career opportunities. To date, all graduates of this program have found direct employment in the Marine Industry immediately upon graduation. The Great Lakes Water Studies Institute also offers professional development opportunities in sonar training for industry and government partners including the United States Army Corps of Engineers, Office of Naval Intelligence, and the National Oceanographic & Atmospheric Administration. Since 2015, ROV training at NMC has been certified through the Association of Diving Contractors International (ADCI).

The Great Lakes Campus site includes a water analysis laboratory for student experiments/labs, qualified environmental research organizations and university partners. Students work aboard the 56 foot *R/V Northwestern* or the 21 foot *R/V Hawk Owl* in Grand Traverse Bay, Lake Michigan or the inland waters of Michigan. The Great Lakes campus harbor also serves as a year round laboratory where training occurs from NMC's pier. The GLWSI is also home to two advanced Remotely Operated Vehicle systems, multiple sonar systems, advanced GPS and water quality sampling equipment. Additionally, there is a 60,000 gallon indoor training tank located at NMC's Aeropark campus for year round, climate controlled operations.

In 2014, collaboration with Western Michigan University (WMU) led to the joint development of a bachelor's degree completion program in Freshwater Science and Sustainability. In September 2015, Northwestern Michigan College officially started delivery of the third Bachelor's Degree in Maritime Technology major in Marine Technology.

The GLWSI is involved in multiple Great Lakes research projects with university and government partners and also collaborates globally with multiple institutions in many areas of water and the marine environment. MOU's with institutions in China, Colombia, Costa Rica, Indonesia have generated additional water opportunities for students.

### **Great Lakes Culinary Institute**

This program provides rigorous and concentrated study for those students who plan careers in the rapidly growing food service industry. The program's main emphasis is to prepare students for positions as entry-level chefs and kitchen managers. Consideration is given to the science and techniques associated with the selection, preparation and serving of foods to large and small groups. Students further develop their knowledge of food and guest service through internships at area restaurants, hotels and resorts. The program includes an Institute-run training restaurant, Lobdell's, which greatly enhances the level of restaurant experience of graduates. The facility provides five kitchen "laboratories" including Lobdell's, a training restaurant, which is a critical component of a top quality culinary program.

The GLCI is also pursuing collaboration with other learning opportunities. In an effort to enhance student retention, culinary certificate programs have been implemented. For years, the Culinary Institute has provided lifelong learning and professional development offerings in collaboration with other areas of the College. The expanded facilities, with its lakefront location, have been leveraged to create world-class food and wine events, open to the public. All events have served to showcase Michigan agricultural and value added agricultural products.

The American Culinary Federation Education Foundation Accrediting Commission accredits Great Lakes Culinary Institute programs, one of only approximately 400 such schools to receive this program accreditation in the United States. In 2018, the Great Lakes Culinary Institute received a five-year program accreditation by the American Culinary Federation Education Foundation. Upon completion of the Great Lakes Culinary Institute program, students are eligible for certification through the American Culinary Federation.

The GLCI is also developing a maritime culinary certificate in partnership with our Great Lakes Maritime program. The certificate program will be available in Fall 2023, and will provide high-earning opportunities for culinary professionals in the maritime industry.

### **Construction Technology**

During the 2009-2010 academic year, NMC received authorization to offer four new level I certificates and one AAS degree in Construction Trades. These certificates include HVAC/R installation and service, Electrical, Plumbing and Carpentry. For students that complete any one of these four certificates, we have developed appropriate construction trades courses to customize their degree requirements for the remainder of the trades courses and infuse the required general education courses to achieve the sixty four credits required to complete an AAS degree. In January of 2022, an audit of the construction technology program by the NCCER established a third party credential available to students enrolled in the Electrical and HVAC programs. This credential is recognized nationally as both academic and experiential progress in the applicable trade. Additional trade areas, like carpentry, are being slated to also be included in this accredited NCCER program. Students in this program have the option to include



a specialization in renewable energy with options in residential and light commercial solar PV, solar thermal, wind installation, including both net-metered and independent installations. A certificate in Programmable Logic Controls (PLC) has been developed and available to students since Fall 2014.

### **Engineering Technology**

In 2011, a new associate degree in Engineering Technology offered students a broad-based curriculum across all areas of technical education, preparing the graduates for emerging job markets and highly technical fields. The program is designed to allow students to focus on areas of interest or specialize in one of five technical specializations: Computers, Electronics, Marine, Robotics & Automation, and Unmanned Aerial Systems. In 2018, a new specialization was added to the degree pathway that is focused on Biomedical Equipment Technologies. Partnering with Leica Geosystems, an AAS degree in Surveying was added in 2019 to serve the growing demand for surveying technicians in the region.

Engineering technology education focuses primarily on the applied aspects of science and engineering aimed at preparing graduates for practice in that portion of the technological spectrum closest to product improvement, manufacturing, robotics, unmanned systems, and engineering operational functions.

### **Parson-Stulen Building**

In 2015 Northwestern Michigan College was awarded a \$2.8MM grant from the State of Michigan in support of the Community College Skilled trades Program Fund (CCSTEP). \$2.1 MM dollars from the grant was used to purchase equipment and renovate facilities in support of the Colleges Engineering Technology, Marine Technology and Computer Technology programs. This included an advanced electronics lab and marine technology, 60,000 gallon indoor test tank, a state of the art remote operated vehicles, three unmanned aerial platforms, and flight simulators.

### **Aero-Park Laboratories**

In 2011, NMC opened the Aero-Park Laboratories (APL) building at the Aero-Park Campus as a companion facility housing laboratories for construction technology, renewable energy, engineering technology and welding. APL is a 29,600 sq. ft. facility which allows a variety of configurations to accommodate large group lectures as well as individualized student space or small team project areas. The facility is LEED certified and equipped to support a high level of instructional technology requirements and welding facilities.

### **Audio Technology**

An associate program in applied audio technology/technician was approved in July 2012 to meet the needs of students entering the recording, editing, and live music engineering specializations of the music industry. At the core of the degree program are training and certifications in Logic-Pro (Apple) and Pro Tools (Avid) - the industry standard software for recording and editing. Students also have practical real-world experience in studio and live recording, sound design, composing, mixing, mastering, and live sound. All of the Audio Tech instructors are certified on various software, and also bring to their instruction their vast experience as performers and professionals in the music industry. NMC's Audio Tech program remains on the cutting-edge of technology as the first program in the U.S. to possess new mixing and routing hardware.

### **Commitment Scholarship Program**

The NMC Commitment Scholarship Program was developed to encourage academically promising students with financial need to successfully complete high school and enter college. The program began in 1993, and has included more than 1,000 first-generation college students from 19 participating high schools. Each fall, 40-50 new students are inducted from the region to engage in activities that support successful educational attainment. The students, in partnership with the parents and high schools, commit to regular participation in the program activities, demonstration of good citizenship, and completion of high school with a minimum of a 2.5 grade point average.

### **On-Campus Residence Life Opportunities**

The Residence Hall Living/Learning program at NMC is one of six residence hall programs offered at the community college level in Michigan. Student and professional staff provide peer social programs, educational seminars, and community service opportunities. The Residence Halls are alcohol/drug free zones except for designated suites in North Hall where all residents are over 21 and agree to special restrictions. Affordable housing is limited in the Traverse City area which is reflected in our growth in the number of students living in the halls and apartments in the past several years. Having reached capacity in three consecutive years, the college opened a new residence Hall in August of 2017 expanding overall capacity to 370. There are also 36 apartments on NMC's main campus which are consistently full with a waiting list.

### **Extended Educational Services**

Extended Educational Services (EES) provides lifelong learning opportunities in Workforce & Professional Development, Life Enrichment and Youth Programming to our community and beyond. EES offers over 1000 enrichment, continuing education, and non-credit courses for all ages on an annual basis. Continuing Education Certificate programs available include: Northern Naturalist, Global, Business Development, Eldercare, Google, Personal Trainer, Virtual Assistant, Workplace Readiness, and expected in Winter/Spring 2023 will be the addition of the Certified Nurse Assistant program which is in high demand. Of note are two historically distinct and robust audiences; *College for Kids* (ages 3-17) and *Life Academy* (ages 50+). Course offerings are in multiple formats; about 480 online, about 100 livestream, and about 460 face to face.

### **University Center**

The mission of NMC's University Center is to facilitate the delivery of high quality programs and course offerings beyond the associate degree to northwest Michigan residents as deemed desirable by the citizens of the region. The University Center is a unique partnership between Northwestern Michigan College and five participating universities. NMC offers associate degrees in over 40 liberal arts, health, business, education, and technical programs. The partnering universities offer courses required for the completion of the final two years of selected bachelor degree programs, complete master's degree programs in selected areas, post-bachelor and graduate certificates, specialized endorsements, and one doctorate. University Center partners include: Central Michigan University, Davenport University, Ferris State University, Grand Valley State University, and Michigan State University.

### **Global Endorsement**

Beginning in the fall of 2014, the college developed a cross-curricular endorsement for students who complete a variety of curricular and extra-curricular experiences that are recorded on an official college transcript. In part funded by the NMC Global Opportunity Fund, students take coursework, attend the college's Window on the World Week, Passport Student Lecture Series, and International Affairs Forum and even travel to international educational sites to receive credit towards this endorsement.

### **Dennos Museum Center**

The Dennos Museum Center builds community, sparks conversation, and inspires change for audiences of all ages through its exhibitions, programs, and the collection and preservation of art. The museum serves as the region's premier cultural center for NMC students and faculty, K-12 school groups, and the general public through a diverse exhibition and program schedule.

The Museum cares for and curates a selection of semi-permanent exhibitions drawn from more than 3,000 works of art, with strong holdings in [Canadian Inuit sculpture and prints](#), Midwestern regionalism, and Chinese and Korean contemporary artwork. Museum staff also oversee over one dozen outdoor sculptures installed throughout the NMC campuses.

Traveling exhibitions and loans from museums across the nation provide additional opportunities to connect faculty and students with object-based teaching and learning opportunities. Museum staff work with an advisory committee to curate exhibitions that directly support college initiatives connected to diversity and inclusion, interdisciplinary teaching and learning, global perspectives, contemporary socio-political issues of our time, and more. The museum—in the truest sense—is an opportunity for visitors to engage with artworks and artifacts that help us think about our role as globally minded citizens in the 21st century.

Additional facilities include the 367 seat Milliken Auditorium, which hosts a diverse series of lectures and performances throughout the year. The auditorium serves as a home base for the NMC Music Department, the International Affairs Forum, New Student Orientation, and College-wide programs and training opportunities.

### **Joseph H. Rogers Observatory**

The primary function of the Northwestern Michigan College's Joseph H. Rogers Observatory is to serve as the laboratory facility for NMC astronomy students. It also provides educational opportunities for the community. The 1,500 square foot building, with two observing domes, stands as an example of this area's commitment to education. Constructed completely with donated funds, the Observatory houses astronomical equipment utilized for both education and research. The Observatory hosts Open Houses for the general public throughout the year with over 5,000 visitors annually. The Joseph H. Rogers Observatory is one of fifteen sites in the National Network of Project ASTRO™, a K-12 science education outreach program, and one of three sites chosen to host Family ASTRO™.

### **Marine Center – Professional Development**

The Marine Center at Northwestern Michigan College provides comprehensive training solutions for the surveying and remote sensing industries. The focus of the programs is on the technical areas directly related to geospatial academic programs at the College: marine technology, surveying, engineering technology, and unmanned aerial systems (UAS) programs. The Marine Center’s focus is to meet workforce development needs within the targeted industry sectors (i.e. micro-credentialing, industry certifications, and competency-based training) using existing core technical capabilities and connections to the technical academic programs. Professional development and technical services associated with the NMC Marine Center programs continue to be an opportunity to raise awareness on key existing technical and academic programs at NMC, as well as provide a strong future revenue source.

### **The Hagerty Conference Center**

The Great Lakes Campus is also home to the Hagerty Conference Center. The Center provides a flexible, technology-equipped space to accommodate seminars, classes, and specialized training in support of all NMC programs. The site also serves as a venue for professional development seminars for regional, national, and international businesses in addition to weddings and other private events. This enables NMC to increase its role in bringing new learning opportunities and new visitors to the region, thus providing economic growth and quality of life improvements. It also promotes further integration of programs within NMC, and enables NMC programs to draw on resources from outside the area to augment its own program offerings.

### **Childcare Center**

In the summer of 2014, NMC partnered with Munson Healthcare to open a childcare center at the Oleson Center on NMC’s main campus. NMC is a member of the 5toOne Initiative of the Great Start Traverse Bay Collaborative which has been working to create a comprehensive regional system for early childhood development programs. Munson Healthcare and Traverse Bay Area Intermediate School District (TBAISD) have also been included in these discussions and have been aware of our on-going concerns for NMC students as it relates to children’s educational services. By partnering with Head Start and GSRP students who qualify are able to access free quality preschool services.

Key factors in this arrangement are two grant opportunities that provide a source of funding to pay for daycare services. The two grants awarded by the State of Michigan and available through TBAISD are the Great Start Readiness Program and Headstart. Munson allows families to call one week in advance to schedule time.

### **II-C. Identify other initiatives which may impact facilities usage.**

The College has a unique opportunity to renovate its Osterlin Building into an innovative student services hub and welcome center. The College’s library was recently relocated from the Osterlin Building to its new home on the 2nd floor of the Timothy J. Nelson Innovation Center. The vacancy of the library in Osterlin creates space to move the College’s admissions, financial aid, health services, experiential learning, and other student activities into a centralized space. Consolidating those services into the Osterlin Building would create a “Student Services Hub”, allowing students to access all academic and financial support services in one building. We believe this strategy would have a positive impact on student retention and completion.



The College's Strategic Plan also specifically calls for the expansion of our Aviation Division. This distinctive program, one of two major flight schools in the State, is currently at capacity with a waiting list of over 100 students. The only key barrier to its growth is lack of hangar space and training planes. A 10,000 square foot expansion of the cold hangar space could accommodate 8 additional training planes; each new training plane can accommodate 7-10 students. The College recognizes this unique opportunity to help immediately address a looming workforce shortage in the air travel industry.

In the next five-year period, the College expects to significantly expand programming for nursing and other health occupations. Continued growth in this area will require investment in additional simulation and teaching facilities. As the College continues AQIP projects designed to increase persistence and credential completion, it is adding instructional support activities that have an impact on experiential and supplemental instructional space. Finally, the College is embedding within the curriculum a multi-disciplinary approach to learning desired by employers. These initiatives require large interactive space that can be reconfigured for multiple uses. The College's current buildings do not accommodate this demand; renovation and additions to existing college buildings are necessary to stay agile as an institution.

The current priorities for facilities planning are focused on the following:

- Addressing deferred maintenance on existing buildings
- Increasing flexible and accessible classroom space
- Increasing flexible and accessible office spaces
- Reducing energy usage and creating sustainable infrastructure
- Creating housing opportunities to attract students

#### **II-D. Demonstrate economic development impact of current/future programs.**

According to an October 2017 study by the economic modeling firm EMSI, NMC creates a significant positive impact on the business community and generates a return on investment to its major stakeholder groups – students, taxpayers, and society.

- 287.4 million in added income, approximately equal to 3.6% of the GRP of the NMC Service Area, which is nearly as large as the entire Wholesale Trade Industry in the region
- NMC impacts 5,766 jobs or one out of every 22 jobs in the NMC Service Area
- Average annual rate of return for NMC students is 9.6% compared to the 10-year average of 6.9% return to the U.S. stock market
- 2.9 benefit-cost ratio. Every \$1 in costs returns \$2.09 in benefits-an average annual return on investments for taxpayers is 10.5%

NMC serves more than 50,000 learners each year. Those with an associate's degree in Northern Michigan benefit in important ways.

- Average earnings for those with an Associate Degree earn \$31,800 per year versus \$23,300 per year for those with a High School Diploma

- Lower unemployment. Associate degree holders experienced less than 6% unemployment compared to over 12% for those with less than a high school diploma

See **Appendix A** for an executive summary of our 2017 Economic Impact Study. Some specific examples of NMC initiatives directed at regional economic improvement are highlighted below.

### **Technical Workforce and Career Development**

NMC's Parson-Stulen Building houses a range of credit and non-credit programs that directly support training for key skills of high value to the region. Each major program area facilitates employer and community feedback through program Advisory Boards. In addition, faculty and staff participate in state, regional, and national organizations, and are directly engaged in research to help with development of appropriate programs and courses.

In collaboration with other workforce agencies and organizations, NMC has been able to respond to the need for incumbent worker training directly in the workplace, and in areas customized to employer needs. In addition, the technical workforce areas have prepared programs that can be quickly delivered to area communities where there is an identified need to prepare individuals for a specific labor pool. Recognized by the Governor's office in 2012, NMC is host to the Regional Entrepreneurial Collaborative – a partnership among NW Michigan Council of Governments, Small Business Technology Development Center, Score, Michigan Works, PTAK, Grand Traverse County Economic Development, Traverse Area Chamber of Commerce that supports collaboration between organizations to facilitate service for business development and expansion.

### **Michigan Manufacturing Technology Center**

NMC is home to the Northwest regional office of the Michigan Manufacturing Technology Center. The purpose of the MMTC is to strengthen the competitiveness of small to mid-sized manufacturers through training and consulting services primarily through Lean Manufacturing and strategy assistance. The MMTC is part of a national network through the Department of Commerce's Manufacturing Extension Partnership and part of a statewide network of five offices.

### **Michigan New Jobs Training Program**

Since authorization in 2009, NMC has been an active participant in the use of this economic development tool for community colleges. To date, NMC has developed contracts representing close to \$5,167,750 in associated training, with over 863 jobs in sectors including advanced manufacturing, value-added agriculture (food processors, distribution and retail), healthcare, insurance and construction.

### **Great Lakes Maritime Academy**

The Great Lakes Maritime Academy (GLMA) cadets continue to experience 100% employment. This is partially due to the age of the maritime workforce on the Great Lakes which has resulted in numerous vacancies due to retirements. During the fall semester, recruiters from vessel operators and maritime unions visit the Academy weekly. Additionally, each cadet will complete three internships, two of which will be on commercial vessels. These internships expose the cadets to different options, and allow the operators to see the quality of the cadets first hand.

### **Great Lakes Water Studies Institute**

GLWSI officially launched NMC's third Bachelors of Science in Maritime Technology major in the area of Marine Technology. This program is unique to the United States and one of the only in the world. Specific training emphasis includes remotely operated vehicles and marine platforms, marine acoustics and sonar, marine data processing and project management. Multiple industry collaborations allow graduates a broad range of career opportunities. The GLWSI also offers professional development opportunities in sonar training for industry and government partners who travel from around the world to participate in these training programs. ROV training at NMC is certified through the Association of Diving Contractors International (ADCI) which will draw additional personnel to our programs.

The Great Lakes Campus site includes a water analysis laboratory for student experiments/labs, qualified environmental research organizations and university partners. The GLWSI is involved in multiple Great Lakes research projects with university and government partners and also collaborates globally with multiple institutions in areas of water and the marine environment.

### **Tourism and Hospitality Industries**

Tourism and the hospitality industry are among the largest economic sectors in NMC's five county service area. The Great Lakes Culinary Institute directly supports that sector. There is a significant shortage of skilled professionals in this area. The Culinary Institute's ability to expand the programs that it offers is important to the area's economy.

### **Agribusiness**

Agriculture and viticulture are significant parts of the region's economy, eco-structure and quality of life. NMC has developed a successful and long-standing partnership with Michigan State University's Institute of Agricultural Technology to provide a series of technical specialties within NMC's associate of applied plant science. Students may select areas in applied horticulture, turf management, nursery management, and viticulture. In 2013, NMC and MSU's Institute of Agricultural Technology established a shared position, in collaboration with MSU's Department of Horticulture, as an innovative approach toward collaboration in employer outreach, student recruitment, and internship development. In 2014, this shared approach expanded NMC's capacity to provide specialized programming related to precision agriculture.

### **Healthcare**

The health industry is of critical importance to the citizens of the region and hosts the largest regional employer, Munson Healthcare. NMC's Health Occupation programs are critical suppliers to this industry, especially in the preparation of associate degree nurses and potential pathways to partnering with universities for a BSN program. Most recently, NMC has partnered with Munson Medical Center to offer Associate of Applied Science Degrees in Paramedic and Surgical Technology.

A successful strategy has been the development of the Health Education Institute, a partnership between Munson HealthCare and NMC that supports the coordination of community learning resources, delivers continuing professional development to staff, and identifies areas for future collaboration in the preparation of health care professionals.

HEI has completed an extensive internal assessment of program impact with the recommendation to continue and expand the relationship as a shared approach to improving efficiency in professional development for staff, career program planning in the nursing program and related allied health areas.

### **III. Staffing and Enrollment**

The following section responds to questions related to staffing and enrollment trends for NMC.

#### **III-A. Describe current full and part-time student enrollment levels and define how the programs are accessed by the student.**

Enrollment by program for the five previous fall semesters is provided in **Appendix B**.

NMC uses multiple measures for student assessment of programs. NMC's annual program review process is the way in which we ensure that our programs and courses are up to date and effective. The premise of the program review is an annual evaluation of quantitative metrics and qualitative reflection on the prior year's activities. From this, goals for the program are set and action plans identified for the coming year. The program review documents and institutional metrics are made available to the college community on the College's internal website.

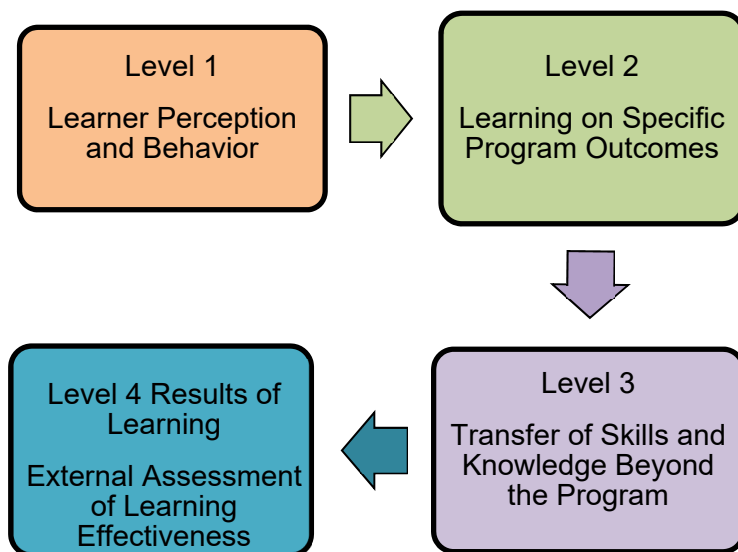
The metrics tracked in program review are categorized in four phases of evaluation: Learner Perception and Behavior, Learning of Program Outcomes, Skill Transfer, and Results (Figure 1.1).

- For Level One, Learner Perception and Behavior, the college measures learner assessment of the quality of the course instruction and of the course itself, and learner satisfaction with the program as a whole. Enrollment tracking and participation of non-traditional students in the program are measured.
- For Level Two, Learning and Program Outcomes, the program areas track course completion rates, enrollee success rates, graduation rates, student retention or transfer rates, and non-traditional student completion rates.
- For Level Three, Skill Transfer, NMC assesses student success on industry tests, such as licensure, and student placement in employment.
- Finally for Level Four, Results of Learning, program managers query their industry advisory groups for feedback on the curriculum, equipment, graduates, and program administration. NMC has targets or state baselines to measure progress for improvement. When any of these measures fall short of the college targets or state baselines, the program establishes goals and activities designed to improve its performance in these areas. Program areas create action plans to address deficiencies as part of the institutional annual planning and budgeting process.

#### **Figure 1.1. Outcome Framework for Academic Program Review**

(see next page)





(Source: Kirkpatrick, D.L. 1994. *Evaluating Training Programs: The Four Levels*. San Francisco, CA: Berrett-Koehler.

### III-B. Evaluate enrollment patterns over the last five years

NMC's enrollment peaked in the 2010-2011 academic year due to economic factors in the state and region related to unemployment at that time. Conversely, enrollment began decreasing as the unemployment rate in the State and region recovered from the Great Recession. The College has seen a 32% decline in enrollment from academic year 2012-2013 to 2021-2022. This was fueled by a strong economy and a steadily declining high school population in our area.

The College's enrollment has been in steady decline since 2011, other than academic year 2021-2022 which experienced a slight (4%) rebound after an 11% decline in 2020-2021 spurred by the COVID-19 pandemic. The lingering pandemic has had a negative impact on College enrollments across the country. We remain uncertain if students will "come back" if the country experiences another recession. NMC is addressing this negative trend by seeking to increase flexible learning options, increase marketing efforts focused on our distinctive programs, and adapt our programs to the needs of our communities.

See **Appendix B** for enrollment by program over the last five years.

### III-C. Project enrollment patterns over the next five years (including distance learning initiatives).

Census data indicates that the traditional age student population (18-20) will continue to decline through 2030. With rising inflation and interest rates, the possibility of a recession looms. Community colleges *may* see an increase in enrollment if we experience a recession, and students return to higher education to learn new skills or trades. However, we are uncertain as to whether this historical trend will hold true this time around due to a variety of factors including the lingering pandemic.

We continue to promote the strong academic foundation that Northwestern Michigan College provides students as they complete select bachelor's degrees offered by NMC and their associate degrees for transfer to 4-year colleges and universities, while also highlighting the cost benefit and value students

and families realize by attending a community college. Enrollment remains very strong in a number of key programs (i.e. aviation, maritime). In addition, we are promoting two additional Bachelor of Science degrees in Maritime Technology; Marine Technology and Power Systems. As the State focuses on economic growth, new and enhanced job skills and transfer education will remain as key objectives.

We believe one of the largest potential for increases in enrollment growth is through dual enrollment and adult students seeking to enhance their job prospects. NMC is well positioned to offer courses and programs which will capture these audiences. **NMC currently has early college partnerships with Traverse City Area Public Schools and Northwest Educational Services in addition to dual enrollment agreements with a variety of high schools in the area.** High school student enrollment has steadily declined since Fall 2017, but remains relatively flat a % of total enrollment:

#### High School Student Enrollment Comparison

Academic Year	High School Students Enrolled	% of Total Enrollment	% change from PY
Fall 2017	510	12.9	+0.4
Fall 2018	483	13.0	+0.1
Fall 2019	447	12.5	-0.5
Fall 2020	426	13.1	+0.6
Fall 2021	412	12.5	-0.6
Fall 2022	387	12.5	0.0

To strategically support these efforts NMC has participated in the Michigan College Access Network (MCAN), Local College Access Network (LCAN) and with individual schools (ICAN). We collaborate with these organizations providing presentations and face to face support for students and their parents or guardians in order to assist them as they complete college applications, the Free Application for Federal Student Aid (FAFSA) and college scholarship applications.

NMC also continues to expand existing and new relationships with colleges and universities in other countries such as China, Costa Rica, South Africa and the UK for the purpose of program expansion and student exchange opportunities.

Research shows that enrollment at community colleges during an economic downturn follows the rate of unemployment. If the unemployment rate increases, enrollment increases as the population returns to college to seek education for new career opportunities or access training to increase skills to raise their potential for subsequent employment.

#### III-D. Provide instructional staff/student and administrative staff/student ratios for major academic programs or colleges

NMC has a standing practice of evaluating all position vacancies for opportunities to distribute work differently, assess the relevance of a service level, and to identify areas in which partnerships may provide options for joint appointments or other creative approaches to management of personnel costs.

As an example, NMC and Michigan State University's Institute of Agricultural Technology (IAT) developed an MOU to share equally in a replacement position serving NMC's Applied Plant Science

degree program, which uses IAT's specialty agriculture certificates. This has allowed funding for a full-time position.

**Based on fall student, faculty and staff headcounts, ratios were as follows:**

Semester	Headcount	Full-Time Faculty & Adjunct Headcount	Ratio of Student to Faculty
Fall 2018	3,726	254	15:1
Fall 2019	3,581	226	16:1
Fall 2020	3,278	226	16:1
Fall 2021	3,285	221	14:1
Fall 2022	3,100	201	15:1

Semester	Headcount	Admin. & Professional Headcount	Ratio of Student to Staff
Fall 2018	3,726	118	32:1
Fall 2019	3,581	111	32:1
Fall 2020	3,278	109	28:1
Fall 2021	3,285	108	28:1
Fall 2022	3,100	106	29:1

Based on the structure at NMC some administrative positions include teaching as part of their responsibilities. **Appendix C** provides faculty and staff headcounts for the previous five years.

### **III-E. Projected staffing needs based on five-year enrollment estimates and future programming changes.**

NMC has approached a number of staffing questions through the development of a multi-year project-based approach toward talent recruitment, development, retention, and succession. The project has produced new employee orientation programs, the NMC Leadership Institute, and multiple professional development modules ranging from compliance training, supervisor training, wellness initiatives, and self-directed learning opportunities related to workplace improvement.

The College is committed to aligning its workforce to support its strategic direction and establish a values-based framework to provide sustainable and competitive compensation. Further, the College continues to offer and maintain flexible working options allowing employees to work from home and design their schedule within parameters of operational needs. Due to declining enrollments, during fiscal year 2018 we offered an early separation incentive to faculty and staff at the top of their pay scale. This gave us an opportunity to restructure the institution. The College was able to reduce 12 positions with this incentive program to help control labor costs.

### **III-F. Identify current average class size and projected class size needs**

NMC manages its section sizes based on an efficiency model with a college goal of 90% efficiency. **Appendix D** contains course efficiency data by academic division for the previous six academic years. Class sizes are driven primarily by pedagogical factors related to the subject matter being taught.

## **IV. Facilities Assessment**

NMC completed its most recent campus master plan in 2012 and will commence a new planning process in calendar 2023 to reshape the College's vision for its physical spaces over the next twenty years. The 2012 plan assessed building and plant requirements to meet future needs and were prioritized within the executive summary of the campus master plan. The College contracts with Sodexo for facilities management services. Sodexo prepares a comprehensive facilities assessment every 3 years to help the College prioritize deferred maintenance. The most recent assessment can be found at **Appendix E**.

### **IV-A. Summary description of each facility.**

A summary of buildings, their ages, and square footage is included as **Appendix F**.

### **IV-B. Building and classroom utilization rates.**

Virtually all College events and classes are scheduled through the College's R25 scheduling system. **Appendix G** is produced from R25 and provides information on the utilization, functionality and allocation of organizational facilities.

### **IV-C. Mandated facility standards for specific programs, where applicable.**

NMC's facilities fully comply with all applicable laws and safety standards for specific programs. The College continues to monitor all applicable Federal, State, and local laws impacting our property.

### **IV-D. Functionality of existing structures and space allocation to program areas served.**

Existing buildings and facilities are often repurposed to meet the evolving needs of the College. One of the biggest opportunities for the College to improve functionality across the campus is the implementation of a "one-stop shop" hub for student services in our Osterlin Building. The consolidation of our student services into one building would improve operational efficiency of the College, but more importantly would improve the student experience and related retention efforts.

### **IV-E. Replacement value of existing facilities (insured value of structure to the extent available).**

The replacement value of our buildings is assessed at \$236,648,300 as of November 1, 2021. The Fall 2022 appraisal was not available at the time of this submission. We've included the Fall 2021 appraisal report in **Appendix H**.

### **IV-F. Utility system condition (i.e. heating, ventilation, and air conditioning (HVAC), water and sewage, electrical, etc.).**

Each item identified in the Facilities Condition Assessment (**Appendix E**) is listed by category (i.e. electrical, mechanical, plumbing, etc.) Of the College's estimated \$22.1 million in deferred maintenance



over the next five years, 22% is categorized as HVAC, 18% as Electrical, and 31% as Interior Construction and Finishes. Utility needs are adequately considered as part of the annual budgeting process. The following table summarizes the College's utility providers and needs:

#### Campus Utilities

Utility	Notes
Electric	Traverse City Light and Power (Traverse City Campuses). Sufficient city capacity appears to be available to meet projected college needs.
Water	Traverse City and Garfield Township provide water.
Sewage	City of Traverse City and Garfield Township.
Storm Sewers	Limited access to Traverse City storm sewers is available. The Front Street campus is equipped with numerous dry wells into which storm water drains. Main campus includes a large stormwater retention system.
Natural Gas	Campus heating systems are natural gas. Adequate capacities currently exist.

#### IV-G. Facility infrastructure condition (i.e. roads, bridges, parking structures, lots, etc.)

The majority of lots, roads and walks on and off Main Campus are in good shape. An annual schedule for the repair and replacement of sidewalks and the repair/seal/replacement of parking lots and campus roads has been allocated and incorporated in the College's capital and operating budgets as applicable.

The University Center currently has one driveway. A secondary means of egress for vehicles was recommended in the 2012 campus master plan. A second means of egress would be able to be used in a case of emergency or downed trees and/or power lines.

Appendix I shows a map of the Front Street (Main) campus.

#### IV-H. Adequacy of existing utilities and infrastructure systems to current and 4-year projected programmatic needs.

Based on our current and five year projections NMC utilities and infrastructure systems are sufficient. As a means to reduce utility costs NMC continues to investigate ways to provide alternative energy solutions to our campus. The college board authorized a geothermal energy system for the West Hall Innovation Center project (recently renamed the Timothy J. Nelson Innovation Center). The intention is to use the data from this building as a starting point for an overall campus alternative energy project. Further studies are underway to assess the cost and viability of implementing a larger geothermal system on the main campus to power six central buildings.

In our 2012 Campus Master Plan, we noted parking was at capacity at the time. However, based on current and projected enrollment trends, the College appears to have sufficient systems to meet parking needs for the next five years. We work closely with our area public transportation agency (Bay Area Transportation Authority, or "BATA") in an effort to both encourage and promote public transportation.

**IV-I. Does the institution have an enterprise-wide energy plan? What are its goals? Have energy audits been completed on all facilities and, if not, what is the plan/timetable for completing such audits?**

See section above regarding our exploration of sustainable energy systems on campus. We engaged an engineering firm to complete an energy study in October 2021 covering six key buildings on campus: Health & Science Building, Biederman Building, Tanis Building, Osterlin Building, Scholars Hall, the Powerhouse Building. The key recommendation from this study was to replace our current aging boiler system with a distributed geothermal energy system including HVAC upgrades on the six buildings listed.

In 2021, the College finished implementing a campus-wide LED lighting upgrade as recommended in our 2015 and 2010 energy audits. The estimated annual savings from this campus wide project is over \$50,000 per year. Other projects considered were related to water conservation, low flow aerators, and variable frequency drivers in some of our buildings. The College also takes full advantage of an energy rebate program through our local provider, Traverse City Light and Power. This program has enabled us to complete several lighting upgrades on campus and explore the use of solar energy.

All projects are evaluated for energy savings. As roofs are replaced, additional insulation measures are included in those projects. Other areas of savings include insulated glass overhead doors in our power house, replacement of old boilers with more efficient ones, and new cooling towers to improve the energy efficiency of our HVAC systems.

**IV-J. Land owned by the institution, including a determination of whether capacity exists for future development, additional acquisitions are needed to meet future demands, or surplus land can be conveyed for a different purpose.**

Under current assumptions for future growth, there is existing capacity for future development on land owned by the college. The College will explore our greatest needs and consider development opportunities in connection with our upcoming 2023 Campus Master Planning engagement.

**IV-K. What portions of existing buildings, if any, are currently obligated to the State Building Authority and when these State Building Authority leases are set to expire.**

The table below outlines the statistics on the three NMC buildings that are obligated to the State Building Authority.

<b>Building Description</b>	<b>Primary Use</b>	<b>Date of Retirement</b>
Health & Science Building (Integrated Science & Tech Learning Center)	Classrooms and labs	2042
Great Lakes Campus (West Bay)	Specialized classrooms and conferencing facility	2043
Oleson Center	Childcare	2042
Timothy J. Nelson Innovation Center (West Hall Innovation Center)	Classrooms, study spaces, cafeteria, flexible meeting spaces	2055

## V. Implementation Plan

**V-A. Prioritize major capital projects requested from the State, including a brief description and estimated cost, in the format provided. (Adjust previously developed or prior years' figures utilizing industry standard CPI indexes where appropriate).**

Northwestern Michigan College continues evaluating its academic programming and related facilities needs, including how current buildings can be improved and leveraged to increase quality, efficiency, and effectiveness of course delivery. During fiscal year 2023, the College will embark on a process to shape a new 20-year vision for the physical environment on our campus that meets the evolving campus needs of the College and its students, faculty, staff, and community members.

The College's Administration identified our top capital projects based on the prioritization criteria listed in the table below. We also considered the following questions:

1. Is the project aligned with our Strategic Plan?
2. Is there data to demonstrate an immediate or future need?
3. Is there a business model that demonstrates financial sustainability?

Project	Supports Strategic Plan	Meets Current Capacity Need	Growth Opportunity	Safety Issue	Cosmetic Appeal	Learner Expectation	Time Sensitive
Osterlin Building	X	X	X	X	X	X	X
Aviation Hangar	X	X	X	X	X	X	X
Energy Infrastructure				X	X	X	X
Student Housing	X	X	X		X	X	X
Founder's Hall		X	X		X	X	
Physical Ed		X			X	X	
UC Driveway		X		X			X
Outdoor Classroom		X	X		X	X	

Project	Total Cost
Osterlin Building (Student Services Hub)	\$ 6.5 million
Aviation Hangar (hangar expansion and modernization)	\$ 7.5 million
Energy Infrastructure Upgrade (geothermal for 6 buildings)	\$ 14.0 million
Student Housing (new facility)	\$ 9.5 million
Founder's Hall (renovation)	\$ 5.0 million
Physical Education / Recreational Building	\$ 11.0 million
UC Driveway	\$ 0.7 million
Outdoor Classroom (and event space)	\$ 0.5 million

We continue assessing the capital priorities of the College and related financing options. In addition to these facility building projects, we see an escalated need for investment in technology to support evolving learning environments. During recent years, the college invested over a million dollars to upgrade its firewall and expand wireless infrastructure to improve web accessibility, reliability, and

internet safety across campus. The College also installed secure remote key access for all buildings. This investment allows NMC security to lock down buildings remotely if required during an emergency. The College continues to invest in security cameras and qualified security professionals to provide the safest possible environment on our campuses

As noted in the table above, NMC continues to identify the renovation of the Osterlin Building as our top priority capital project. This 60-year old building would be renovated and remodeled to provide our students a one-stop shop / student service hub. The updated space would provide a holistic approach to student services. The estimated cost of this project is \$6.5 million.

**V-B. If applicable, provide an estimate relative to the institution's current deferred maintenance backlog. Define the impact of addressing deferred maintenance and structural repairs, including programmatic impact, immediately versus over the next five years.**

See Facilities Condition Assessment at **Appendix E**. Northwestern Michigan College recognizes the importance of addressing deferred maintenance in its operating budget. Beginning in 2009 the College began providing funding through the General Fund to address deferred maintenance backlog.

The facilities assessment identified approximately \$22.1 million in deferred maintenance required over the next five years. Funding for certain identified items has been included in the College's fiscal year 2023 plant fund budget. Addressing deferred maintenance is critical for the college to carry out its mission of providing a state of the art quality program to its students. However, given limited financial resources the College must prioritize the most critical projects within the scope of its budget.

**V-C. Include the status of on-going projects financed with State Building Authority resources and explain how completion coincides with the overall Five-Year Capital Outlay Plan.**

Northwestern Michigan College hosted a groundbreaking ceremony on September 24, 2018 for the West Hall Innovation Center (#332/16282), officially renamed the Timothy J. Nelson Innovation Center. This building was completed in July 2021.

**V-D. Identify, to the extent possible, a rate of return on planned expenditures. This could be expressed as operational savings that a planned capital expenditure would yield in future years.**

The College evaluates each major building project to determine a rate of return. This is accomplished by a reduction in operating costs such as utility savings along with any staffing reductions that could be attributed to the redesign of a facility.

**V-E. Where applicable, consider alternatives to new infrastructure such as distance learning.**

The College continues to assess the future of learning and future of work in its capital planning process. Although distance and flexible learning options will continue to drive changes in higher education, there is still a role for innovative and functional learning facilities. Our proposed building projects enhance current learning by engaging students and faculty in an interactive learning environment.



**V-F. Identify maintenance schedule for major maintenance items in excess of \$1 million for fiscal year 2024-2028.**

Currently, there are no single identified maintenance items over \$1 million.

**V-G. Identify the amount of non-routine maintenance the institution has budgeted for in its current fiscal year and relevant sources of financing.**

Northwestern Michigan College completes a comprehensive Facility Condition Assessment every three years to determine the key maintenance needs of every building on campus. Every budgeting year, we review and compile this data to prioritize our top facility needs. The College's twenty-six (26) active buildings represent approximately 850,000 square feet of space. The College's General Fund provides over \$1,000,000 in annual funding for critical deferred maintenance (\$1.2 million for fiscal year 2023).

See **Appendix E** for our facilities condition assessment. NMC strives to maintain an overall facilities rating of "Good". The cumulative FCI percentage for our campus as of November 2021 is 6%, which falls into the category of "Good" per this report.

# **Appendix A**

## **NMC Economic Impact**



Northwestern  
Michigan  
College


# Analysis of the Economic Impact and Return on Investment of Education

THE ECONOMIC VALUE OF  
NORTHWESTERN MICHIGAN COLLEGE

October 2017

## EXECUTIVE SUMMARY



 Emsi

## Executive summary

Northwestern Michigan College (NMC) creates value in many ways. The college plays a key role in helping students increase their employability and achieve their individual potential. It provides students with the skills they need to have fulfilling and prosperous careers. Further, it supplies an environment for students to meet new people, increase their self-confidence, and promote their overall health and well-being.

The value of NMC influences both the lives of students and the regional economy. The college serves a range of industries in the NMC Service Area, supports local businesses, and benefits society as a whole in Michigan from an expanded economy and improved quality of life. The benefits created by NMC even extend to the state and local government through increased tax revenues and public sector savings.

This study investigates the economic impacts created by NMC on the business community and the benefits that the college generates in return for the investments made by its key stakeholder groups—students, taxpayers, and society. The region the college serves is defined as the NMC Service

Area and consists of Antrim, Benzie, Kalkaska, Leelanau, Grand Traverse, and Wexford Counties in Michigan. The following two analyses are presented:

- **Economic impact analysis**
- **Investment analysis**

All results reflect student and financial data for fiscal year (FY) 2015-16. Impacts on the regional business community are reported under the economic impact analysis. Results are measured in terms of added income. The returns on investment to students, taxpayers, and society are reported under the investment analysis. Both analyses are described more fully in the following sections.





## Economic impact analysis

NMC promotes economic growth in the NMC Service Area in a variety of ways. The college is an employer and buyer of goods and services, and the living expenses of students benefit local businesses. In addition, NMC is a primary source of education to the NMC Service Area residents and a supplier of trained workers to regional industries.

### OPERATIONS SPENDING IMPACT

NMC is an important employer in the NMC Service Area. In FY 2015-16, the college employed 709 full-time and part-time faculty and staff. Of these, 100% lived in the NMC Service Area. Total payroll at NMC was \$34.9 million, much of which was spent in the region for groceries, rent, dining out, clothing, and other household expenses.

NMC is itself a large-scale buyer of goods and services. In FY 2015-16, the college spent \$26.1 million to cover its expenses for facilities, professional services, and supplies.

NMC added \$42.3 million in income to the region during the analysis year as a result of its day-to-day operations. This figure represents the college's payroll, the multiplier effects generated by the spending of the college and its employees, and a downward adjustment to account for funding that the college received from state and local sources. The \$42.3 million in added income is equivalent to supporting 832 jobs.

### STUDENT SPENDING IMPACT

Around 48% of students attending NMC originated from outside the region in FY 2015-16, and some of these students relocated to the NMC Service Area to attend NMC. These students would not have come to the region if the college did not exist. In addition, a number of in-region students would have left the area for other educational opportunities if not for the existence of NMC. While attending the college, these relocated and retained students spent \$32.3 million to purchase groceries, rent accommodation, pay for transportation, and so on. A significant portion of these expenditures occurred in the region, generating \$18.1 million in added income in the regional economy during the analysis year, which is equivalent to supporting 416 jobs.

**TABLE 1:** Impacts created by NMC in FY 2015-16

ADDED INCOME	JOBS
<b>\$42.3 million</b>	<b>832</b>
<b>Operations spending impact</b>	
<b>\$18.1 million</b>	<b>416</b>
<b>Student spending impact</b>	
<b>\$227 million</b>	<b>4,518</b>
<b>Alumni impact</b>	
<b>\$287.4 million</b>	<b>5,766</b>
<b>Total impact</b>	

## ALUMNI IMPACT

The education and training NMC provides for regional residents results in the greatest impact. As shown in Figure 1, since the college was established, students have studied at NMC and entered the regional workforce with new skills. Today, thousands of former students are employed in the NMC Service Area.

During the analysis year, past and present students of NMC generated \$227 million in added income for the region. This figure represents the higher earnings that students earned during the year, the increased output of the businesses that employed the students, and the multiplier effects that occurred as students and their employers spent money at other businesses. This \$227 million in added income is equivalent to supporting 4,518 jobs.

## TOTAL IMPACT

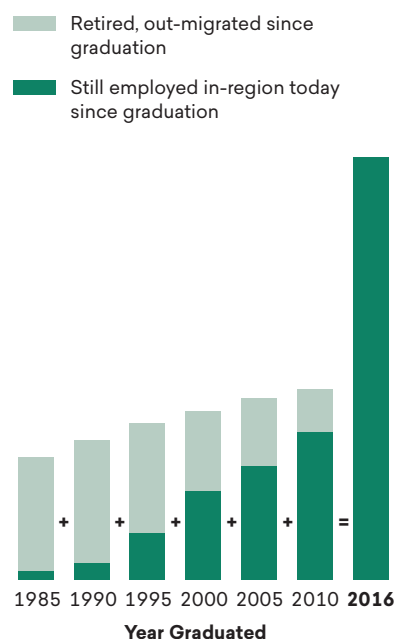
The overall impact of NMC on the local business community during the analysis year amounted to \$287.4 million in added income, equal to the sum of the operations spending impact, the student spending impact, and the alumni impact. The \$287.4 million in added income was equal to approximately 3.6% of the GRP of the NMC Service Area. By comparison, this contribution that the college provides on its own is nearly as large as the entire Wholesale Trade industry in the region.

The total impact is also expressed in terms of the jobs supported by the added income; they are calculated by jobs-to-sales ratios specific to each industry. Overall, the \$287.4 million impact supports 5,766 jobs. For perspective, this means that one out of every 22 jobs in the NMC Service Area is supported by the activities of NMC and its students.

A portion of the total \$287.4 million is broken out into an industry-by-industry impact ordered by added income. Table 2 outlines the top industries impacted by NMC. Because industries have different jobs-to-sales ratios, the associated jobs supported by NMC differ by impact. Nonetheless, these are impacts that would not have been generated without the college's presence.



**FIGURE 1:** NMC Alumni working in-region today



**TABLE 2:** Top industries impacted by NMC

TOTAL INCOME (MILLIONS)	JOBS
<b>\$30.7</b>	<b>564</b>
Health Care & Social Assistance	
<b>\$26.6</b>	<b>705</b>
Accommodation & Food Services	
<b>\$17.6</b>	<b>254</b>
Government, Non-Education	
<b>\$15.9</b>	<b>205</b>
Manufacturing	
<b>\$12.9</b>	<b>264</b>
Construction	
<b>\$183.6</b>	<b>3,774</b>
All other industries	
<b>\$287.4</b>	<b>5,766</b>
<b>Total impact</b>	

\* Numbers may not sum due to rounding.



## Investment analysis

Investment analysis is the process of evaluating total costs and measuring these against total benefits to determine whether or not a proposed venture will be profitable. If benefits outweigh costs, then the investment is worthwhile. If costs outweigh benefits, then the investment will lose money and is considered unprofitable. This study considers NMC as an investment from the perspectives of students, taxpayers, and society. The backdrop for the analysis is the entire Michigan economy.

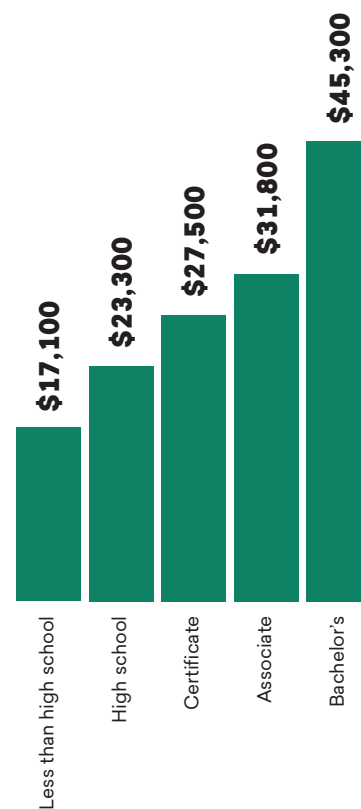
### STUDENT PERSPECTIVE

In FY 2015-16, NMC served 4,713 credit students and 5,060 non-credit students. In order to attend college, students paid for tuition, fees, books, and supplies. They also took out loans and will incur interest on those loans. Additionally, students gave up money that they would have otherwise earned had they been working instead of attending college. The total investment made by NMC's students for FY 2015-16 amounted to a present value of \$82.7 million, equal to \$25 million in out-of-pocket expenses (including future principal and interest paid on student loans) plus \$57.7 million in forgone time and money.

In return for their investment, NMC's students will receive a stream of higher future earnings that will continue to grow through their working lives. As shown in Figure 2, mean earnings levels at the midpoint of the average-aged worker's career increase as people achieve higher levels of education. For example, the average associate degree completer from NMC will see an increase in earnings of \$8,500 each year compared to someone with a high school diploma or equivalent working in Michigan. Over a working lifetime, this increase in earnings amounts to an undiscounted value of approximately \$272,000 in higher earnings.

The present value of the higher future earnings that NMC's students will receive over their working careers is \$165.9 million. Dividing this value by the \$82.7 million in present value student costs yields a benefit-cost ratio of 2.0. In other words, for every \$1 students invest in NMC in the form of out-of-pocket expenses and forgone time and money, they receive a cumulative of \$2.00 in higher future earnings. The average annual rate of return for students is 9.6%. This is an impressive return, especially when compared to the 10-year average 6.9% return to the U.S. stock market (Figure 3).

**FIGURE 2:** Average earnings by education level at career midpoint in Michigan



Source: Emsi complete employment data.

## TAXPAYER PERSPECTIVE

NMC generates more in tax revenue than it takes. These benefits to taxpayers consist primarily of taxes that the state and local government will collect from the added revenue created in the state. As NMC students earn more, they will make higher tax payments. Employers will also make higher tax payments as they increase their output and purchase more supplies and services. By the end of the FY 2015-16 students' working careers, the state and local government will have collected a present value of \$61.1 million in added taxes.

Benefits to taxpayers consist of the savings generated by the improved lifestyles of students and the proportionally reduced government expenditures. Education is statistically correlated with a variety of lifestyle changes that generate taxpayer savings across three main categories: 1) health, 2) crime, and 3) unemployment. Improved health habits lower the students' demand for national health care services. Students are also less likely to commit crimes, so the demand for law enforcement and criminal justice services is reduced (study references are available in the main report). Students are also more employable, so the demand for welfare and unemployment benefits, such as earnings assistance and welfare benefits, is reduced. For a list of study references to these statistical benefits, please contact the college for a copy of the main report. All of these benefits will generate a present value of \$8.9 million in savings to state and local taxpayers.

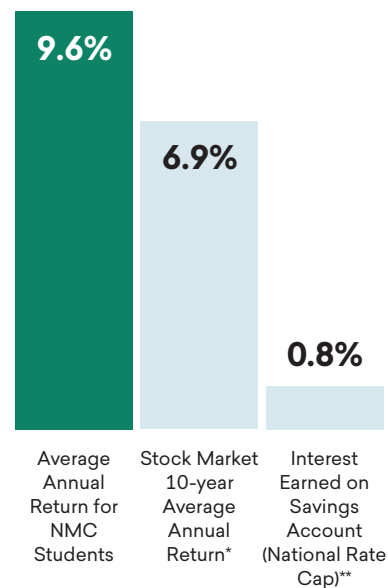
Total benefits to taxpayers equal \$70 million, equal to the sum of the added taxes and public sector savings. Comparing this to the taxpayer costs of \$23.8 million—equal to the funding that NMC received from the state and local government during the analysis year—yields a benefit-cost ratio of 2.9. This means that for every \$1 of public money invested in NMC, taxpayers receive a cumulative value of \$2.90 over the course of the students' working lives. The average annual rate of return is 10.5%, a solid investment that compares favorably with other long-term investments in both the private and public sectors.

## SOCIAL PERSPECTIVE

Society as a whole within Michigan benefits from the presence of NMC in two major ways. The first and largest benefit that society receives is an increased state economic base. As discussed in the previous section, the higher student earnings and increased business output occurs across the state. This raises prosperity in Michigan and expands the economic base for society as a whole.

Benefits to society also consist of the savings generated by the improved lifestyles of students. Similar to the taxpayer section above, education is statistically correlated with a variety of lifestyle changes that generate social savings. Note that these costs are avoided by the consumers, and are distinct from the costs avoided by taxpayers outlined above. Health savings include avoided medical costs associated with smoking, alcoholism, obesity, drug abuse, and mental disorders. Crime savings include reduced security expenditures and insurance administration, lower victim

FIGURE 3: Student rate of return



\* Forbes' S&P 500, 1987–2016.  
 \*\* FDIC.gov, 7-2017.

FIGURE 4: Present value of higher earnings and social savings in Michigan





costs, and reduced criminal justice system expenditures. Unemployment savings include the reduced employer contributions towards unemployment claims. For a list of study references to these statistical benefits, please contact the college for a copy of the main report.

Figure 4 shows the present value of the higher earnings and social savings that will occur in Michigan over the working lifetime of the FY 2015-16 student population at NMC. Higher earnings amount to a present value of \$651.7 million due to the increased lifetime earnings of students and associated increases in business output. Social savings amount to \$37.5 million, the sum of health, crime, and unemployment savings in Michigan. Altogether, total benefits to society equal \$689.3 million (in present value terms).

Society invested a present value of \$127.2 million for FY 2015-16 NMC educations. This includes all expenditures by NMC, all student expenditures, and all student opportunity costs. For every dollar of this investment, society as a whole in Michigan will receive a cumulative value of \$5.40 in benefits, equal to the \$689.3 million in benefits divided by the \$127.2 million in costs. These benefits will occur for as long as NMC's FY 2015-16 students remain employed in the state workforce.

## SUMMARY OF INVESTMENT ANALYSIS RESULTS

Table 3 presents the results of the investment analysis for all three of NMC's major stakeholder groups—students, taxpayers, and society. As shown, students receive great value for their educational investment. At the same time, the investment made by state and local taxpayers to the college creates a wide range of benefits to society and returns more to government budgets than it costs.

**TABLE 3:** Summary of investment analysis results

	STUDENT PERSPECTIVE	TAXPAYER PERSPECTIVE	SOCIAL PERSPECTIVE
Present value benefits (thousands)	<b>\$165,925</b>	<b>\$69,341</b>	<b>\$688,607</b>
Costs (thousands)	<b>\$82,694</b>	<b>\$23,782</b>	<b>\$127,159</b>
<b>Net present value (thousands)</b>	<b>\$83,231</b>	<b>\$45,560</b>	<b>\$561,448</b>
Benefit-cost ratio	<b>2.0</b>	<b>2.9</b>	<b>5.4</b>
Rate of return	<b>9.6%</b>	<b>10.5%</b>	<b>N/A*</b>

\* The rate of return is not reported for the social perspective because the beneficiaries of the investment are not necessarily the same as the original investors.

## Conclusion

The results of this study demonstrate that NMC creates value from multiple perspectives. The college benefits local businesses by increasing consumer spending in the region and supplying a steady flow of qualified, trained workers into the workforce. It enriches the lives of students by raising their lifetime earnings and helping them achieve their individual potential. It benefits state and local taxpayers through increased tax receipts across the state and a reduced demand for government-supported social services. Finally, it benefits society as a whole in Michigan by creating a more prosperous economy and generating a variety of savings through the improved lifestyles of students.

### ABOUT THE STUDY

Data and assumptions used in the study are based on several sources, including the FY 2015-16 academic and financial reports from NMC, industry and employment data from the U.S. Bureau of Labor Statistics and U.S. Census Bureau, outputs of Emsi's Multi-Regional Social Accounting Matrix model, and a variety of studies and surveys relating education to social behavior. The study applies a conservative methodology and follows standard practice using only the most recognized indicators of investment effectiveness and economic impact. For a full description of the data and approach used in the study, please contact the college for a copy of the main report.



Emsi, a CareerBuilder company, is a leading provider of economic impact studies and labor market data to educational institutions, workforce planners, and regional developers in the U.S. and internationally. Since 2000, Emsi has completed over 1,700 economic impact studies for educational institutions in four countries. Visit [www.economicmodeling.com](http://www.economicmodeling.com) for more information about Emsi's products and services.

# **Appendix B**

## **Enrollment by Program**



# Records Office

## Contact Hours Generated All Campuses

		Fall 2018 01-OCT-18	Fall 2019 30-SEP-19	Fall 2020 28-SEP-20	Fall 2021 04-OCT-21	Fall 2022 03-OCT-22	Pct Change
<b>Aviation</b>							
AVF	Aviation Flight	472	431	401	367	435	18.5%
AVG	Aviation Ground	530	515	414	478	602	25.9%
UAS	Unmanned Aerial Systems	0	0	0	186	229	23.1%
<b>Academic Area Totals:</b>		<b>1,002</b>	<b>946</b>	<b>815</b>	<b>1,031</b>	<b>1,266</b>	<b>22.8%</b>
<b>Business</b>							
ACC	Accounting	638	606	675	601	621	3.3%
BUS	Business Administration	917	816	708	714	678	-5.0%
CIT	Computer Info Technology	1,610	1,527	1,381	1,394	1,344	-3.6%
CUL	Culinary Arts	1,283	1,190	1,164	1,284	1,028	-19.9%
MGT	Management	294	342	360	246	234	-4.9%
MKT	Marketing	229	231	232	244	202	-17.2%
<b>Academic Area Totals:</b>		<b>4,971</b>	<b>4,712</b>	<b>4,520</b>	<b>4,483</b>	<b>4,107</b>	<b>-8.4%</b>
<b>Communications</b>							
ANI	Anishinaabemowin	0	0	0	0	0	0.0%
ASL	American Sign Language	76	120	200	272	200	-26.5%
COM	Communications	344	272	284	240	108	-55.0%
ENG	English	5,411	5,119	4,303	4,696	4,115	-12.4%
ESL	English Second Language	0	0	0	0	0	0.0%
FRN	French	72	44	0	0	0	0.0%
GRM	German	76	52	0	0	0	0.0%
SPN	Spanish	212	152	120	232	184	-20.7%
THR	Theater	0	0	0	0	40	100.0%
<b>Academic Area Totals:</b>		<b>6,191</b>	<b>5,759</b>	<b>4,907</b>	<b>5,440</b>	<b>4,647</b>	<b>-14.6%</b>
<b>Construction Technology</b>							
CAR	Carpentry	147	181	254	369	191	-48.2%
CMT	Construction Management	18	3	15	24	0	-100.0%
EGY	Renewable Energy	0	36	15	33	30	-9.1%
ELE	Electrician	316	380	412	394	423	7.4%
HVA	Heating and Ventilation	64	106	111	112	136	21.4%
PLU	Plumbing	28	0	20	24	0	-100.0%
<b>Academic Area Totals:</b>		<b>573</b>	<b>706</b>	<b>827</b>	<b>956</b>	<b>780</b>	<b>-18.4%</b>
<b>Health Occupations</b>							
HAH	Allied Health	236	230	231	218	225	3.2%
HDA	Dental Assistant	251	201	274	260	216	-16.9%
HNR	Nursing	2,999	2,635	3,032	2,795	2,951	5.6%
HPD	Professional Development	9	8	11	10	10	4.1%
SRG	Surgical Technology	306	261	308	205	201	-2.0%
<b>Academic Area Totals:</b>		<b>3,801</b>	<b>3,335</b>	<b>3,855</b>	<b>3,487</b>	<b>3,603</b>	<b>3.3%</b>



**Humanities**

ART	Art	1,016	1,085	867	1,044	1,217	16.6%
AUD	Audio Technology	254	270	186	194	275	41.8%
DNC	Dance	24	28	0	8	24	200.0%
HST	History	982	857	853	815	815	0.0%
HUM	Humanities	200	204	171	187	96	-48.7%
MUS	Music	585	497	291	393	406	3.3%
PHL	Philosophy	931	946	858	816	824	1.0%
VCA	Visual Communication Arts	588	416	372	288	320	11.1%
<b>Academic Area Totals:</b>		<b>4,580</b>	<b>4,303</b>	<b>3,598</b>	<b>3,745</b>	<b>3,977</b>	<b>6.2%</b>

**Maritime**

MDK	Maritime-Deck	1,011	913	1,043	870	969	11.4%
MNG	Maritime-Engine	791	721	563	546	581	6.4%
MNS	Naval Science	80	94	112	82	98	19.5%
<b>Academic Area Totals:</b>		<b>1,882</b>	<b>1,728</b>	<b>1,718</b>	<b>1,498</b>	<b>1,648</b>	<b>10.0%</b>

**Science & Math**

AST	Astronomy	360	350	245	220	0	-100.0%
BIO	Biology	2,433	2,678	2,544	2,303	2,112	-8.3%
CHM	Chemistry	1,021	878	838	469	714	52.2%
EGR	Engineering	126	160	186	150	131	-12.7%
ENV	Environmental Sciences	760	755	665	635	705	11.0%
MTH	Mathematics	4,325	4,090	3,658	3,369	2,857	-15.2%
PHY	Physics	640	737	613	535	515	-3.7%
<b>Academic Area Totals:</b>		<b>9,665</b>	<b>9,648</b>	<b>8,749</b>	<b>7,681</b>	<b>7,034</b>	<b>-8.4%</b>

**Social Science**

ANT	Anthropology	147	141	102	162	129	-20.4%
CJ	Criminal Justice	296	339	239	230	131	-43.0%
ECE	Early Childhood Education	405	388	317	466	351	-24.7%
ECO	Economics	612	513	528	483	504	4.3%
EDU	Education	66	202	141	225	234	4.0%
GEO	Geography	312	298	336	242	333	37.6%
HAH	Allied Health	108	56	40	44	0	-100.0%
LWE	Law Enforcement	638	338	220	250	135	-46.0%
PLS	Political Science	288	366	363	354	360	1.7%
PSY	Psychology	1,625	1,561	1,310	1,190	1,101	-7.5%
SOC	Sociology	603	768	618	561	684	21.9%
SWK	Social Work	86	151	109	93	70	-24.7%
<b>Academic Area Totals:</b>		<b>5,186</b>	<b>5,121</b>	<b>4,323</b>	<b>4,300</b>	<b>4,032</b>	<b>-6.2%</b>

**Technical**

AT	Automotive Technology	583	509	531	640	629	-1.7%
DD	Drafting and Design	213	253	135	244	159	-34.8%
EET	Electrical/Electronics Tech	468	420	268	334	246	-26.3%
MFG	Manufacturing Technologies	211	144	168	205	173	-15.6%
RAM	Robotics and Automation	144	148	132	176	132	-25.0%
SVR	Surveying	0	135	76	141	24	-83.0%
WPT	Welding Process Technology	294	253	175	282	304	7.8%
<b>Academic Area Totals:</b>		<b>1,913</b>	<b>1,862</b>	<b>1,485</b>	<b>2,022</b>	<b>1,667</b>	<b>-17.6%</b>

**Water Studies Institute**

WSI	Water Studies Institute	194	138	189	170	157	-7.6%
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<b>Academic Area Totals:</b>	<b>194</b>	<b>138</b>	<b>189</b>	<b>170</b>	<b>157</b>	<sup>163</sup> <b>-7.6%</b>
<b>Report Totals:</b>	<b>39,958</b>	<b>38,258</b>	<b>34,986</b>	<b>34,813</b>	<b>32,918</b>	<b>-5.4%</b>

Note: This report does not include enrollment from EES sections that are cross-listed with academic sections

Digital Dashboard - Registration

# **Appendix C**

## **Faculty and Staff Headcounts**

**ADP Report**  
**Annual report November 1**

**2021      2020      2019      2018      2017**

Category

Faculty	<b>82</b>	<b>82</b>	<b>81</b>	<b>86</b>	<b>88</b>
Full Time	80	80	79	84	85
Part Time	2	2	2	2	3
NMC Administrator	<b>37</b>	<b>37</b>	<b>36</b>	<b>36</b>	<b>35</b>
Full Time	37	37	36	35	34
Part Time	0	0	0	1	1
Staff	<b>142</b>	<b>145</b>	<b>146</b>	<b>75</b>	<b>89</b>
Full Time	139	139	142	72	84
Part Time	3	6	4	3	5
Maintenance/Custodial Staff	<b>28</b>	<b>29</b>	<b>31</b>	<b>40</b>	<b>38</b>
Full Time	28	29	31	40	38
Part Time	0	0	0	0	0
Total Regular Employees	<b>289</b>	<b>293</b>	<b>294</b>	<b>237</b>	<b>250</b>
Full Time	284	285	288	231	241
Part Time	5	8	6	6	9



# **Appendix D**

## **Course Efficiency Reports**

## Northwestern Michigan College – Course Efficiency Report

(Note: Highlighted cells exceed 90% goal)

	Available	Avg.	Count Day	# of	Avg. Students			Available	Avg.	End of Sem	# of	Avg. Students		
<b>Fall 2016</b>	Seats	Max	Enrollment	Sections	per Section	% Full		<b>Spring 2017</b>	Seats	Max	Enrollment	Sections	per Section	% Full
Aviation	232	23.20	142	10	14.20	61.21		Aviation	180	22.50	112	8	14.00	62.22
Business	1,923	23.45	1622	82	19.78	84.35		Business	1931	23.84	1494	81	18.44	77.37
Communications	1,829	20.10	1711	91	18.80	93.55		Communications	1590	20.38	1371	78	17.58	86.23
Construction Tech	277	15.39	171	18	9.50	61.73		Construction Tech	244	13.56	172	18	9.56	70.49
Health Occupations	1006	14.17	925	71	13.03	91.95		Health Occupations	947	15.52	814	61	13.34	85.96
Humanities	1,556	19.70	1367	79	17.30	87.85		Humanities	1554	21.00	1281	74	17.31	82.43
Maritime	852	21.30	690	40	17.25	80.99		Maritime	867	21.68	661	40	16.53	76.24
Physical Education	398	24.88	97	16	6.06	24.37		Physical Education	327	15.57	107	21	5.10	32.72
Science/Math	3,907	25.37	3367	154	21.86	86.18		Science/Math	3317	25.71	2907	129	22.53	87.64
Social Science	2,101	29.59	1820	71	25.63	86.63		Social Science	2141	28.55	1635	75	21.80	76.37
Technical	606	15.15	520	40	13.00	85.81		Technical	476	16.41	367	29	12.66	77.10
Water Studies	76	19.00	49	4	12.25	64.47		Water Studies	106	21.20	44	5	8.80	41.51
<b>TOTALS</b>	<b>14,763</b>	<b>21.84</b>	<b>12,481</b>	<b>676</b>	<b>18.46</b>	<b>84.54</b>		<b>TOTALS</b>	<b>13680</b>	<b>22.10</b>	<b>10965</b>	<b>619</b>	<b>17.71</b>	<b>80.15</b>

	Available	Avg.	Count Day	# of	Avg. Students			Available	Avg.	End of Sem	# of	Avg. Students		
<b>Fall 2017</b>	Seats	Max	Enrollment	Sections	per Section	% Full		<b>Spring 2018</b>	Seats	Max	Enrollment	Sections	per Section	% Full
Aviation	262	23.82	147	11	13.36	56.11		Aviation	191	23.88	148	8	18.50	77.49
Business	1,797	23.96	1498	75	19.97	83.36		Business	1692	21.97	1353	77	17.57	79.96
Communications	1,944	18.87	1873	103	18.18	96.35		Communications	1502	20.30	1321	74	17.85	87.95
Construction Tech	264	14.67	165	18	9.17	62.50		Construction Tech	179	14.92	125	12	10.42	69.83
Health Occupations	1022	13.81	843	74	11.39	82.49		Health Occupations	938	16.46	730	57	12.81	77.83
Humanities	1,626	20.85	1372	78	17.59	84.38		Humanities	1599	20.50	1278	78	16.38	79.92
Maritime	846	20.14	669	42	15.93	79.08		Maritime	849	21.23	735	40	18.38	86.57
Physical Education	378	25.20	77	15	5.13	20.37		Physical Education	176	22.00	64	8	8.00	36.36
Science/Math	3,666	25.11	3350	146	22.95	91.38		Science/Math	3091	24.93	2661	124	21.46	86.09
Social Science	1,997	29.37	1657	68	24.37	82.97		Social Science	2028	28.56	1594	71	22.45	78.60
Technical	680	16.19	498	42	11.86	73.24		Technical	587	16.31	406	36	11.28	69.17
Water Studies	82	20.50	53	4	13.25	64.63		Water Studies	86	21.50	48	4	12.00	55.81
<b>TOTALS</b>	<b>14,564</b>	<b>21.54</b>	<b>12,202</b>	<b>676</b>	<b>18.05</b>	<b>83.78</b>		<b>TOTALS</b>	<b>12918</b>	<b>21.93</b>	<b>10463</b>	<b>589</b>	<b>17.76</b>	<b>81.00</b>

	Available	Avg.	Count Day	# of	Avg. Students	
Fall 2018	Seats	Max	Enrollment	Sections	per Section	% Full
Aviation	211	23.44	145	9	16.11	68.72
Business	1,680	24.00	1288	70	18.40	76.67
Communications	1,904	19.04	1788	100	17.88	93.91
Construction Tech	209	14.93	149	14	10.64	71.29
Health Occupations	1029	14.29	897	72	12.46	87.17
Humanities	1,664	20.80	1353	80	16.91	81.31
Maritime	892	20.74	725	43	16.86	81.28
Physical Education	No Courses Offered					
Science/Math	3,496	24.62	3092	142	21.77	88.44
Social Science	1,874	28.83	1619	65	24.91	86.39
Technical	520	15.29	397	34	11.68	76.35
Water Studies	78	19.50	55	4	13.75	70.51
TOTALS	13,557	21.42	11,508	633	18.18	84.89

	Available	Avg.	Count Day	# of	Avg. Students	
Fall 2019	Seats	Max	Enrollment	Sections	per Section	% Full
Aviation	316	26.33	137	12	11.42	43.35
Business	1,589	23.72	1235	67	18.43	77.72
Communications	1,851	19.48	1631	95	17.17	88.11
Construction Tech	314	14.27	217	22	9.86	69.11
Health Occupations	1069	15.27	862	70	12.31	80.64
Humanities	1,602	20.03	1290	80	16.13	80.52
Maritime	886	20.60	690	43	16.05	77.88
Science/Math	3,562	24.07	3105	148	20.98	87.17
Social Science	2,011	28.32	1647	71	23.20	81.90
Technical	457	16.93	354	27	13.11	77.46
Water Studies	78	19.50	39	4	9.75	50.00
TOTALS	13,735	21.49	11,207	639	17.54	81.59

	Available	Avg.	End of Sem	# of	Avg. Students	
Spring 2019	Seats	Max	Enrollment	Sections	per Section	% Full
Aviation	250	25.00	144	10	14.40	57.60
Business	1586	23.67	1251	67	18.67	78.88
Communications	1541	19.76	1313	78	16.83	85.20
Construction Tech	229	14.31	161	16	10.06	70.31
Health Occupations	947	15.78	757	60	12.62	79.94
Humanities	1565	20.59	1305	76	17.17	83.39
Maritime	822	20.55	710	40	17.75	86.37
Science/Math	3068	24.54	2521	125	20.17	82.17
Social Science	1955	27.54	1590	71	22.39	81.33
Technical	488	16.27	374	30	12.47	76.64
Water Studies	90	22.50	38	4	9.50	42.22
TOTALS	12541	21.73	10164	577	17.62	81.05

	Available	Avg.	End of Sem	# of	Avg. Students	
Spring 2020	Seats	Max	Enrollment	Sections	per Section	% Full
Aviation	222	22.20	135	10	13.50	60.81
Business	1643	23.14	1181	71	16.63	71.88
Communications	1468	19.84	1209	74	16.34	82.36
Construction Tech	249	13.83	163	18	9.06	65.46
Health Occupations	1015	17.50	753	58	12.98	74.19
Humanities	1462	20.89	1177	70	16.81	80.51
Maritime	827	20.68	679	40	16.98	82.10
Science/Math	3147	24.02	2548	131	19.45	80.97
Social Science	1894	27.06	1491	70	21.30	78.72
Technical	543	16.45	380	33	11.52	69.98
Water Studies	86	21.50	34	4	8.50	39.53
TOTALS	12556	21.69	9750	579	16.84	77.65

	Available	Avg.	Count Day	# of	Avg. Students			Available	Avg.	Count Day	# of	Avg. Students	
Fall 2020	Seats	Max	Enrollment	Sections	per Section	% Full	Spring 2021	Seats	Max	Enrollment	Sections	per Section	% Full
Aviation	269	26.90	126	10	12.60	46.84	Aviation	222	27.75	135	8	16.88	60.81
Business	1,691	22.55	1158	75	15.44	68.48	Business	1467	20.10	1010	73	13.84	68.85
Communications	1,532	17.02	1399	90	15.54	91.32	Communications	1174	14.68	1001	80	12.51	85.26
Construction Tech	449	24.94	214	18	11.89	47.66	Construction Tech	234	15.60	148	15	9.87	63.25
Health Occupations	1177	16.81	936	70	13.37	79.52	Health Occupations	1076	17.93	825	60	13.75	76.67
Humanities	1,515	20.20	1121	75	14.95	73.99	Humanities	1556	21.61	1057	72	14.68	67.93
Maritime	847	20.17	688	42	16.38	81.23	Maritime	884	21.56	681	41	16.61	77.04
Science/Math	3,439	24.56	2881	140	20.58	83.77	Science/Math	2787	22.30	2193	125	17.54	78.69
Social Science	1,751	25.75	1438	68	21.15	82.12	Social Science	1575	23.16	1253	68	18.43	79.56
Technical	507	12.68	303	40	7.58	59.76	Technical	465	12.92	270	36	7.50	58.06
Water Studies	78	19.50	54	4	13.50	69.23	Water Studies	70	17.50	35	4	8.75	50.00
TOTALS	13,255	20.97	10,318	632	16.33	77.84	TOTALS	11510	19.78	8608	582	14.79	74.79
	Available	Avg.	Count Day	# of	Avg. Students			Available	Avg.	Count Day	# of	Avg. Students	
Fall 2021	Seats	Max	Enrollment	Sections	per Section	% Full	Spring 2022	Seats	Max	Enrollment	Sections	per Section	% Full
Aviation	225	22.50	142	10	14.20	63.11	Aviation	225	28.13	177	8	22.13	78.67
Business	1,550	21.23	1171	73	16.04	75.55	Business	1675	22.64	1116	74	15.08	66.63
Communications	1,725	19.83	1543	87	17.74	89.45	Communications	1333	16.87	1151	79	14.57	86.35
Construction Tech	383	22.53	268	17	15.76	69.97	Construction Tech	579	41.36	464	14	33.14	80.14
Health Occupations	1099	15.70	859	70	12.27	78.16	Health Occupations	1010	16.83	735	60	12.25	72.77
Humanities	1,781	23.75	1281	75	17.08	71.93	Humanities	1559	21.36	1051	73	14.40	67.42
Maritime	889	21.17	634	42	15.10	71.32	Maritime	914	22.29	721	41	17.59	78.88
Science/Math	3,088	22.06	2523	140	18.02	81.70	Science/Math	2895	22.98	2271	126	18.02	78.45
Social Science	1,646	24.21	1403	68	20.63	85.24	Social Science	1580	22.57	1204	70	17.20	76.20
Technical	533	13.33	404	40	10.10	75.80	Technical	552	15.33	327	36	9.08	59.24
Water Studies	107	26.75	43	4	10.75	40.19	Water Studies	306	76.50	256	4	64.00	83.66
TOTALS	13,026	20.81	10,271	626	16.41	78.85	TOTALS	12,628	21.59	9,473	585	16.19	75.02



# **Appendix E**

## **Facilities Condition Assessment**



Northwestern Michigan College  
Facilities Condition Assessment  
Report of Findings  
November 29<sup>th</sup>, 2021



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## Disclaimer

### Acknowledgements:

We would like to thank the many members of the Northwestern Michigan College community and Sodexo team members who participated in this project. Without that assistance the Facility Condition Assessment (FCA) would not have been possible. We are deeply grateful to them for their efforts. Their willingness to share both their time and expertise served to ensure the quality, utility, and extent of the data collected, information that was instrumental to the development of a tool that will assist Northwestern Michigan College in identifying its immediate needs and guide it to achieving future goals.

### Report Disclaimer:

This report only describes the conditions present at the time of our inspection. It is not intended to fully delineate or document every defect or deficiency throughout the subject property. The assessor's opinion and recommendations are based on the information available and observations obtained at the time of the inspection and preparation of the report. These opinions and recommendations are made to a reasonable degree of engineering certainty. Sodexo reserves the right to amend or supplement this report if additional information becomes available. Investigation for the presence of asbestos containing materials (ACM), PCB's, CFC's, radon, and other environmentally hazardous materials is not part of this Agreement. In addition, a review and certification that the buildings have been designed to meet current seismic requirements is not part of this review.

## Overview and Objectives

### Overview and Background:

"Northwestern Michigan College (NMC) is a public community college in Traverse City, Michigan. Founded in 1951, it enrolls nearly 4,000 students. NMC offers associate degrees and professional certificates, bachelor's degrees through the Great Lakes Maritime Academy and Great Lakes Water Studies Institute, and bachelor's and master's degrees granted by partner universities through NMC's University Center.

NMC has a branch campus on Grand Traverse Bay that houses the Great Lakes Culinary Institute, Great Lakes Maritime Academy, Great Lakes Water Studies Institute and Hagerty Conference Center. Another branch campus near Cherry Capital Airport is home to NMC's aviation and automotive service technology programs, and offers training in manufacturing, construction, renewable energy and information technology. NMC also has an observatory (the Rogers Observatory), and a nursing program in conjunction with Munson Medical Center located at their NMC University Center Campus." (Northwestern Michigan College)

Northwestern Michigan College partnered with Sodexo in 2006 to operate the campus' maintenance, grounds, custodial and facilities operations. As part of the Sodexo commitment to the College, we conducted a facilities assessment including 30 structures and grounds totaling approximately 850,000 square feet. The Current Replacement Value (CRV), of the buildings assessed is \$204,487,000 and was supplied by the school from its insurance documents.

### Objectives:

This effort was a comprehensive assessment that includes a detailed physical survey of current deficiencies and an estimate of the associated capital renewal costs. The primary objectives of this assessment were to determine the condition of the facilities, and to quantify the costs associated with continuing to maintain, repair, or replace them.

The Facilities Condition Assessment (FCA) performed for Northwestern Michigan College included an in-depth visual condition assessment survey of the college's buildings and grounds. This survey was conducted by a member of Sodexo's Asset Management and Engineering Team. The result of the field survey is a catalog of current deficiencies with direct project estimates using RS Means pricing. The RS Means pricing database is



updated annually and regionally adjusted to Traverse City, MI. Each building's current replacement value (CRV) is manually input and should be updated annually. Forecasts projecting renewal costs from component life cycles are included in the life cycle model. Together, this information resource becomes a strategic tool that allows the facility managers to quickly identify and capture deferred maintenance priorities.

Developing and maintaining a capital plan, informed, and guided by the Sodexo Facility Capital Assessment Program, will provide school leadership with the information they need to proactively address their capital project needs. The plan will help break down the overall facility needs into small and well-defined buckets that can be prioritized in a way that is consistent with the funding ability and strategic focus of the College. Establishing annual funds to address the capital, modernization, and infrastructure needs of the College are solid methodologies for strategic planning, and the result will be reduced deferred maintenance, and higher satisfaction, leading to a more competitive residential and academic program.

The key objectives of a facilities capital plan include building conditions, school priorities, and budget and priority strategies. A successful capital plan is not a static document, but rather a perpetual effort to assess and maintain the physical assets of the College to complement and enable the priorities of the institution. It is essentially a storehouse of deficiencies coupled with clear prioritization tools that form an effective and executable plan.

The strategic value of an FCA is to:

- ✓ Assess the college's buildings, identifying current and future projected deficiencies
- ✓ Reduce/mitigate risk associated with system failures
- ✓ Improve service quality and customer satisfaction (*students, faculty, and staff*)
- ✓ Lower utility, maintenance, and replacement costs
- ✓ Satisfy regulatory and compliance requirements
- ✓ Positively impact recruitment and retention

## Project Scope

### Methodology:

The Facilities Condition Assessment (FCA) performed for Northwestern Michigan College included a visual survey of the various facilities, a review of as-built structural drawings (when available), and historical engineering assessments and maintenance records as required with a focus on life cycle Findings in this report or the electronic data base are based on replacement in-kind and may not reflect local interpretation of federal, state and local regulations and codes. The scope of data collected, both system data and requirements (priority capital renewal/deferred maintenance projects) were based on the following criteria:

- Systems that currently exceed their BOMA expected industry life span.
- Systems that are within 5 years of their BOMA expected industry life span; and
- Systems that, regardless of age, their physical condition and/or their reported operating/maintenance history infers that they will likely need replacement within the next 5 years.

The result of the field survey is a catalog of current deficiencies tied to direct project costs in a robust database. The overall tool also catalogues the deficiencies and will forecast prioritization scenarios. This information resource becomes a strategic tool allowing facility managers to quickly identify, capture, and plan the retirement of deferred maintenance items. Further, the FCA Includes both high-level and granular levels of detail, appropriate to the need. It also gives a snapshot of the College's buildings including age, condition, predicted remaining useful life, and estimated replacement value for every component (which becomes a project).

## System Analysis

All materials and equipment have a useful life, or a life cycle. This life cycle assumes that it will be installed, wear out over time, and eventually either fail or become obsolete. These costs assume the complete replacement of the system which may not be necessary. It shows the potential risk but with proper management this risk can be mitigated. As the component ages and enters the end of its useful life period, the likelihood of failures increases, and may become repetitive. A loss of efficiency and reliability will also occur.

The following tables show the building system unformat categories. This is an important way to begin considering what types of systems are to become the priority for upcoming years and to get a better understanding of the general condition of the various types of building systems. Because NMC has four distinct campus' the reports were run to show values specific to each campus and then as a combined value for the College as a whole.

### Deficiencies by System Categorized by Unformat Code (5 Years with inflation)

Campus: Aero Park						
Unformat and Fiscal Year	2022	2023	2024	2025	2026	Summary
B20 - Exterior Enclosure	14,216	0	0	0	0	14,216
B30 - Roofing	0	0	248,813	0	0	248,813
C10 - Interior Construction	26,034	87,749	0	0	30,181	143,964
C30 - Interior Finishes	8,011	0	0	0	328,669	336,680
D30 - HVAC System	102,224	76,107	0	611,045	205,752	995,129
D50 - Electrical System	36,934	2,337	14,735	0	322,603	376,609
G20 - Site Improvements	89,893	0	0	0	133,859	223,753
G40 - Site Electrical Utilities	0	0	0	0	56,740	56,740
<b>Summary</b>	<b>277,314</b>	<b>166,193</b>	<b>263,548</b>	<b>611,045</b>	<b>1,077,803</b>	<b>2,395,904</b>

**QUALITY OF LIFE SERVICES**

<b>Campus: Great Lakes</b>						
Uniformat and Fiscal Year	2022	2023	2024	2025	2026	Summary
B20 - Exterior Enclosure	0	0	0	0	0	0
B30 - Roofing	0	0	0	0	0	0
C30 - Interior Finishes	71,978	0	0	0	87,989	159,966
D30 - HVAC System	0	41,350	40,109	15,528	240,595	337,582
D50 - Electrical System	24,069	0	103,072	4,959	8,015	140,116
G20 - Site Improvements	0	0	0	0	0	0
G40 - Site Electrical Utilities	28,402	0	0	0	0	28,402
<b>Summary</b>	<b>124,449</b>	<b>41,350</b>	<b>143,181</b>	<b>20,487</b>	<b>336,599</b>	<b>666,066</b>

<b>Campus: Main Campus</b>						
Uniformat and Fiscal Year	2022	2023	2024	2025	2026	Summary
B10 - Super Structure	3,376	0	107,266	0	0	110,642
B20 - Exterior Enclosure	591,880	0	449,708	44,475	30,657	1,116,720
B30 - Roofing	997,446	120,419	154,718	36,044	696,133	2,004,760
C10 - Interior Construction	481,892	1,821,207	90,381	3,786	800,761	3,198,027
C30 - Interior Finishes	1,075,768	503,704	57,967	84,892	411,784	2,134,115
D10 - Conveying	74,032	0	0	83,324	171,647	329,003
D20 - Plumbing System	29,448	6,324	0	5,849	31,555	73,176
D30 - HVAC System	1,167,574	301,459	103,276	459,505	1,327,929	3,359,744
D50 - Electrical System	2,021,998	384,616	0	271,370	678,334	3,356,317
E - Equipment and Furnishing	260,000	0	0	0	215,573	475,573
G20 - Site Improvements	102,021	5,914	6,091	327,566	90,548	532,139
G30 - Site Mechanical Utilities	4,664	4,814	0	0	1,980	11,457
G40 - Site Electrical Utilities	139,790	35,971	45,202	19,087	363,481	603,531
<b>Summary</b>	<b>6,949,888</b>	<b>3,184,426</b>	<b>1,014,610</b>	<b>1,335,897</b>	<b>4,820,383</b>	<b>17,305,204</b>

<b>Building: University Center</b>						
Uniformat and Fiscal Year	2021	2023	2024	2025	2026	Summary
B20 - Exterior Enclosure	0	0	0	0	0	0
B30 - Roofing	0	260,477	0	0	31,067	291,544
C10 - Interior Construction	0	0	0	0	587,868	587,868
C30 - Interior Finishes	237,188	103,191	0	0	56,006	396,385
D10 - Conveying	85,420	0	0	0	0	85,420
D30 - HVAC System	24,439	36,057	0	32,712	106,230	199,438
D50 - Electrical System	108,544	41,663	0	9,942	129,623	289,773
G20 - Site Improvements	4,515	0	0	0	7,586	12,101
G40 - Site Electrical Utilities	0	0	0	0	0	0
<b>Summary</b>	<b>460,105</b>	<b>415,090</b>	<b>0</b>	<b>42,653</b>	<b>918,381</b>	<b>1,862,528</b>

<b>Campus: All Combined</b>						
Uniformat and Fiscal Year	2022	2023	2024	2025	2026	Summary
B10 - Super Structure	3,376	0	107,266	0	0	110,642
B20 - Exterior Enclosure	606,096	0	449,708	44,475	30,657	1,130,936
B30 - Roofing	997,446	380,896	403,531	36,044	727,200	2,545,117
C10 - Interior Construction	507,926	1,908,956	90,381	3,786	1,418,811	3,929,859
C30 - Interior Finishes	1,392,944	606,895	57,967	84,892	884,448	3,027,146
D10 - Conveying	159,452	0	0	83,324	171,647	414,424
D20 - Plumbing System	29,448	6,324	0	5,849	31,555	73,176
D30 - HVAC System	1,299,247	425,241	143,385	1,091,927	1,805,831	4,765,630
D50 - Electrical System	2,191,546	428,616	117,806	286,270	1,138,575	4,162,814
E - Equipment and Furnishings	260,000	0	0	0	215,573	475,573
G20 - Site Improvements	196,429	5,914	6,091	327,566	231,993	767,992
G30 - Site Mechanical Utilities	4,664	4,814	0	0	1,980	11,457
G40 - Site Electrical Utilities	168,192	35,971	45,202	19,087	420,221	688,673
<b>Summary</b>	<b>7,816,766</b>	<b>3,803,626</b>	<b>1,421,338</b>	<b>1,983,220</b>	<b>7,078,490</b>	<b>22,103,440</b>

For each of these various summaries all future year expenditures were calculated with a 3% inflation factor.



The value of these charts is to highlight, at a high level, the types of building system capital investments that are currently due or going to become due that Northwestern Michigan College leadership should consider in creating a positive and healthy learning environment. Infrastructure investment to ensure that buildings have proper utility support is just as important as the high curb appeal that the Northwestern Michigan College grounds must demonstrate. HVAC System needs are critical for Northwestern Michigan College leadership to consider in creating a positive and healthy learning environment. Infrastructure investments to ensure that buildings have proper utility support is just as important as the high curb appeal that the school's interior construction and site improvements must demonstrate. If the planners are not careful, "invisible" systems like the roofs, boilers, chillers, and security/life safety assets will be competing with aesthetic and classroom upgrades for limited capital funds. The aesthetic priorities often win, leaving leaky roofs and inefficient or undependable heating and cooling systems or infrastructure within the buildings. These ignored projects quickly become deferred maintenance items, and their costs quickly snowball over time. Experts say that the cost of deferred maintenance if delayed can grow quickly to over four (4X) times the original repair cost. The inevitable impact on the school community, created by excessive deferred maintenance, is solid justification for strategic updating critical building components, or the failure to do so, affects the quality of life of the occupants, and therefore can impact recruitment, satisfaction, and retention.

## Distribution of Requirement Categories

Each requirement or deficiency is assigned a category that indicates the general issue or the reason for the deficiency. These requirement categories were identified during the assessment and will assist in prioritizing the renewal and planning process. Additional categories are available as required. As shown below systems identified as Integrity (effecting the overall integrity of the building) represent the single biggest challenge (20% of the total) and opportunity for improvement.

### Priority Criteria:

In addition to system age, the assessment's visual survey sought to identify major repairs, upgrades, and renewals anticipated within the next five years. Each requirement was assigned a priority based on when it was judged that corrective action should be performed, taken from the list in the database. A Requirement Category is the type of issue that must be addressed for a requirement. Each Requirement is assigned a category so that the issues affecting a facility can be categorized. The tables below are for the first five years as categories and priorities.

### Deficiencies by Category and Priority By Campus:

<b>Campus: Aero Park</b>							
Category and Priority	1- Due within 1 Year of Inspection	2- Due within 2 Years of Inspection	3- Due within 3 Years of Inspection	4- Due within 4 Years of Inspection	5- Due within 5 Years of Inspection	Total	% of Total
Abandoned	0	2,203	0	0	0	2,203	0.1%
Accessibility	0	0	0	6,818	0	6,818	0.3%
Appearance	0	0	0	8,011	179,563	187,574	8.6%
Energy	54,339	56,127	0	0	13,484	123,950	5.7%
Functionality	22,934	6,776	0	166,696	36,599	233,005	10.7%
Integrity	0	0	227,699	0	0	227,699	10.5%
Lifecycle	0	4,385	0	0	160,665	165,050	7.6%
Maintenance (Optimization)	89,894	30,606	0	18,832	115,468	254,800	11.7%
Mission	0	0	0	3,485	0	3,485	0.2%
Modernization	26,034	82,712	0	0	110,203	218,949	10.1%
Regulatory / Code Compliance	65,798	0	0	0	54,035	119,833	5.5%
Reliability	0	4,450	0	357,378	273,189	635,017	29.2%
<b>Total</b>	<b>258,999</b>	<b>187,259</b>	<b>227,699</b>	<b>561,220</b>	<b>943,206</b>	<b>2,178,383</b>	



## QUALITY OF LIFE SERVICES

<b>Campus: Great Lakes Campus</b>							
Category and Priority	1- Due within 1 Year of Inspection	2- Due within 2 Years of Inspection	3- Due within 3 Years of Inspection	4- Due within 4 Years of Inspection	5- Due within 5 Years of Inspection	Total	% of Total
Appearance	71,976	0	0	0	75,900	147,876	22.4%
Energy	0	38,977	94,325	0	0	133,302	20.2%
Functionality	0	0	0	0	135,427	135,427	20.5%
Integrity	0	55,620	0	0	0	55,620	8.4%
Life Safety	351	0	0	0	0	351	0.1%
Lifecycle	28,402	0	36,705	13,796	1,973	80,876	12.2%
Maintenance (Optimization)	1,280	0	0	0	0	1,280	0.2%
Mission	0	0	0	0	70,139	70,139	10.6%
Regulatory / Code Compliance	14,452	0	0	0	0	14,452	2.2%
Reliability	9,617	0	0	4,406	6,914	20,937	3.2%
<b>Total</b>	<b>126,078</b>	<b>94,597</b>	<b>131,030</b>	<b>18,202</b>	<b>290,353</b>	<b>660,260</b>	

<b>Campus: Main Campus</b>							
Category and Priority	1- Due within 1 Year of Inspection	2- Due within 2 Years of Inspection	3- Due within 3 Years of Inspection	4- Due within 4 Years of Inspection	5- Due within 5 Years of Inspection	Total	% of Total
Accessibility	200,121	0	26,445	124,462	184,736	535,764	3.3%
Appearance	823,348	476,011	24,500	202,697	481,303	2,007,859	12.3%
Energy	479,718	214,688	49,695	0	30,309	774,410	4.8%
Functionality	542,045	129,555	20,072	426,241	680,660	1,798,573	11.0%
HazMat	10,291	0	0	0	0	10,291	0.1%
Integrity	1,437,655	203,293	0	0	1,189,915	2,830,863	17.4%
Life Safety	81,404	5,574	0	0	0	86,978	0.5%
Lifecycle	386,601	276,256	72,720	474,338	868,938	2,078,853	12.8%
Maintenance	0	0	0	0	43,390	43,390	0.3%
Maintenance (Optimization)	28,311	0	0	7,106	51,041	86,458	0.5%
Mission	0	0	0	0	30,479	30,479	0.2%
Modernization	341,130	1,519,942	0	3,364	1,080,597	2,945,033	18.1%
Regulatory / Code Compliance	496,517	113,829	0	88,049	11,722	710,117	4.4%
Reliability	936,058	100,558	51,142	213,867	799,063	2,100,688	12.9%
Technological Improvements	0	0	0	0	247,919	247,919	1.5%
<b>Total</b>	<b>5,763,199</b>	<b>3,039,706</b>	<b>244,574</b>	<b>1,540,124</b>	<b>5,700,072</b>	<b>16,287,675</b>	

<b>Campus: NMC University Center</b>							
Category and Priority	1- Due within 1 Year of Inspection	2- Due within 2 Years of Inspection	4- Due within 4 Years of Inspection	5- Due within 5 Years of Inspection	Total	% of Total	
Accessibility	0	0	0	11,059	11,059	0.6%	
Appearance	0	334,456	0	48,311	382,767	22.4%	
Functionality	0	0	29,064	91,635	120,699	7.0%	
Integrity	8,475	245,525	0	37,628	291,628	17.0%	
Lifecycle	18,427	9,198	0	0	27,625	1.6%	
Modernization	85,420	0	0	496,270	581,690	34.0%	
Regulatory / Code Compliance	131,042	0	0	0	131,042	7.7%	
Reliability	3,035	39,272	8,833	114,820	165,960	9.7%	
<b>Total</b>	<b>246,399</b>	<b>628,451</b>	<b>37,897</b>	<b>799,723</b>	<b>1,712,470</b>		

### Deficiencies by Category by Year: (ALL Campus' Combined)

Campus: All Campus' Merged							
Category and Priority	1- Due within 1 Year of Inspection	2- Due within 2 Years of Inspection	3- Due within 3 Years of Inspection	4- Due within 4 Years of Inspection	5- Due within 5 Years of Inspection	Total	% of Total
Abandoned	0	2,203	0	0	0	2,203	0.0%
Accessibility	200,121	0	26,445	131,280	195,795	553,641	2.7%
Appearance	895,324	810,467	24,500	210,708	785,077	2,726,076	13.1%
Energy	534,057	309,792	144,020	0	43,793	1,031,662	5.0%
Functionality	564,979	136,331	20,072	622,001	944,321	2,287,704	11.0%
HazMat	10,291	0	0	0	0	10,291	0.0%
Integrity	1,446,130	504,438	227,699	0	1,227,543	3,405,810	16.3%
Life Safety	81,755	5,574	0	0	0	87,329	0.4%
Lifecycle	433,430	289,839	109,425	488,134	1,031,576	2,352,404	11.3%
Maintenance	0	0	0	0	43,390	43,390	0.2%
Maintenance (Optimization)	119,485	30,606	0	25,938	166,509	342,538	1.6%
Mission	0	0	0	3,485	100,618	104,103	0.5%
Modernization	452,584	1,602,654	0	3,364	1,687,070	3,745,672	18.0%
Regulatory / Code Compliance	707,809	113,829	0	88,049	65,757	975,444	4.7%
Reliability	948,710	144,280	51,142	584,484	1,193,986	2,922,602	14.0%
Technological Improvements	0	0	0	0	247,919	247,919	1.2%
<b>Total</b>	<b>6,394,675</b>	<b>3,950,013</b>	<b>603,303</b>	<b>2,157,443</b>	<b>7,733,354</b>	<b>20,838,788</b>	

### Percentage by Category:



## Facilities Condition Index

For a facility to benchmark and measure its condition, there must be a metric for comparison. The Facility Condition Index (FCI) is a nationally and industry recognized facility management benchmark that is used to objectively assess the current condition of a building. FCI was developed by a research group working on a project sponsored by NACUBO. NACUBO asked for a written description of the facility condition assessment process, and related data analysis. The FCI is a ratio that compares the amount of deferred maintenance and capital renewal expressed in dollars, to the Current Replacement Value (CRV) of all the equipment; the higher the FCI – the poorer the condition of the assets. Not all requirement categories are included in the FCI calculation as not all systems are considered deferred maintenance items such as abandoned equipment or sustainability improvements.

Facilities Condition Index (FCI) =	$\frac{\text{Deferred Maintenance + Capital Renewal Needs}}{\text{Assets Current Replacement Value (CRV)}}$
<b>Facility Operating Standards</b>	<b>FCI Range</b>
Good	< .10
Fair	.10 to .20
Poor	.20 to .30
Critical	>.30

Requirement Categories Included in FCI		
Parent	Category	Included in FCI
Integrity	Appearance	
	Integrity	X
	Lifecycle	X
	Maintainability	X
	Reliability	X
Regulatory	Accessibility	X
	Building Code	X
	HazMat	X
	Life Safety	X
Optimization	Abandoned	
	Capacity	
	Energy	
	Maintenance	X
	Mission	X
	Sustainability	
Functionality	Technological Improvements	
	Functionality	X
	Modernization	

The primary value of the FCI metric is to provide a standard benchmark of the current condition of existing physical assets. It is very helpful in comparing facilities and prioritizing expenditures within the portfolio. The FCI is only one component for strategic planning and should not be used exclusively when determining project priority. Other factors to consider are facility profile, usage, and mission critical application. There is, however, a direct correlation between the physical appearance of the facilities and academic success.

Most facilities with FCI's above 10% and below 30% are manageable with an active strategic plan. FCI's above 30% require a very focused plan to identify the best use of resources. The goal should be to improve the FCI of all real-estate assets, which accordingly will enhance Northwestern Michigan College's competitive advantage within the industry by improving the "quality of life" for students and faculty and thereby facilitating the delivery of the Schools primary mission: "Northwestern Michigan College provides lifelong learning opportunities to our communities."

### FCI Building Summary:

This first chart looks at FCI in a traditional alphabetical listing of assets.

Campus Name: Aero Park Campus								
Building	Year Constructed	Year Last Renovated	Age	Use	Size	Replacement Value	FCI Cost	FCI
Aero Park Campus Grounds	1960		61	SUPPORTING FACILITIES	1	12,000,000	0	0.00
Aero Park Laboratories	1980	2011	41	ACADEMIC FACILITIES	29,600	4,121,500	304,650	0.07
Automotive Technology	1990	2001	31	ACADEMIC FACILITIES	18,309	3,268,400	180,968	0.06
Aviation Building	1977		44	ACADEMIC FACILITIES	20,912	2,386,100	69,624	0.03
Parsons-Stulen/Michigan Tech Ed	1999		22	ACADEMIC FACILITIES	65,000	15,297,900	835,667	0.05
<b>Subtotal for Building</b>					<b>133,821</b>	<b>25,073,900</b>	<b>1,390,909</b>	<b>0.06</b>



Campus Name: Great Lakes Campus								
Building	Year Constructed	Year Last Renovated	Age	Use	Size	Replacement Value	FCI Cost	FCI
Great Lakes Campus	2004		17	ACADEMIC FACILITIES	75,364	21,990,100	377,803	0.02
Subtotal for Building					75,364	21,990,100	349,401	0.02
Campus Name: Main Campus								
Building	Year Constructed	Year Last Renovated	Age	Use	Size	Replacement Value	FCI Cost	FCI
Apartment A 1880	1973		48	RESIDENTIAL FACILITIES	12,399	2,057,266	502,886	0.24
Apartment B 1882	1973		48	RESIDENTIAL FACILITIES	12,399	1,740,200	562,005	0.32
Apartment C 1884	1973		48	RESIDENTIAL FACILITIES	12,399	1,740,200	530,000	0.30
Appel Property	1954		67	SUPPORTING FACILITIES	1,160	153,200	5,610	0.04
Athletic Fields	1976		45	SUPPORTING FACILITIES	1	55,000	31,250	0.57
Biederman Building	1976	2002	45	ACADEMIC FACILITIES	28,441	8,818,956	1,039,650	0.12
Campus General	1961		60	SUPPORTING FACILITIES	1	7,000,000	755,165	0.11
Dennos Museum Center	1991	2019	30	SUPPORTING FACILITIES	53,545	17,332,700	341,944	0.02
East Hall	1965	1999	56	RESIDENTIAL FACILITIES	52,288	11,990,600	271,801	0.02
Facilities Maintenance Building	2001		20	SUPPORTING FACILITIES	11,900	1,052,100	24,292	0.02
Fine Arts	1971	2000	50	ACADEMIC FACILITIES	18,800	4,843,500	390,997	0.08
Founders Hall	1976	2003	45	OFFICE FACILITIES	4,950	1,170,200	174,688	0.15
Health and Science Building	2002		19	ACADEMIC FACILITIES	57,477	17,463,812	486,309	0.03
James J. Beckett	1996		25	ACADEMIC FACILITIES	34,269	8,164,100	372,337	0.05
North Hall	2017		4	RESIDENTIAL FACILITIES	46,730	6,818,200	0	0.00
Oleson Center	1978	2006	43	SUPPORTING FACILITIES	9,925	2,506,400	122,539	0.05
Osterlin Building	1960	2002	61	ACADEMIC FACILITIES	46,734	12,068,600	2,106,875	0.17
Power House	1962		59	SUPPORTING FACILITIES	3,625	2,128,300	574,542	0.27
Rajkovich Physical Education	1969		52	ATHLETIC FACILITIES	25,674	5,053,068	1,013,391	0.20
Rogers Observatory	1981		40	ACADEMIC FACILITIES	1,624	398,600	0	0.00
Scholars Hall	1962	2003	59	ACADEMIC FACILITIES	62,812	15,495,300	389,322	0.03
Tanis Building	1957	2003	64	OFFICE FACILITIES	14,300	4,344,912	456,368	0.11
Utility Tunnels	1970		51	SUPPORTING FACILITIES	6,925	1,924,000	0	0.00
West Hall	1965	2020	56	SUPPORTING FACILITIES	63,254	9,596,500	74,032	0.01
Subtotal for Building					581,632	143,915,714	10,226,002	0.07
Campus Name: NMC University Center								
Building	Year Constructed	Year Last Renovated	Age	Use	Size	Replacement Value	FCI Cost	FCI
University Center	1986	1994	35	ACADEMIC FACILITIES	59,460	13,507,600	748,013	0.06
Subtotal for Building					59,460	13,507,600	748,013	0.06
<b>Grand Totals</b>					<b>850,277</b>	<b>204,487,314</b>	<b>12,714,326</b>	<b>0.06</b>

The FCI values highlighted are those over 20% which would typically require a very focused plan to identify that asset's best plan of action, **however regarding the Power House the value of the equipment within the building vs the value of the building itself is disproportionate. And similarly, the "Athletic Fields" the value of the fields themselves is so low most any improvements makes the ratio disproportionately high.** These values did not skew the campus' overall FCI value by much as the fields only comprise .4% of the gross value of campus. Additionally, the FCI value for the TEC is currently at almost 100% as the canvas material that is the primary building component is nearing its lifecycle and tears have started appearing at the West end.

The next chart shows the buildings listed from highest to lowest FCI Cost. This ranks the buildings/assets that need the most attention or long-term capital planning.



## Building FCI Listed by FCI (Highest to Lowest)

Campus Name: Aero Park Campus								
Building	Year Constructed	Year Last Renovated	Age	Use	Size	Replacement Value	FCI Cost	FCI
Aero Park Laboratories	1980	2011	41	ACADEMIC FACILITIES	29,600	4,121,500	304,650	0.07
Automotive Technology	1990	2001	31	ACADEMIC FACILITIES	18,309	3,268,400	180,968	0.06
Parsons-Stulen/Michigan Tech Ed	1999		22	ACADEMIC FACILITIES	65,000	15,297,900	835,667	0.05
Aviation Building	1977		44	ACADEMIC FACILITIES	20,912	2,386,100	69,624	0.03
Aero Park Campus Grounds	1960		61	SUPPORTING FACILITIES	1	12,000,000	0	0.00
<b>Subtotal for Building</b>					<b>104,222</b>	<b>32,952,400</b>	<b>1,086,259</b>	<b>0.03</b>
Campus Name: Great Lakes Campus								
Building	Year Constructed	Year Last Renovated	Age	Use	Size	Replacement Value	FCI Cost	FCI
Great Lakes Campus	2004		17	ACADEMIC FACILITIES	75,364	21,990,100	377,803	0.02
<b>Subtotal for Building</b>					<b>75,364</b>	<b>21,990,100</b>	<b>349,401</b>	<b>0.02</b>
Campus Name: Main Campus								
Building	Year Constructed	Year Last Renovated	Age	Use	Size	Replacement Value	FCI Cost	FCI
Athletic Fields	1976		45	SUPPORTING FACILITIES	1	55,000	31,250	0.57
Apartment B 1882	1973		48	RESIDENTIAL FACILITIES	12,399	1,740,200	562,005	0.32
Apartment C 1884	1973		48	RESIDENTIAL FACILITIES	12,399	1,740,200	530,000	0.30
Power House	1962		59	SUPPORTING FACILITIES	3,625	2,128,300	574,542	0.27
Apartment A 1880	1973		48	RESIDENTIAL FACILITIES	12,399	2,057,266	502,886	0.24
Rajkovich Physical Education	1969		52	ATHLETIC FACILITIES	25,674	5,053,068	1,013,391	0.20
Osterlin Building	1960	2002	61	ACADEMIC FACILITIES	46,734	12,068,600	2,106,875	0.17
Founders Hall	1976	2003	45	OFFICE FACILITIES	4,950	1,170,200	174,688	0.15
Biederman Building	1976	2002	45	ACADEMIC FACILITIES	28,441	8,818,956	1,039,650	0.12
Campus General	1961		60	SUPPORTING FACILITIES	1	7,000,000	755,165	0.11
Tanis Building	1957	2003	64	OFFICE FACILITIES	14,300	4,344,912	456,368	0.11
Fine Arts	1971	2000	50	ACADEMIC FACILITIES	18,800	4,843,500	390,997	0.08
Oleson Center	1978	2006	43	SUPPORTING FACILITIES	9,925	2,506,400	122,539	0.05
James J. Beckett	1996		25	ACADEMIC FACILITIES	34,269	8,164,100	372,337	0.05
Appel Property	1954		67	SUPPORTING FACILITIES	1,160	153,200	5,610	0.04
Health and Science Building	2002		19	ACADEMIC FACILITIES	57,477	17,463,812	486,309	0.03
Scholars Hall	1962	2003	59	ACADEMIC FACILITIES	62,812	15,495,300	389,322	0.03
Facilities Maintenance Building	2001		20	SUPPORTING FACILITIES	11,900	1,052,100	24,292	0.02
East Hall	1965	1999	56	RESIDENTIAL FACILITIES	52,288	11,990,600	271,801	0.02
Dennos Museum Center	1991	2019	30	SUPPORTING FACILITIES	53,545	17,332,700	341,944	0.02
West Hall	1965	2020	56	SUPPORTING FACILITIES	63,254	9,596,500	74,032	0.01
North Hall	2017		4	RESIDENTIAL FACILITIES	46,730	6,818,200	0	0.00
Rogers Observatory	1981		40	ACADEMIC FACILITIES	1,624	398,600	0	0.00
Utility Tunnels	1970		51	SUPPORTING FACILITIES	6,925	1,924,000	0	0.00
<b>Subtotal for Building</b>					<b>581,632</b>	<b>143,915,714</b>	<b>10,226,002</b>	<b>0.07</b>
Campus Name: NMC University Center								
Building	Year Constructed	Year Last Renovated	Age	Use	Size	Replacement Value	FCI Cost	FCI
University Center	1986	1994	35	ACADEMIC FACILITIES	59,460	13,507,600	748,013	0.06
<b>Subtotal for Building</b>					<b>59,460</b>	<b>13,507,600</b>	<b>748,013</b>	<b>0.06</b>
<b>Grand Totals</b>					<b>820,678</b>	<b>212,365,814</b>	<b>12,409,676</b>	<b>0.06</b>



The third chart shows the asset listed sorted by building usage type.

ACADEMIC BUILDINGS								
Building	Year Constructed	Year Last Renovated	Age	Use	Size	Replacement Value	FCI Cost	FCI
Osterlin Building	1960	2002	61	ACADEMIC FACILITIES	46,734	12,068,600	2,106,875	0.17
Biederman Building	1976	2002	45	ACADEMIC FACILITIES	28,441	8,818,956	1,039,650	0.12
Fine Arts	1971	2000	50	ACADEMIC FACILITIES	18,800	4,843,500	390,997	0.08
Aero Park Laboratories	1980	2011	41	ACADEMIC FACILITIES	29,600	4,121,500	304,650	0.07
University Center	1986	1994	35	ACADEMIC FACILITIES	59,460	13,507,600	748,013	0.06
Automotive Technology	1990	2001	31	ACADEMIC FACILITIES	18,309	3,268,400	180,968	0.06
Parsons-Stulen/Michigan Tech Ed	1999		22	ACADEMIC FACILITIES	65,000	15,297,900	835,667	0.05
James J. Beckett	1996		25	ACADEMIC FACILITIES	34,269	8,164,100	372,337	0.05
Aviation Building	1977		44	ACADEMIC FACILITIES	20,912	2,386,100	69,624	0.03
Health and Science Building	2002		19	ACADEMIC FACILITIES	57,477	17,463,812	486,309	0.03
Scholars Hall	1962	2003	59	ACADEMIC FACILITIES	62,812	15,495,300	389,322	0.03
Great Lakes Campus	2004		17	ACADEMIC FACILITIES	75,364	21,990,100	377,803	0.02
Rogers Observatory	1981		40	ACADEMIC FACILITIES	1,624	398,600	0	0.00
<b>Subtotal</b>					<b>518,802</b>	<b>127,824,468</b>	<b>7,302,216</b>	<b>0.06</b>
RESIDENTIAL BUILDINGS								
Building	Year Constructed	Year Last Renovated	Age	Use	Size	Replacement Value	FCI Cost	FCI
Apartment B 1882	1973		48	RESIDENTIAL FACILITIES	12,399	1,740,200	562,005	0.32
Apartment C 1884	1973		48	RESIDENTIAL FACILITIES	12,399	1,740,200	530,000	0.30
Apartment A 1880	1973		48	RESIDENTIAL FACILITIES	12,399	2,057,266	502,886	0.24
East Hall	1965	1999	56	RESIDENTIAL FACILITIES	52,288	11,990,600	271,801	0.02
North Hall	2017		4	RESIDENTIAL FACILITIES	46,730	6,818,200	0	0.00
<b>Subtotal</b>					<b>136,215</b>	<b>24,346,466</b>	<b>1,866,692</b>	<b>0.08</b>
SUPPORTING BUILDINGS								
Building	Year Constructed	Year Last Renovated	Age	Use	Size	Replacement Value	FCI Cost	FCI
Athletic Fields	1976		45	SUPPORTING FACILITIES	1	55,000	31,250	0.57
Power House	1962		59	SUPPORTING FACILITIES	3,625	2,128,300	574,542	0.27
Rajkovich Physical Education	1969		52	SUPPORTING FACILITIES	25,674	5,053,068	1,013,391	0.20
Founders Hall	1976	2003	45	SUPPORTING FACILITIES	4,950	1,170,200	174,688	0.15
Campus General	1961		60	SUPPORTING FACILITIES	1	7,000,000	755,165	0.11
Tanis Building	1957	2003	64	SUPPORTING FACILITIES	14,300	4,344,912	456,368	0.11
Oleson Center	1978	2006	43	SUPPORTING FACILITIES	9,925	2,506,400	122,539	0.05
Appel Property	1954		67	SUPPORTING FACILITIES	1,160	153,200	5,610	0.04
Facilities Maintenance Building	2001		20	SUPPORTING FACILITIES	11,900	1,052,100	24,292	0.02
Dennos Museum Center	1991	2019	30	SUPPORTING FACILITIES	53,545	17,332,700	341,944	0.02
West Hall	1965	2020	56	SUPPORTING FACILITIES	63,254	9,596,500	74,032	0.01
Aero Park Campus Grounds	1960		61	SUPPORTING FACILITIES	1	12,000,000	0	0.00
Utility Tunnels	1970		51	SUPPORTING FACILITIES	6,925	1,924,000	0	0.00
<b>Subtotal</b>					<b>195,261</b>	<b>64,316,380</b>	<b>3,573,821</b>	<b>0.06</b>

Using the above data for Northwestern Michigan College the cumulative FCI percentage for the campus is 6% which is in the “Good” category. Going forward it is recommended that building envelopes continue to be prioritized in order to maintain building integrity from degrading. From looking at the average FCI’s by building usage type the Residential buildings look like they are in most need of focus at a cumulative 8% but also the Apartments standing out the most.

It is generally best to use the FCI’s as an internal comparison of relative condition and a guide for the best approach for corrective action. However, for external comparisons we see facilities like Northwestern Michigan College having FCI’s ranging between 10% and 20%. NMC has been doing a great job of keeping their building conditions in good shape and staying below the average FCI range.

Most facilities with FCI’s above 10% and below 30% are manageable with an active strategic plan. FCI’s above 30% require a very focused plan to identify the best use of resources. The goal should be to improve the FCI of all real-estate assets, which accordingly will enhance Northwestern Michigan College’s competitive advantage within the industry by improving the “quality of life” for students, faculty and staff.

## Requirement Investment by Year

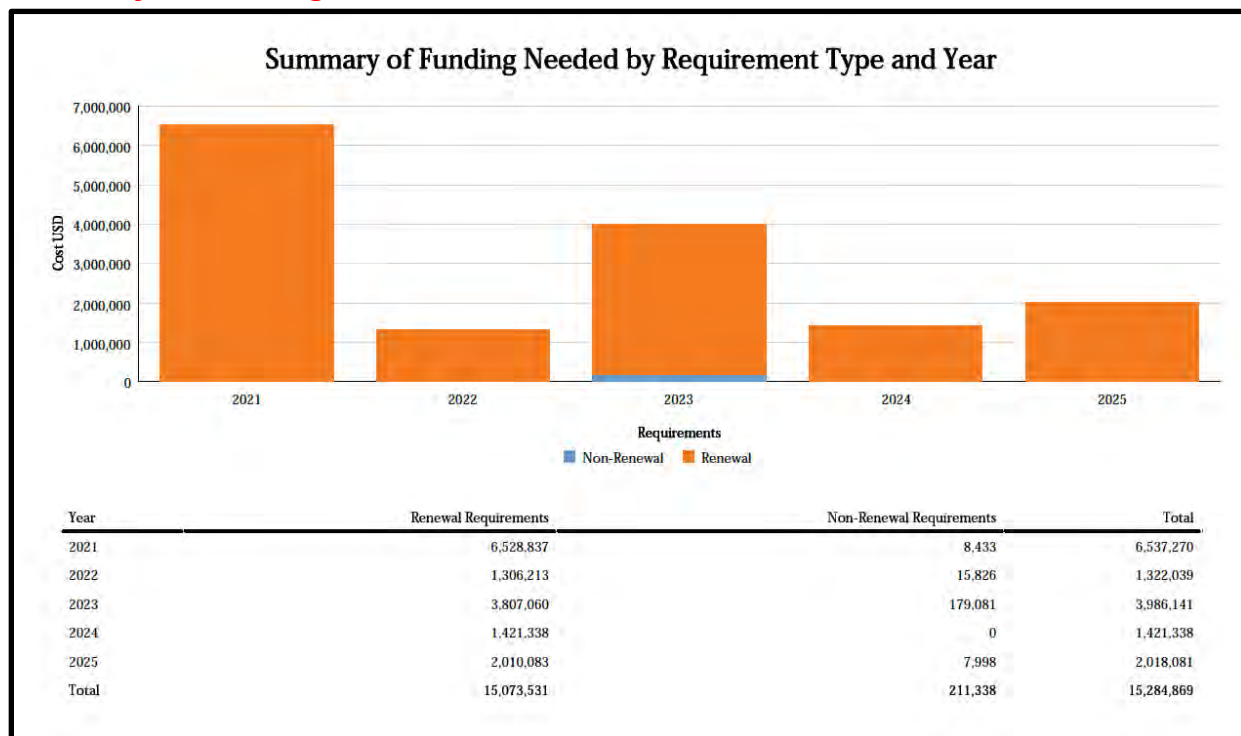
The five-year action plan reflects an investment horizon that identifies critical infrastructural and facility investments. Given the current economic state of many institutions today this plan can be extended to accommodate funding availability. No Institution is operating without a deferred maintenance backlog. The goal of what is being shown here is NOT to get to zero. The goal is to plan out specific improvements.

Developing a clear, concise, and comprehensive capital action plan is not a simple task. Each component of diverse school infrastructure has distinctive maintenance necessities. That is why Sodexo takes the time to understand those necessities and provide the critical information to create the perfect strategic approach for integrating the unique composite of systems and structures.

Our knowledge and expertise allow our partners more control of their fiscal future. By providing a living instrument to track and maintain existing assets, we offer the stakeholders the ability to target their efforts and optimize the results through the evaluation of existing conditions, a five-year management plan to reduce existing and future deferred maintenance conditions.

The annual totals reflected below are estimates based on like replacement costs and can easily be adjusted to actively manage the data base and create a historical register of completed projects. The priority years may also be adjusted to best align with Northwestern Michigan College’s budget, mission, and strategic plan. The data is with the use of the software tools should be evaluated annually to maintain an active budgeting tool.

### Summary of Funding Needs:



## Capital Renewal Funding Options

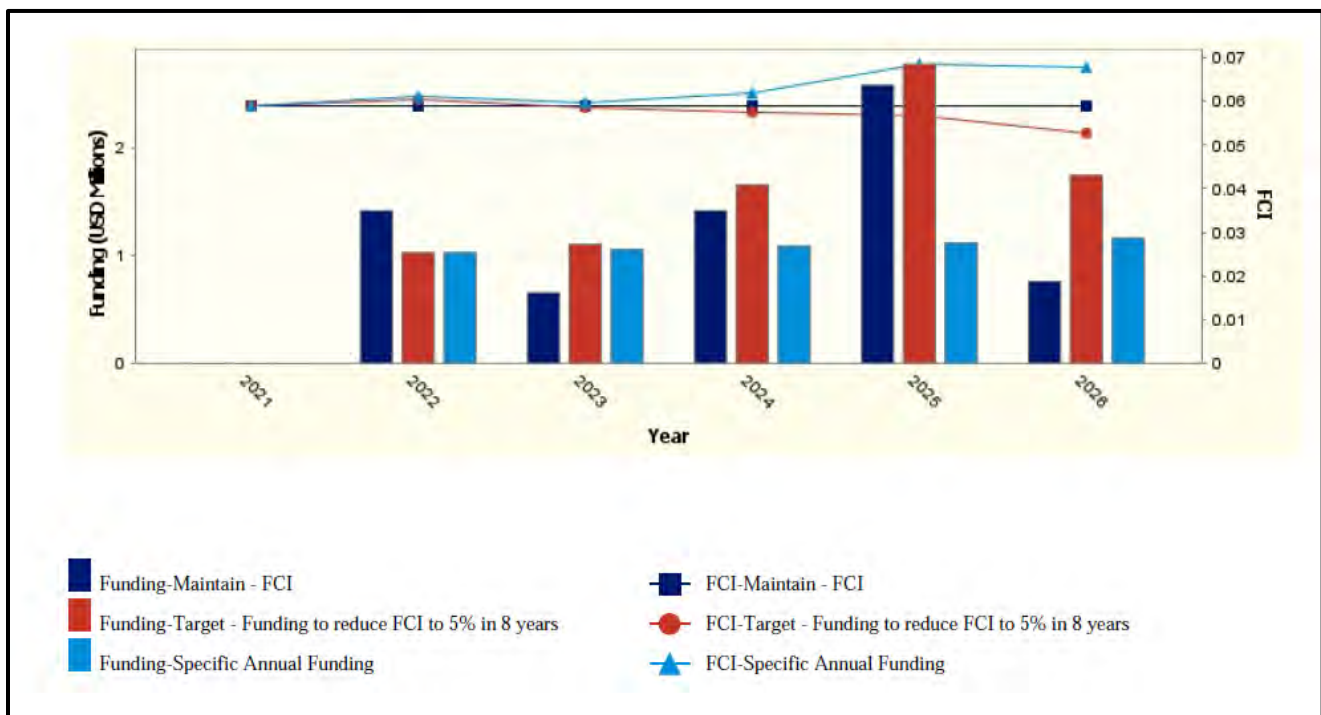
Systems that have exceeded their life cycle are likely compromised. When replacing compromised critical infrastructure components quite often the corresponding equipment must also be replaced which increases the overall cost of the project.

Using the Northwestern Michigan College asset data and the funding module within VFA Facility we can examine various funding strategies, analyze their fiscal implications over various time periods, and project the impact of deferred maintenance, either for individual assets, or across the entire assessed portfolio. Values, either assumed or measured, and different time ranges, can be modeled with the funding module for analysis purposes, to see their cost implications and to project their impact on facility conditions.

To show the analysis potential of VFA Facility, note the three examples summarized below, illustrating the varying costs and condition impacts those different strategies can produce. For these examples, the costs for annual system renewals reflect an annual inflation rate of 3% (today's dollars) over the time examined with a 2% deterioration backlog. The scenarios shown below are samples of funding options. With the VFA Facility software we can produce additional options to match Northwestern Michigan College's mission, values, and available budget.

These are samples of three 5-year Funding scenarios:

### Funding/FCI Graph:





## QUALITY OF LIFE SERVICES

*Maintain - FCI*

Cost Curve Applied: Spiky 0

Year	Replacement Cost	Renewal Cost	Backlog Deterioration	Total New Liability	New Backlog Total	Net Plant Value	Funding	Funding Reserve	FCI
2021	216,487,314	12,586,810	0	12,742,729	12,742,729	203,744,585	0	0	0.0589
2022	222,981,928	1,157,833	262,500	1,420,333	13,125,011	209,856,917	1,420,333	0	0.0589
2023	229,671,379	382,479	270,375	652,854	13,518,761	216,152,619	652,854	0	0.0589
2024	236,561,514	1,141,698	278,486	1,420,185	13,924,323	222,637,191	1,420,185	0	0.0589
2025	243,658,353	2,293,541	286,841	2,580,382	14,342,052	229,316,300	2,580,382	0	0.0589
2026	250,968,096	471,858	295,446	767,305	14,772,314	236,195,783	767,305	0	0.0589

*Target - Funding to reduce FCI to 4.5% in 8 years*

Cost Curve Applied: Spiky 0

Year	Replacement Cost	Renewal Cost	Backlog Deterioration	Total New Liability	New Backlog Total	Net Plant Value	Funding	Funding Reserve	FCI
2021	216,487,314	12,586,810	0	12,742,729	12,742,729	203,744,585	0	0	0.0589
2022	222,981,928	1,157,833	262,500	1,420,333	13,063,421	209,918,506	1,481,922	0	0.0586
2023	229,671,379	382,479	269,106	651,585	12,990,315	216,681,064	1,116,593	0	0.0566
2024	236,561,514	1,141,698	267,600	1,409,299	13,003,107	223,558,407	1,786,216	0	0.0550
2025	243,658,353	2,293,541	267,864	2,561,405	13,183,362	230,474,990	2,771,243	0	0.0541
2026	250,968,096	471,858	271,577	743,436	12,546,285	238,421,811	1,776,013	0	0.0500

*Specific Annual Funding*

Cost Curve Applied: Spiky 0

Year	Replacement Cost	Renewal Cost	Backlog Deterioration	Total New Liability	New Backlog Total	Net Plant Value	Funding	Funding Reserve	FCI
2021	216,487,314	12,586,810	0	12,742,729	12,742,729	203,744,585	0	0	0.0589
2022	222,981,928	1,157,833	262,500	1,420,333	13,615,927	209,366,001	1,030,000	100,583	0.0611
2023	229,671,379	382,479	280,488	662,967	13,743,354	215,928,025	1,060,900	220,484	0.0598
2024	236,561,514	1,141,698	283,113	1,424,812	14,642,887	221,918,627	1,092,727	382,246	0.0619
2025	243,658,353	2,293,541	301,643	2,595,184	16,711,651	226,946,702	1,125,509	553,515	0.0686
2026	250,968,096	471,858	344,260	816,118	17,034,440	233,933,656	1,159,274	734,717	0.0679

To avoid adding additional deferred maintenance, capital renewal projects should be funded with increasing or decreasing overall campus backlog in mind. Based on standard system life cycle calculations the recommended **annual minimum** renewal budget for Northwestern Michigan College would be an average of \$1,786,397. Funding below this level will cause the deferred maintenance backlog to continue to grow and could create operational and client satisfaction and retention issues going forward. More critical than the FCI reduction is this will allow Northwestern Michigan College to address deferred maintenance before it becomes more difficult to manage.

There are many options in looking at ways to address this challenge. Our team would welcome the opportunity to work with Northwestern Michigan College's leadership to explore possible scenarios. Unfortunately, several of these buildings are approaching an age where an increase in funding for deferred maintenance will be necessary. This is not unique to Northwestern Michigan College as we see it in aging asset portfolios across most markets. Without a specific plan most annual operating budgets do not adequately support the growing need to fund deferred maintenance.

As projects are planned additional focus should be placed on the exterior shell of the buildings (aged roofs, windows, masonry), indoor air quality and interior finishes of your facilities. More specific recommendations are included as an Appendix to this report.

The capital renewal allowance does not include funding for deferred maintenance backlogs and is usually applicable to facilities with a manageable backlog. Deferred maintenance backlog reduction involving a substantial amount of work may require a high level of funding in the initial years of a multi-year capital plan to reduce backlogs to a desired level.

This five-year action plan should be used as a proactive tool to manage Northwestern Michigan College's capital project needs. The report distributes projects in varying amounts for each year based on project priority and justification. The costs developed in the report are budgetary estimates and may fluctuate based on project scope, materials, and bidding process.

## Common Facilities Maintenance Acronyms

AC – Air Conditioning	EMS - Energy Management System	HVAC – Heating, Ventilation and Air Conditioning
AHU – Air Handling Unit	FCI – Facility Condition Index	LED lighting – Light Emitting Diode
BAS – Building Automation System	FCU – Fan Coil Unit	MEP - Mechanical, Electrical and Plumbing
CRV – Current Replacement Value	FM - Facilities Management	PM - Preventive Maintenance
DDC – Direct Digital Control	HID Lighting – High Intensity Discharge	

## Appendix

### Recommended Projects:

Based on the Assessors observations and not a specific budget or mission critical needs the following projects should have priority. Specific detailed reports are attached.

1. 5 Year Plan By Building By Year
2. Funding Scenarios Report
3. Roof Replacements
4. Sample Building Detail Report

### Works Cited

Wikipedia contributors. "Northwestern Michigan College." *Wikipedia, The Free Encyclopedia*. Wikipedia, The Free Encyclopedia, 14 Dec. 2020. Web. 5 Nov. 2021.

# **Appendix F**

## **Summary of Facilities and Square Footage**



**SCHEDULE OF BUILDINGS & CONTENTS**

(Period: 7/1/2022 through 7/1/2023)

**Northwestern Michigan College**

<b>Last Year Totals:</b>	<b>Buildings</b>	\$ 227,520,600	<b>Contents</b>	\$ 20,490,445	<b>Building + Contents</b>	\$ 248,011,045
<b>Current Year Totals:</b>	<b>Buildings</b>	\$ 236,648,300	<b>Contents</b>	\$ 21,204,936	<b>Building + Contents</b>	\$ 257,853,236

Location#	Location Description	Last Year Building Value	Last Year Contents	Last Year Total Value	Last Year Square Ft	New Building Value	New Contents Value	New Total Value	New Square Ft	Leased (Mark "X")
1	Tanis/Beiderman/ISTLC	33,776,700	2,036,129	35,812,829	105,519	35,127,600	2,255,823	37,383,423	105,519	
2	Apartments A	1,977,500	-	1,977,500	12,399	2,056,600	24,403	2,081,003	12,399	
2B	Apartment B	1,977,500	-	1,977,500	12,399	2,056,600	24,402	2,081,002	12,399	
2C	Apartment C	1,977,500	-	1,977,500	12,399	2,056,600	24,402	2,081,002	12,399	
3	Appel Biology	168,800	-	168,800	1,160	175,700	-	175,700	1,160	
5	Aviation	2,657,200	810,502	3,467,702	20,912	2,763,400	822,747	3,586,147	20,912	
6	Founders Hall	1,299,000	56,288	1,355,288	4,950	1,350,700	56,288	1,406,988	4,950	
7	East Residence Hall	13,261,400	1,821,418	15,082,818	52,288	13,792,300	2,250,119	16,042,419	52,288	
8	Fine Arts Building	5,351,800	116,196	5,467,996	18,800	5,565,900	123,994	5,689,894	18,800	
10	Osterlin Library	13,356,200	3,446,082	16,802,282	46,734	13,890,100	3,446,082	17,336,182	46,734	
13	Museum - Auditorium	19,154,900	283,670	19,438,570	55,085	19,921,000	306,582	20,227,582	55,085	
14	Observatory	448,200	67,454	515,654	1,624	465,900	67,454	533,354	1,624	
15	Oleson Center	2,781,800	63,723	2,845,523	10,398	2,892,900	63,723	2,956,623	10,398	
16	Physical Education	6,222,500	79,874	6,302,374	25,674	6,471,400	79,874	6,551,274	25,674	
17	Powerhouse	2,347,900	15,149	2,363,049	3,580	2,441,600	15,149	2,456,749	3,580	
18	Scholars Hall	17,118,300	94,975	17,213,275	62,812	17,802,900	95,034	17,897,934	62,812	
19	Timothy J. Nelson Innovation Center	19,312,000	3,002,572	22,314,572	66,304	20,084,600	2,874,432	22,959,032	66,304	
20	University Center Campus	14,943,000	332,338	15,275,338	59,460	15,551,400	342,288	15,893,688	59,460	
22	Utility Tunnels	2,122,400	-	2,122,400	6,925	2,207,300	-	2,207,300	6,925	
23	Eastern Avenue Apartment Storage	63,600	-	63,600	1,344	66,300	-	66,300	1,344	
26	Beckett	9,040,100	433,544	9,473,644	34,269	9,401,800	433,544	9,835,344	34,269	
45	Parsen - Stullen M-TEC	16,949,700	2,283,125	19,232,825	65,000	17,627,500	2,198,313	19,825,813	65,000	
46	Maintenance	1,111,800	533,998	1,645,798	11,900	1,173,800	560,669	1,734,469	11,900	
47	Landscape Bin	33,900	-	33,900	675	35,300	-	35,300	675	
48	Automotive Service Tech	3,622,800	242,583	3,865,383	18,328	3,767,600	242,583	4,010,183	18,328	
49	Great Lakes Campus	24,300,400	3,163,866	27,464,266	75,364	25,272,400	3,190,626	28,463,026	75,364	
50	Aero Park Lab	4,572,000	1,530,290	6,102,290	29,600	4,754,800	1,629,735	6,384,535	29,600	
51	North Hall	7,571,700	76,670	7,648,370	46,730	7,874,300	76,670	7,950,970	46,730	
<b>Totals:</b>		\$ 227,520,600	\$ 20,490,445	\$ 248,011,045	862,632	\$ 236,648,300	\$ 21,204,936	\$ 257,853,236	862,632	

**Informaton Purposes Only - VALUES INCLUDED in Contents ABOVE**

Miscellaneous Items Throughout Campus	Last Year Value	This Year Value	
Monitoring Equipment (Mtec)	24,900	24,900	College Value
Cell Demo System (Mtec)	6,976	6,976	College Value
BioDiesel Project (Mtec)	5,397	5,397	College Value
Solar Thermal System (Mtec)	58,646	22,262	College Value
Solar PV (Mtec)	57,274	57,274	College Value
Wind Power Generator (U.C.)	68,568	68,568	College Value
Outdoor Equipment	5,592	5,592	College Value
Communications Equipment	90,000	90,000	College Value
Safety/CPR/First Aid Equipment	24,200	24,200	College Value
Books and Multi-media Material	18,571	18,571	College Value
Machinery & Tools	12,852	12,852	College Value
<b>Totals:</b>	\$ 372,976	\$ 336,592	

# **Appendix G**

## **Building and Classroom Utilization**

# Location Utilization Summary <sup>192</sup>

Based on events from 12:00 A.M. to 11:45 P.M., between Aug 15 2021 and May 15 2022. There are 6,507.50 total hours in the report period, (K).

	(A) Max Capacity	(B) Fill Ratio	(C) Blackout Hours	(D) Possible Hours	(E) Hours Used	(F) Contact Hours	(G) Time Utilization	(H) Class Seat Utilization	(I) Station Utilization	(J) Net Utilization
AL - ENTIRE SHOP (NO SPACES)	536			No events found						
AL 101	16		0.00	6,507.50	257.50	1,220.00	3.96%	28.12%	1.17%	0.05%
AL 102	24		0.00	6,507.50	755.00	8,428.00	11.6%	45.28%	5.4%	0.63%
AL 103	13			No events found						
AL 106	16			No events found						
AL 110A	16		0.00	6,507.50	546.50	3,584.00	8.4%	40.97%	3.44%	0.29%
AL 110B	20		0.00	6,507.50	537.00	4,718.00	8.25%	40%	3.63%	0.3%
AL 118	20		0.00	6,507.50	487.25	5,584.08	7.49%	56.36%	4.29%	0.32%
AL 122	20			No events found						
AL A	20		0.00	6,507.50	681.00	6,129.00	10.46%	45.56%	4.71%	0.49%
AL A/B	40			No events found						
AL A/B/C	60			No events found						
AL A/B/C/D	80			No events found						
AL B	20			No events found						
AL B/C	40			No events found						
AL B/C/D	60			No events found						
AL BLDG (NO SPACES)	0			No events found						
AL C	20			No events found						
AL C/D	40		0.00	6,507.50	7.00	42.00	0.11%	15%	0.02%	0%
AL D	20			No events found						
AL E	20			No events found						
AL E/F	40			No events found						
AL E/F/G	60			No events found						
AL E/F/G/H	80			No events found						
AL F	20			No events found						
AL F/G	40			No events found						
AL F/G/H	60			No events found						
AL G	20			No events found						
AL G/H	40			No events found						
AL H	20			No events found						
AL I	20			No events found						
AL I/J	40			No events found						

# Location Utilization Summary 193

	(A) Max Capacity	(B) Fill Ratio	(C) Blackout Hours	(D) Possible Hours	(E) Hours Used	(F) Contact Hours	(G) Time Utilization	(H) Class Seat Utilization	(I) Station Utilization	(J) Net Utilization
AL J	20			No events found						
AL K	20			No events found						
AL L	24			No events found						
APPEL	45			No events found						
ARR ROOM	999		0.00	6,507.50	1,360.90	94,008.83	20.91%	1.35%	1.45%	0.3%
AT 100	18		0.00	6,507.50	352.00	5,747.00	5.41%	90.74%	4.91%	0.27%
AT 102	18			No events found						
AT 104	18			No events found						
AT 108	18		0.00	6,507.50	679.00	7,864.00	10.43%	58.73%	6.71%	0.7%
AT 111	18		0.00	6,507.50	480.33	6,221.67	7.38%	71.11%	5.31%	0.39%
AT BLDG (NO SPACES)	0			No events found						
BFC GYM	500			No events found						
BIK STUDIO	50			No events found						
CC POOL	500			No events found						
CITY OPERA HOUSE	0			No events found						
CTC BLDG	999		0.00	6,507.50	525.00	1,020.00	8.07%	0.23%	0.02%	0%
DMC 101	30		0.00	6,507.50	288.42	3,895.08	4.43%	24.29%	2%	0.09%
DMC BINSFELD GALLERY	50			No events found						
DMC CONFERENCE ROOM	12			No events found						
DMC DISCOVERY GALLERY	100			No events found						
DMC DUTMERS THEATER	34			No events found						
DMC GALLERIES	250			No events found						
DMC INUIT GALLERY	50			No events found						
DMC JANIS ROOM	75			No events found						
DMC MACFARLANE GALLERY	200			No events found						
DMC MILLIKEN	400		0.00	6,507.50	243.42	5,142.58	3.74%	5.36%	0.2%	0.01%
DMC MUSEUM CENTER	500			No events found						
DMC PARKING LOT	999			No events found						
DMC SCHMUCKAL GALLERY	150			No events found						
DMC SCULPTURE COURT	300			No events found						
ED SERVICES RECEPTION AREA T 55	0			No events found						
F - MUSIC WING	0			No events found						
F 102	49		0.00	6,507.50	165.92	3,131.33	2.55%	42.45%	0.98%	0.03%
F 103	10		0.00	6,507.50	221.83	1,448.33	3.41%	65%	2.23%	0.08%



# Location Utilization Summary 194

	(A) Max Capacity	(B) Fill Ratio	(C) Blackout Hours	(D) Possible Hours	(E) Hours Used	(F) Contact Hours	(G) Time Utilization	(H) Class Seat Utilization	(I) Station Utilization	(J) Net Utilization
F 104	4			No events found						
F 105	30		0.00	6,507.50	158.92	3,188.50	2.44%	60.56%	1.63%	0.04%
F 107/108 - RECORDING STUDIO	3			No events found						
F 109/110 - MUSIC PRACTICE ROOMS	2			No events found						
F 115	84		0.00	6,507.50	636.00	13,939.00	9.77%	30.23%	2.55%	0.25%
F 115 STEINWAY PIANO	0			No events found						
F 120	18		0.00	6,507.50	362.00	3,800.00	5.56%	58.33%	3.24%	0.18%
F 126	0			No events found						
F 130	20		0.00	6,507.50	561.67	11,824.67	8.63%	59.17%	9.09%	0.78%
F 132	50		0.00	6,507.50	137.67	3,666.00	2.12%	19.43%	1.13%	0.02%
F 135	18		0.00	6,507.50	614.00	7,596.00	9.44%	47.41%	6.48%	0.61%
F 137 - KILN ROOM	0			No events found						
F BLDG (NO SPACES)	0			No events found						
F CENTER LOBBY	0			No events found						
F NORTH LOBBY	0			No events found						
F SOUTH LOBBY	0			No events found						
FFY GYM	50			No events found						
FH	0			No events found						
FH 109	10			No events found						
FH 110	16		0.00	6,507.50	330.83	5,917.58	5.08%	108.85%	5.68%	0.29%
FH 113	12	0	0.00	6,507.50	55.00	412.50	0.85%	62.5%	0.53%	0%
GL 100	24			No events found						
GL 101	40		0.00	6,507.50	461.00	5,851.50	7.08%	31.41%	2.25%	0.16%
GL 102	10		0.00	6,507.50	184.00	1,084.00	2.83%	60%	1.67%	0.05%
GL 103	24		0.00	6,507.50	296.00	2,766.00	4.55%	37.5%	1.77%	0.08%
GL 108	24			No events found						
GL 110	24			No events found						
GL 111	32		0.00	6,507.50	681.50	11,063.50	10.47%	52.76%	5.31%	0.56%
GL 112	40		0.00	6,507.50	306.50	5,243.00	4.71%	34.62%	2.01%	0.09%
GL 114	12		0.00	6,507.50	104.50	937.50	1.61%	77.78%	1.2%	0.02%
GL 200-205 RADAR LABS	2			No events found						
GL 207	12		0.00	6,507.50	135.00	675.00	2.07%	41.67%	0.86%	0.02%
GL 210	24		0.00	6,507.50	105.47	1,285.83	1.62%	35.19%	0.82%	0.01%
GL 211	40		0.00	6,507.50	585.08	8,686.17	8.99%	32.61%	3.34%	0.3%

# Location Utilization Summary 195

	(A) Max Capacity	(B) Fill Ratio	(C) Blackout Hours	(D) Possible Hours	(E) Hours Used	(F) Contact Hours	(G) Time Utilization	(H) Class Seat Utilization	(I) Station Utilization	(J) Net Utilization
GL 214 - DO NOT BOOK	12			No events found						
GL 215 - STUDENT ENCLAVE & GALLEY SD 12	16			No events found						
GL 222	36		0.00	6,507.50	1,065.83	19,455.58	16.38%	52.86%	8.3%	1.36%
GL 231	12			No events found						
GL 251	24		0.00	6,507.50	399.02	4,665.47	6.13%	48.48%	2.99%	0.18%
GL 252	21		0.00	6,507.50	649.00	6,889.50	9.97%	50.34%	5.04%	0.5%
GL 254	27		0.00	6,507.50	721.98	6,985.82	11.09%	35.8%	3.98%	0.44%
GL 256	25		0.00	6,507.50	724.98	10,144.78	11.14%	54.67%	6.24%	0.69%
GL 257	12		0.00	6,507.50	181.98	1,187.37	2.8%	54.17%	1.52%	0.04%
GL 258	0			No events found						
GL 269	106		0.00	6,507.50	724.98	10,144.78	11.14%	12.89%	1.47%	0.16%
GL 271	0			No events found						
GL BLDG (NO SPACES)	0			No events found						
GL CULINARY OFFICE	0			No events found						
GL HARBOR LAWN	0			No events found						
GL MARITIME OFFICE	0			No events found						
GL PIER	0			No events found						
GL RECEPTION DESK & WORKROOM	0			No events found						
GL T/S STATE OF MICHIGAN	0			No events found						
GL WEST LAWN	0			No events found						
GTA ROOM	32		0.00	6,507.50	45.00	540.00	0.69%	37.5%	0.26%	0%
Greenspire School - UC 211-219	0	0		No events found						
Grounds - South Innovation Center Area	10	0		No events found						
Grounds - South West Hall Area	10	0		No events found						
HC A	156			No events found						
HC A & 1/2 B	264			No events found						
HC A & B	420			No events found						
HC B	192			No events found						
HC B & C	432			No events found						
HC BALLROOM	594			No events found						
HC C	224			No events found						
HC C & 1/2 B	314			No events found						
HC CATWALK	0			No events found						

# Location Utilization Summary 196

	(A) Max Capacity	(B) Fill Ratio	(C) Blackout Hours	(D) Possible Hours	(E) Hours Used	(F) Contact Hours	(G) Time Utilization	(H) Class Seat Utilization	(I) Station Utilization	(J) Net Utilization
HC COURTYARD	300			No events found						
HC D	76			No events found						
HC HAGERTY OFFICE	0			No events found						
HC OFF-SITE	999			No events found						
HC ROTARY HALL	64			No events found						
HOMESTEAD	0			No events found						
HS 110	12		0.00	6,507.50	372.50	2,462.00	5.72%	45.83%	3.15%	0.18%
HS 111	25		0.00	6,507.50	212.00	4,182.00	3.26%	78.86%	2.57%	0.08%
HS 111/113 VESTIBULE	0	0		No events found						
HS 111A	9			No events found						
HS 112	16		0.00	6,507.50	79.50	620.00	1.22%	36.25%	0.6%	0.01%
HS 113	25		0.00	6,507.50	318.50	6,318.50	4.89%	80%	3.88%	0.19%
HS 114	32		0.00	6,507.50	462.00	9,544.00	7.1%	59.11%	4.58%	0.33%
HS 115	25		0.00	6,507.50	99.00	1,215.00	1.52%	27%	0.75%	0.01%
HS 115/117 VESTIBULE	0	0		No events found						
HS 116	32		0.00	6,507.50	626.50	16,334.50	9.63%	59.55%	7.84%	0.76%
HS 117	25		0.00	6,507.50	270.17	4,609.50	4.15%	68%	2.83%	0.12%
HS 117A	14			No events found						
HS 119 GREENHOUSE	24			No events found						
HS 208	24		0.00	6,507.50	13.50	2,025.00	0.21%	125%	1.3%	0%
HS 208/210	20			No events found						
HS 210	24		0.00	6,507.50	746.00	41,125.00	11.46%	84.78%	26.33%	3.02%
HS 211	27		0.00	6,507.50	504.42	8,349.75	7.75%	48.15%	4.75%	0.37%
HS 212	8		0.00	6,507.50	10.50	54.00	0.16%	64.29%	0.1%	0%
HS 213	24		0.00	6,507.50	579.00	9,884.00	8.9%	70.42%	6.33%	0.56%
HS 214	11		0.00	6,507.50	12.00	61.50	0.18%	46.59%	0.09%	0%
HS 215	24		0.00	6,507.50	247.82	3,586.90	3.81%	53.75%	2.3%	0.09%
HS 216	30		0.00	6,507.50	339.08	5,834.25	5.21%	47.58%	2.99%	0.16%
HS 217	24		0.00	6,507.50	30.00	360.00	0.46%	50%	0.23%	0%
HS BLDG (NO SPACES)	0			No events found						
HS BOOKSTORE	32			No events found						
HS BOOKSTORE STORAGE	54			No events found						
HS LOBBY	0			No events found						
HS LOBBY - UPSTAIRS	0			No events found						

# Location Utilization Summary 197

	(A) Max Capacity	(B) Fill Ratio	(C) Blackout Hours	(D) Possible Hours	(E) Hours Used	(F) Contact Hours	(G) Time Utilization	(H) Class Seat Utilization	(I) Station Utilization	(J) Net Utilization
IC 01	6	0		No events found						
IC 02	6	0	0.00	6,507.50	3.00	0.00	0.05%	0%	0%	0%
IC 03	4	0	0.00	6,507.50	3.00	0.00	0.05%	0%	0%	0%
IC 04	4	0		No events found						
IC 08	14	0		No events found						
IC 09	3	0		No events found						
IC 103	10	0		No events found						
IC 104	24	0		No events found						
IC 104/105	48	0		No events found						
IC 105	24	0		No events found						
IC 106	36	0		No events found						
IC 106/107	76	0	0.00	6,507.50	4.00	20.00	0.06%	6.58%	0%	0%
IC 107	40	0		No events found						
IC 116	4	0		No events found						
IC 117	4	0		No events found						
IC 118	4	0		No events found						
IC 119	3	0		No events found						
IC 123	24	0		No events found						
IC 124	2	0		No events found						
IC 125	2	0		No events found						
IC 14	30	0		No events found						
IC 15	30	0		No events found						
IC 203	0	0		No events found						
IC 207	4	0		No events found						
IC 208	2	0		No events found						
IC 209	4	0		No events found						
IC 35	10	0		No events found						
IC BLDG (NO SPACES)	0			No events found						
IC Catering	0	0		No events found						
IC LOBBY	0	0		No events found						
IC Library	0	0		No events found						
JB 127 (MEDIA SERVICES)	0			No events found						
JB 128	1			No events found						
JB 130	14			No events found						



# Location Utilization Summary <sup>198</sup>

	(A) Max Capacity	(B) Fill Ratio	(C) Blackout Hours	(D) Possible Hours	(E) Hours Used	(F) Contact Hours	(G) Time Utilization	(H) Class Seat Utilization	(I) Station Utilization	(J) Net Utilization
JB 136	48		0.00	6,507.50	45.00	900.00	0.69%	41.67%	0.29%	0%
JB 140	48		0.00	6,507.50	16.00	154.00	0.25%	3.24%	0.05%	0%
JB 146	36		No events found							
JB 146/147	72		0.00	6,507.50	30.33	959.17	0.47%	37.27%	0.2%	0%
JB 147	36		0.00	6,507.50	45.00	945.00	0.69%	58.33%	0.4%	0%
JB 148	35		0.00	6,507.50	135.00	2,295.00	2.07%	57.14%	1.01%	0.02%
JB 149	32		0.00	6,507.50	66.50	315.00	1.02%	10.94%	0.15%	0%
JB 202	17		0.00	6,507.50	126.00	1,284.00	1.94%	41.18%	1.16%	0.02%
JB 204	20		0.00	6,507.50	723.50	7,087.00	11.12%	44.33%	5.45%	0.61%
JB 214	24		0.00	6,507.50	180.00	1,800.00	2.77%	41.67%	1.15%	0.03%
JB 215	30		0.00	6,507.50	196.50	1,932.00	3.02%	37.33%	0.99%	0.03%
JB 216	35		0.00	6,507.50	133.50	975.00	2.05%	20.95%	0.43%	0.01%
JB 217	24		0.00	6,507.50	173.50	2,301.00	2.67%	36.81%	1.47%	0.04%
JB BLDG (NO SPACES)	0		No events found							
JB FIRST LEVEL LOBBY	0		No events found							
JB SECOND LEVEL LOBBY	0		No events found							
JB SIMPLY-TO-	0		No events found							
LB 105	40		No events found							
LB 106 - STUDENT HEALTH SERVICES	0		No events found							
LB 206	42		0.00	6,507.50	440.00	12,355.67	6.76%	44.13%	4.52%	0.31%
LB 207	40		0.00	6,507.50	461.67	10,939.25	7.09%	41.25%	4.2%	0.3%
LB 208	40		0.00	6,507.50	324.00	5,688.00	4.98%	34.32%	2.19%	0.11%
LB 32 (STUDY ROOM)	7		No events found							
LB 35/37	24		0.00	6,507.50	444.92	6,845.50	6.84%	55.83%	4.38%	0.3%
LB 38	70		142.50	6,365.00	186.00	10,375.00	2.92%	36.81%	2.33%	0.07%
LB BLDG	0		No events found							
LB LOBBY	0		No events found							
LOBDELL'S RESTAURANT - BOT	0		No events found							
LUCKY JACK'S	0		No events found							
MILL CREEK ELEMENTARY	30		No events found							
O 103	4	0	No events found							
O 113	23		0.00	6,507.50	11.00	0.00	0.17%	0%	0%	0%
O 152 TUTORING	0		No events found							
O 201	12		No events found							

# Location Utilization Summary 199

	(A) Max Capacity	(B) Fill Ratio	(C) Blackout Hours	(D) Possible Hours	(E) Hours Used	(F) Contact Hours	(G) Time Utilization	(H) Class Seat Utilization	(I) Station Utilization	(J) Net Utilization
O 202	24			No events found						
O 203	72		0.00	6,507.50	133.50	2,574.00	2.05%	28.12%	0.55%	0.01%
O 204	30		0.00	6,507.50	177.00	2,271.00	2.72%	50.67%	1.16%	0.03%
O 205	72		0.00	6,507.50	225.25	5,374.50	3.46%	34.58%	1.15%	0.04%
O 208 OFFICE	2			No events found						
O 209 OFFICE	2			No events found						
O 210 OFFICE	2			No events found						
O BLDG (NO SPACES)	0			No events found						
O LOBBY	0			No events found						
O SIMPLY-TO-GO CAFE	0			No events found						
O SSC	50			No events found						
OBSV BLDG	60		0.00	6,507.50	215.67	2,573.33	3.31%	19.17%	0.66%	0.02%
OBSV GATE	0			No events found						
OC 102	5			No events found						
OC 112	91			No events found						
OC 129	20		0.00	6,507.50	37.00	266.00	0.57%	35.71%	0.2%	0%
OC A	44			No events found						
OC A/B	88			No events found						
OC ABC	132			No events found						
OC B	44			No events found						
OC B/C	88			No events found						
OC BACK DOOR (NO SPACES)	0			No events found						
OC BLDG (NO SPACES)	0			No events found						
OC C	44			No events found						
OC LOBBY	86			No events found						
OFF CAMPUS	9999999			No events found						
ONLINE CLASS	9999999		0.00	6,507.50	1,287.00	87,018.00	19.78%	0%	0%	0%
OPEN TO PUBLIC	9999999			No events found						
OSTERLIN TESTING SITE A	25	0		No events found						
OSTERLIN TESTING SITE B	25	0		No events found						
Off Site Catering	0	0		No events found						
P 100	90		0.00	6,507.50	280.00	3,070.00	4.3%	11.94%	0.52%	0.02%
P 100N	50			No events found						
P 100S	50			No events found						

# Location Utilization Summary <sup>200</sup>

	(A) Max Capacity	(B) Fill Ratio	(C) Blackout Hours	(D) Possible Hours	(E) Hours Used	(F) Contact Hours	(G) Time Utilization	(H) Class Seat Utilization	(I) Station Utilization	(J) Net Utilization
P 107	5			No events found						
P 120	40		0.00	6,507.50	283.50	829.00	4.36%	9.75%	0.32%	0.01%
P 202	24			No events found						
P 206	30		0.00	6,507.50	60.00	1,680.00	0.92%	46.67%	0.86%	0.01%
P 207 (MEDIA SERVICES)	0			No events found						
P BUILDING	0			No events found						
P LOBBY	0			No events found						
P SHOWER ROOMS	0			No events found						
PHG GYM	500			No events found						
PRESIDENT'S CONFERENCE ROOM	5			No events found						
PRESIDENT'S OFFICE	0			No events found						
PS - HALL OF TECHNOLOGY	0			No events found						
PS 101/103	78		0.00	6,507.50	241.17	4,224.00	3.71%	12.82%	0.83%	0.03%
PS 104B	0			No events found						
PS 105 (NOT RENTABLE)	12			No events found						
PS 106	16			No events found						
PS 106K SIMPLY-TO-GO CAFE	0			No events found						
PS 107	16		0.00	6,507.50	522.00	6,516.00	8.02%	54.17%	6.26%	0.5%
PS 110	12			No events found						
PS 112	32		0.00	6,507.50	241.50	3,698.50	3.71%	50.62%	1.78%	0.07%
PS 114	24			No events found						
PS 115 - MMTC-NL	24			No events found						
PS 151	22		0.00	6,507.50	635.00	7,447.50	9.76%	44.7%	5.2%	0.51%
PS 151C	20	0		No events found						
PS 151D	20	0		No events found						
PS 151E	20	0		No events found						
PS 153	12			No events found						
PS 154 (RESOURCE ROOM)	6			No events found						
PS 155	24		0.00	6,507.50	846.00	9,243.50	13%	40.36%	5.92%	0.77%
PS 157	96			No events found						
PS 157A	16		0.00	6,507.50	667.00	6,724.00	10.25%	61.36%	6.46%	0.66%
PS 157B	16			No events found						
PS 157C	7			No events found						
PS 159	0			No events found						

# Location Utilization Summary <sup>201</sup>

	(A) Max Capacity	(B) Fill Ratio	(C) Blackout Hours	(D) Possible Hours	(E) Hours Used	(F) Contact Hours	(G) Time Utilization	(H) Class Seat Utilization	(I) Station Utilization	(J) Net Utilization
PS 1ST FLOOR COMMONS	0			No events found						
PS 201	24		0.00	6,507.50	86.75	1,052.25	1.33%	35.83%	0.67%	0.01%
PS 203	24		0.00	6,507.50	470.50	5,534.00	7.23%	47.02%	3.54%	0.26%
PS 204	19		0.00	6,507.50	122.00	1,962.00	1.87%	84.21%	1.59%	0.03%
PS 204 B - RESOURCE ROOM	0			No events found						
PS 205	24		0.00	6,507.50	180.00	2,040.00	2.77%	47.22%	1.31%	0.04%
PS 206	20			No events found						
PS 206A	0			No events found						
PS 216	0			No events found						
PS 217/219	20		0.00	6,507.50	377.00	3,451.00	5.79%	36.43%	2.65%	0.15%
PS 218	16		0.00	6,507.50	102.33	366.00	1.57%	26.79%	0.35%	0.01%
PS 220	30		0.00	6,507.50	443.00	5,095.00	6.81%	35.15%	2.61%	0.18%
PS 222	24		0.00	6,507.50	106.50	1,554.00	1.64%	73.33%	1%	0.02%
PS 222/224	56		0.00	6,507.50	393.67	6,105.83	6.05%	41.61%	1.68%	0.1%
PS 224	24		0.00	6,507.50	180.00	3,180.00	2.77%	73.61%	2.04%	0.06%
PS 225	24		0.00	6,507.50	150.00	870.00	2.31%	25%	0.56%	0.01%
PS 226	24		0.00	6,507.50	295.83	4,123.33	4.55%	58.97%	2.64%	0.12%
PS 227	14			No events found						
PS 2ND FLOOR COMMONS	0			No events found						
PS AIRPORT SIDE PATIO	0			No events found						
PS BLDG (NO SPACES)	0			No events found						
PS BUILDING	0			No events found						
PS EAST OFFICE WING	0			No events found						
PS NORTH OFFICE WING	0			No events found						
PS RECEPTION LOBBY	0			No events found						
PS SOLAR TRAILER	0			No events found						
SBHS SBHS	20			No events found						
SH FIRST LEVEL WEST LOBBY	0			No events found						
SH 09	24			No events found						
SH 101	40		0.00	6,507.50	263.83	4,081.50	4.05%	36.5%	1.57%	0.06%
SH 102	40		0.00	6,507.50	285.00	7,804.50	4.38%	63.93%	3%	0.13%
SH 103	24			No events found						
SH 103/105	64		0.00	6,507.50	87.00	2,343.00	1.34%	39.75%	0.56%	0.01%
SH 104	32		0.00	6,507.50	229.00	3,793.00	3.52%	50.78%	1.82%	0.06%



# Location Utilization Summary <sup>202</sup>

	(A) Max Capacity	(B) Fill Ratio	(C) Blackout Hours	(D) Possible Hours	(E) Hours Used	(F) Contact Hours	(G) Time Utilization	(H) Class Seat Utilization	(I) Station Utilization	(J) Net Utilization
SH 105	40		0.00	6,507.50	83.50	956.50	1.28%	27.5%	0.37%	0%
SH 106	32		0.00	6,507.50	79.50	1,381.00	1.22%	59.1%	0.66%	0.01%
SH 107 - FACULTY & STAFF BREAKROOM	10			No events found						
SH 109	120		0.00	6,507.50	50.50	1,116.00	0.78%	22.83%	0.14%	0%
SH 113	40		0.00	6,507.50	180.00	3,555.00	2.77%	48.12%	1.37%	0.04%
SH 15	24			No events found						
SH 19	0			No events found						
SH 20	24		0.00	6,507.50	90.00	1,530.00	1.38%	70.83%	0.98%	0.01%
SH 20/22	60		0.00	6,507.50	167.00	1,804.00	2.57%	14.67%	0.46%	0.01%
SH 202	40		0.00	6,507.50	611.83	13,069.33	9.4%	39.83%	5.02%	0.47%
SH 204	28		0.00	6,507.50	347.00	4,859.00	5.33%	47.96%	2.67%	0.14%
SH 205	24		0.00	6,507.50	144.33	1,853.67	2.22%	56.94%	1.19%	0.03%
SH 206 ALICE 1	25		0.00	6,507.50	12.50	251.00	0.19%	80%	0.15%	0%
SH 207	32		0.00	6,507.50	324.00	5,290.00	4.98%	48.66%	2.54%	0.13%
SH 209	32		0.00	6,507.50	572.33	11,715.00	8.79%	58.52%	5.63%	0.49%
SH 215 - FACULTY & STAFF BREAK ROOM	10			No events found						
SH 217	77		0.00	6,507.50	276.00	3,502.00	4.24%	16.51%	0.7%	0.03%
SH 218 ALICE 2	23			No events found						
SH 22	32		0.00	6,507.50	377.33	5,985.00	5.8%	43.06%	2.87%	0.17%
SH 221 - WRITING & READING CNTR SD 10	0			No events found						
SH 23 - WHITE PINE PRESS OFFICE	10			No events found						
SH 28 - NMC MAGAZINE	5			No events found						
SH 30	32			No events found						
SH 32	32			No events found						
SH BLDG (NO SPACES)	0			No events found						
SH FIRST LEVEL EAST LOBBY	0			No events found						
SH SECOND LEVEL LOBBY	0			No events found						
STUDENT SERVICES CONFERENCE ROOM	10			No events found						
T 51 - TECH HELP DESK	0			No events found						
T 53 - MATH LAB	7			No events found						
TANIS BUILDING (NO SPACES)	0			No events found						
TC GOLF AND COUNTRY CLUB	0			No events found						
TC OPERA HOUSE	0			No events found						

# Location Utilization Summary <sup>203</sup>

	(A) Max Capacity	(B) Fill Ratio	(C) Blackout Hours	(D) Possible Hours	(E) Hours Used	(F) Contact Hours	(G) Time Utilization	(H) Class Seat Utilization	(I) Station Utilization	(J) Net Utilization
TCAPS	0			No events found						
TCCHS ROOM	0			No events found						
TCWSH ROOM	30		0.00	6,507.50	30.00	300.00	0.46%	33.33%	0.15%	0%
TECHNOLOGY HELP DESK	0			No events found						
UC 01	24		3,206.25	3,301.25	2.00	0.00	0.06%	0%	0%	0%
UC 05	42			No events found						
UC 06	22			No events found						
UC 07	44		3,206.25	3,301.25	4.50	41.00	0.14%	19.32%	0.03%	0%
UC 08	13			No events found						
UC 09	24			No events found						
UC 103 (ZONTA)	8			No events found						
UC 105 (ZONTA)	8			No events found						
UC 106	16			No events found						
UC 11	14			No events found						
UC 12	24			No events found						
UC 14	28			No events found						
UC 14/16	48			No events found						
UC 16	28			No events found						
UC 17	0			No events found						
UC 18	0			No events found						
UC 202-F (GRAY)	15			No events found						
UC 204	36		0.00	6,507.50	41.50	245.50	0.64%	16.32%	0.1%	0%
UC 205	24			No events found						
UC 206	9			No events found						
UC 207	40		0.00	6,507.50	17.00	103.00	0.26%	21.25%	0.04%	0%
UC 208	20		0.00	6,507.50	34.00	123.00	0.52%	20%	0.09%	0%
UC 209	32		0.00	6,507.50	16.50	77.50	0.25%	16.88%	0.04%	0%
UC 211	12			No events found						
UC 212	32			No events found						
UC 213	24			No events found						
UC 214	24			No events found						
UC 215	24			No events found						
UC 215/217	48			No events found						
UC 216	24			No events found						

# Location Utilization Summary <sup>204</sup>

	(A) Max Capacity	(B) Fill Ratio	(C) Blackout Hours	(D) Possible Hours	(E) Hours Used	(F) Contact Hours	(G) Time Utilization	(H) Class Seat Utilization	(I) Station Utilization	(J) Net Utilization
UC 217	24			No events found						
UC 218	24			No events found						
UC 219	24			No events found						
UC BLDG (NO SPACES)	0			No events found						
UC Basement Common Area Kitchen	10	0		No events found						
UC CAFE	14			No events found						
UC FIRST LEVEL SOUTH LOBBY	6			No events found						
UC GVSU Lower Level	90	0		No events found						
UC LOWER LEVEL SOUTH LOBBY	19			No events found						
UC OFF CAMPUS	0			No events found						
UC PARTNER OFFICE	0			No events found						
UC PATIO	35			No events found						
VIRTUAL MEETING	999999			No events found						
WH - KITCHEN BACK DOOR	0			No events found						
WH - LOWER LEVEL STUDENT CENTER	55			No events found						
WH - NORTHWEST GRIND C-STORE	0			No events found						
WH - STUDENT LOUNGE/STUDY AREA	10			No events found						
WH 01	6	0		No events found						
WH 02	6	0		No events found						
WH 03	4	0		No events found						
WH 04	4	0		No events found						
WH 08	14	0	0.00	6,507.50	8.00	150.00	0.12%	59.52%	0.16%	0%
WH 09	3	0		No events found						
WH 104	24	0		No events found						
WH 104/105	48	0	0.00	6,507.50	418.50	7,284.00	6.43%	32.88%	2.33%	0.15%
WH 105	24	0	0.00	6,507.50	30.00	720.00	0.46%	100%	0.46%	0%
WH 106	36	0		No events found						
WH 106/107	76	0	0.00	6,507.50	408.00	15,270.00	6.27%	35.53%	3.09%	0.19%
WH 107	40	0		No events found						
WH 116	4	0	0.00	6,507.50	6.75	27.00	0.1%	100%	0.1%	0%
WH 117	4	0	0.00	6,507.50	6.75	27.00	0.1%	100%	0.1%	0%
WH 118	4	0	0.00	6,507.50	6.75	27.00	0.1%	100%	0.1%	0%
WH 123	24	0	0.00	6,507.50	38.50	676.50	0.59%	70.49%	0.43%	0%
WH 124	2	0		No events found						

# Location Utilization Summary <sup>205</sup>

	(A) Max Capacity	(B) Fill Ratio	(C) Blackout Hours	(D) Possible Hours	(E) Hours Used	(F) Contact Hours	(G) Time Utilization	(H) Class Seat Utilization	(I) Station Utilization	(J) Net Utilization
WH 125	2	0		No events found						
WH 14	30	0		No events found						
WH 15	30	0	0.00	6,507.50	128.00	1,248.00	1.97%	22.5%	0.64%	0.01%
WH 203	0	0		No events found						
WH 207	4	0		No events found						
WH 208	2	0	0.00	6,507.50	2.00	0.00	0.03%	0%	0%	0%
WH 209	4	0		No events found						
WH 35	10	0		No events found						
WH BLDG (NO SPACES)	0			No events found						
WH LOBBY	0	0		No events found						
WH Library	0	0		No events found						
West Hall Catering	0	0		No events found						
Z_P 151C	20	0		No events found						



**Column A & B**

Maximum Capacity and Fill Ratio are values that may be provided for a location. The location utilization computations cannot be made where Maximum Capacity has not been specified.

**Column C**

Blackout Hours is the total hours of all blackout dates defined for a location for this report time period.

**Column D**

Possible Hours is calculated by taking the total possible hours for the report period (K) defined by the user report parameters and subtracting the total blackout hours for the location during that same time period.

**Column E**

Hours Used is the total number of hours for all occurrences assigned to this location during the report period.

**Column F**

Contact Hours is the product of (column I), Total Hours Used, and the Selected Head Count for each reservation in the report period.

**Column G**

Time Utilization is the percentage of hours a location is used during the report period. This is the quotient of (column E), Hours Used, divided by (column D), Possible Hours. This value is expressed as a percentage.

**Column H**

Class Seat Utilization is the average percentage of seats used for each reservation compared to the Maximum Capacity of the location. Class Seat Utilization is calculated by taking the Selected Head Count, divided by (column A), Maximum Capacity, multiplied by 100. This value is expressed as a percentage.

**Column I**

Station Utilization is the percentage of total contact hours compared to the total possible contact hours for the location during the report period. The total possible contact hours is the (column A), Maximum Capacity, multiplied by (column D), Total Possible Hours. This value is expressed as a percentage.

**Column J**

Net Utilization is the product of (column G), Time Utilization, and (column I), Station Utilization. This value is expressed as a percentage.

**Column K**

The Total Hours per Report Period is computed from the date and time range entered when the report was printed.

# **Appendix H**

## **Replacement Value — Insurance Appraisal for all Buildings**

APPRAISAL OF

NORTHWESTERN MICHIGAN COLLEGE

1701 EAST FRONT STREET

TRAVERSE CITY, MICHIGAN 49686

# R.A. Schettler, Inc.

24634 W. FIVE MILE RD.  
REDFORD, MI. 48239

Certified  
Appraisal Service

(248) 705-5801

Industrial - Commercial

RAS

Residential - Institutional

NOVEMBER 1, 2021

ASSOCIATED RISK MANAGEMENT, INC.  
39111 W. SIX MILE ROAD  
LIVONIA, MICHIGAN 48152

TO WHOM IT MAY CONCERN:

WE SUBMIT HERewith OUR CERTIFIED APPRAISAL OF ASSETS BELONGING TO NORTHWESTERN MICHIGAN COLLEGE, 1701 EAST FRONT, TRAVERSE CITY, MICHIGAN. THIS APPRAISAL INCLUDES BUILDINGS ONLY.

THIS APPRAISAL IS ARRANGED UNDER SEVERAL PROPERTY CLASSIFICATIONS AND FURNISHES AN UNBIASED STATEMENT OF VALUES.

THE "REPLACEMENT VALUE NEW" THE COST THAT WOULD BE INCURRED IN ACQUIRING AN EQUALLY DESIRABLE SUBSTITUTE FOR PROPERTY, WHICH IS DETERMINED IN ACCORDANCE WITH MARKET PRICES PREVAILING AT THE DATE OF THIS APPRAISAL AND REPRESENTS THE COST TO REPLACE NEW, THE PROPERTY IN LIKE KIND.

THE "SOUND OR INSURABLE VALUE" INDICATING PRESENT PHYSICAL SOUND VALUES OF THE PROPERTY OF AN OPERATING ENTERPRISE BASED UPON THE COST OF REPRODUCTION NEW, LESS AN ALLOWANCE FOR ACCRUED DEPRECIATION RESULTING FROM ITS AGE, CONDITION AND DEGREE OF OBSOLESCENCE.

A SUMMARY IMMEDIATELY FOLLOWING THIS LETTER SHOWS THE REPLACEMENT VALUE NEW AND SOUND INSURABLE VALUES SEGREGATED ACCORDING TO ACCOUNTS ESTABLISHED BY OUR COMPANY.

IN ORDER THAT YOU MAY FULLY UNDERSTAND THE SERVICES WE HAVE RENDERED, WE PRESENT THE IMPORTANT POINTS AS FOLLOWS:

FIRST: ALL PHYSICAL CHANGES OF THEIR PROPERTY (ADDITIONS, REMOVALS, REPLACEMENTS, ALTERATIONS AND CHANGES IN LOCATION) AS FURNISHED BY THEIR MANAGERIAL STAFF AND/OR RECORDS HAVE BEEN INCORPORATED IN THE APPRAISAL.

SECOND: WE HAVE CHECKED AND VERIFIED BY PERSONAL INVESTIGATION ALL CHANGES SUBMITTED BY THEIR STAFF.

A RECOGNIZED AUTHORITY SINCE 1935



R. A. SCHETTLER, INC.

PAGE 2

THIRD: WITH THE INFORMATION OBTAINED FROM THEIR RECORDS,  
WE HAVE DEDUCTED IN DOLLARS ALL RETIREMENTS AND  
ABANDONMENTS THAT HAVE TRANSPIRED SINCE THE DATE  
OF THEIR LAST APPRAISAL.

ECONOMIC CONDITIONS AFFECTING THE CONSTRUCTION, EQUIPMENT AND LABOR  
MARKETS, VALUES SHOWN ARE SUBJECT TO ADJUSTMENT, AS REQUIRED, AFTER  
THE DATE SPECIFIED IN CERTIFICATES.

WE HAVE NOT EXAMINED THE LEGAL TITLES OF PROPERTY; THEREFORE WE DO  
NOT ASSUME RESPONSIBILITY REGARDING THE OWNERSHIP OF PROPERTY IN  
THIS APPRAISAL.

VERY TRULY YOURS,

R. A. SCHETTLER, INC.

RAS/mbj

# R.A. Schettler, Inc.

24634 W. FIVE MILE RD.  
REDFORD, MI. 48239

Certified  
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RAS

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NOVEMBER 1, 2021

NORTHWESTERN MICHIGAN COLLEGE  
1701 EAST FRONT STREET  
TRAVERSE CITY, MICHIGAN 49686

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THE "SOUND OR INSURABLE VALUE" INDICATING PRESENT PHYSICAL SOUND VALUES OF THE PROPERTY OF AN OPERATING ENTERPRISE BASED UPON THE COST OF REPRODUCTION NEW, LESS AN ALLOWANCE FOR ACCRUED DEPRECIATION RESULTING FROM ITS AGE, CONDITION AND DEGREE OF OBSOLESCENCE.

A SUMMARY IMMEDIATELY FOLLOWING THIS LETTER SHOWS THE REPLACEMENT VALUE NEW AND SOUND INSURABLE VALUES SEGREGATED ACCORDING TO ACCOUNTS ESTABLISHED BY OUR COMPANY.

IN ORDER THAT YOU MAY FULLY UNDERSTAND THE SERVICES WE HAVE RENDERED, WE PRESENT THE IMPORTANT POINTS AS FOLLOWS:

FIRST: ALL PHYSICAL CHANGES OF YOUR PROPERTY (ADDITIONS, REMOVALS, REPLACEMENTS, ALTERATIONS AND CHANGES IN LOCATION) AS FURNISHED BY YOUR MANAGERIAL STAFF AND/OR RECORDS HAVE BEEN INCORPORATED IN THE APPRAISAL.

SECOND: WE HAVE CHECKED AND VERIFIED BY PERSONAL INVESTIGATION ALL CHANGES SUBMITTED BY YOUR STAFF.

A RECOGNIZED AUTHORITY SINCE 1935

R. A. SCHETTLER, INC.

PAGE 2

THIRD: WITH THE INFORMATION OBTAINED FROM YOUR RECORDS,  
WE HAVE DEDUCTED IN DOLLARS ALL RETIREMENTS AND  
ABANDONMENTS THAT HAVE TRANSPIRED SINCE THE DATE OF  
YOUR LAST APPRAISAL.

ECONOMIC CONDITIONS AFFECTING THE CONSTRUCTION, EQUIPMENT AND LABOR  
MARKETS, VALUES SHOWN ARE SUBJECT TO ADJUSTMENT, AS REQUIRED, AFTER  
THE DATE SPECIFIED IN CERTIFICATES.

WE HAVE NOT EXAMINED THE LEGAL TITLES OF PROPERTY; THEREFORE WE DO  
NOT ASSUME RESPONSIBILITY REGARDING THE OWNERSHIP OF PROPERTY IN  
THIS APPRAISAL.

VERY TRULY YOURS,

R. A. SCHETTLER, INC.

RAS/MBJ

R.A SCHETTLER, INC.  
REGISTERED APPRAISERS

-CERTIFY-

THAT ON THE DATE GIVEN IN THIS CERTIFICATE, THE PROPERTY OF

NORTHWESTERN MICHIGAN COLLEGE

LOCATED AT: 1701 EAST FRONT STREET

TRAVERSE CITY, MICHIGAN 49686

WAS WELL AND REASONABLY WORTH:

TWO HUNDRED THIRTY-SIX MILLION, SIX HUNDRED  
FORTY-EIGHT THOUSAND, THREE HUNDRED DOLLARS.

ON THE BASIS OF ITS REPLACEMENT VALUE NEW

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DISTRIBUTION OF VALUES ARE AS FOLLOWS:

REAL ESTATE - BUILDINGS. . . . . \$236,648,300.00  
\_\_\_\_\_

DATE: NOVEMBER FIRST TWO THOUSAND TWENTY-ONE R.A. SCHETTLER, INC.

PROJECT NO: 2186 BY \_\_\_\_\_



R.A SCHETTLER, INC.  
REGISTERED APPRAISERS

-CERTIFY-

THAT ON THE DATE GIVEN IN THIS CERTIFICATE, THE PROPERTY OF

NORTHWESTERN MICHIGAN COLLEGE

LOCATED AT: 1701 EAST FRONT STREET

TRAVERSE CITY, MICHIGAN 49686

WAS WELL AND REASONABLY WORTH:

ONE HUNDRED SIXTY-EIGHT MILLION, TWENTY-THREE THOUSAND,  
THREE HUNDRED DOLLARS

ON THE BASIS OF ITS SOUND VALUATION

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DISTRIBUTION OF VALUES ARE AS FOLLOWS:

REAL ESTATE - BUILDINGS. . . . . \$168,023,300.00  
\_\_\_\_\_

DATE: NOVEMBER FIRST TWO THOUSAND TWENTY-ONE R.A. SCHETTLER, INC.

PROJECT NO: 2186 BY \_\_\_\_\_

## SUMMATION

Asset Acct: NORTHWESTERN MICHIGAN COLLEGE  
 REAL ESTATE - BUILDING -

As of 11/1/21

Summary by:	Replacement Value New	Sound or Depr. Value
TANIS/BIEDERMAN/HEALTH & SCIENCE	35,127,600.00	25,643,100.00
APARTMENT A	2,056,600.00	1,048,700.00
APARTMENT B	2,056,600.00	1,048,900.00
APARTMENT C	2,056,600.00	1,048,700.00
EASTERN AVENUE STORAGE BUILDING	66,300.00	48,400.00
APPEL BIOLOGY LABORATORY	175,700.00	65,000.00
AVIATION	2,763,400.00	1,519,900.00
BECKETT	9,401,800.00	7,239,400.00
FOUNDERS HALL	1,350,700.00	877,900.00
EAST HALL	13,792,300.00	7,861,600.00
FINE ARTS	5,565,900.00	3,395,300.00
OSTERLIN LIBRARY	13,890,100.00	7,778,500.00
MUSEUM/AUDITORIUM	19,921,000.00	15,538,400.00
OBSERVATORY	465,900.00	279,500.00
OLESON CENTER	2,892,900.00	2,111,800.00
PHYSICAL EDUCATION	6,471,400.00	3,041,500.00
POWERHOUSE	2,441,600.00	1,049,900.00
SCHOLARS HALL	17,802,900.00	10,325,700.00
WEST HALL INNOVATION CENTER	20,084,600.00	18,076,200.00
UNIVERSITY CENTER CAMPUS	15,551,400.00	10,574,900.00
UTILITY TUNNELS	2,207,300.00	1,015,400.00
PARSEN-STULLEN M-TEC	17,627,500.00	13,832,000.00
MAINTENANCE	1,173,800.00	939,000.00
LANDSCAPE BIN	35,300.00	28,200.00

CONTINUED.....

## SUMMATION

Asset Acct: NORTHWESTERN MICHIGAN COLLEGE  
REAL ESTATE - BUILDING -

As of 11/1/21

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Summary by:	Replacement Value New	Sound or Depr. Value
AUTOMOTIVE SERVICE TECHNOLOGY	3,767,600.00	2,373,600.00
GREAT LAKES CAMPUS	25,272,400.00	20,723,400.00
AERO PARK LAB	4,754,800.00	2,900,500.00
NORTH HALL	7,874,300.00	7,638,100.00
<hr/>		
GRAND TOTAL	236,648,300.00	168,023,300.00

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R. A. SCHETTLER, INC.  
Appraisal Engineers

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REAL ESTATE - BUILDING - NORTHWESTERN MICHIGAN COLLEGE

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NAME OF BUILDING: TANIS/BIEDERMAN

KIND OF BUILDING: CLASS C

NO. OF STORIES: TWO AND THREE

OCCUPANCY - OFFICES AND CLASSROOMS

SIZE - FIRST FLOOR	17,707 SQUARE FEET
SECOND FLOOR	17,907 SQUARE FEET
THIRD FLOOR	8,718 SQUARE FEET
<hr/>	
TOTAL SQUARE FEET	44,392

FOUNDATION: CONCRETE

SUPERSTRUCTURE:

FRAME - STEEL

FLOORS - CONCRETE ON GROUND, PRECAST PRESTRESSED CONCRETE PLANKS,  
3" CONCRETE TOPPING, CONCRETE JOISTS, CONCRETE SLAB

FLOOR COVER - CARPET, OFFICES, CLASSROOMS, CORRIDOR  
BRICK, LOBBY  
CERAMIC TILE, RESTROOMS  
TERRAZZO, STAIRCASES

ROOF STRUCTURE - PRECAST CONCRETE PLANK, SKYLIGHT 20' X 20';  
CONCRETE JOISTS PRECAST TEES, CONCRETE SLAB

ROOF COVER - BUILT-UP COMPOSITION, RIGID INSULATION

CEILINGS - SUSPENDED ACOUSTICAL LAY-IN OFFICES AND CLASSROOMS;  
- GYPSUM BOARD, PAINTED RESTROOMS

INTERIOR CONSTRUCTION - METAL FRAME PARTITIONS;  
- 6" CONCRETE BLOCK PARTITIONS;  
- 8" CONCRETE BLOCK PARTITIONS

BUILT-IN FIXTURES -

- MONTGOMERY PASSENGER ELEVATOR, 3 STOP, 2,500 LB. CAPACITY
- 6 - LAMINATE TOP STUDY TABLES, 24' 10 SWIVEL SEATS EACH
- 6 - LAMINATE TOP TABLES, 24' WITH 5 SWIVEL SEATS
- RECEPTION DESK, LAMINATE
- 17 - WALL CABINETS, LAMINATE, 24" WIDE
- 3 - WALL CABINETS, LAMINATE, 12" WIDE
- 3 - BASE CABINETS, LAMINATE, SOLID SURFACE TOP, 24" WIDE
- 2 - BASE CABINETS, LAMINATE, LAMINATE TOP, 24"
- 2 - BASE CABINETS, LAMINATE, SOLID SURFACE TOP, 12" WIDE
- 2 - BASE CABINETS, LAMINATE, SOLID SURFACE TOP, 18" WIDE

R. A. SCHESSLER, INC.  
Appraisal Engineers

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REAL ESTATE - BUILDING

NORTHWESTERN MICHIGAN COLLEGE

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TANIS/BIEDERMAN: continued

MECHANICAL EQUIPMENT:

PLUMBING - AN APPROVED SYSTEM OF SANITARY FIXTURES CONSISTING OF:

- 14 - WATER CLOSETS
- 16 - LAVATORIES
- 6 - URINALS
- 2 - SANITARY SINKS
- 3 - DRINKING FOUNTAINS
- 1 - WATER HEATER, ELECTRIC, 200 GALLON
- 1 - HOSPITAL SINK, STAINLESS STEEL

ELECTRICAL - AN APPROVED SYSTEM OF WIRING ALL IN CONDUIT WITH  
NECESSARY WALL PLUGS AND SWITCH BOXES;  
DISTRIBUTION PANEL, TRANSFORMERS

- 1 - 500 KVA TRANSFORMER

HEATING AND AIR CONDITIONING -

- STEAM FROM POWERHOUSE
- McQUAY MODEL MSL164BH AIR HANDLING UNIT
- McQUAY MODEL WHR080B2 PACKAGED WATER CHILLER, 70-TON
- HEATING PUMPS AND CHILLED WATER PUMPS AS REQUIRED
- LIEBERT COMPUTER ROOM CONDENSING UNIT
- KOLDWAVE AIR CONDITIONING UNIT
- MITSUBISHI PKG-30F WALL MOUNT AIR CONDITIONER
- MITSUBISHI CONDENSING UNIT
- BRYANT MODEL 580FEV151224AA PACKAGED GAS HEAT, 12 1/2 TON  
COOLING UNIT, #4907G30305
- CARRIER MODEL 48TME012-611 PACKAGED GAS HEAT, 12 TON  
COOLING UNIT, #1709G10902
- ABB VARIABLE FREQUENCY DRIVES

EXTERIOR WALLS - 14" CONCRETE

- FACE BRICK BLOCK BACK-UP, 12"
- DRYVIT, BLOCK BACK-UP, 8"
- 12" CONCRETE
- CURTAIN WALL

MISCELLANEOUS:

- SPRINKLERS THROUGHOUT
- COMPUTER ROOM FLOOR
- NOTIFIER
- FIRE ALARM SYSTEM
- 1 - AUTOMATIC DOOR OPENER
- ACCESS CONTROL SYSTEM
- 3 - CAMERA SECURITY SYSTEM

QUALITY OF CONSTRUCTION: GOOD

BUILT: TANIS/ADMINISTRATION 1958; RENOVATED 1997

BIEDERMAN/HEALTH EDUCATION 1976; RENOVATED 2002

R. A. SCHETTLER, INC.  
Appraisal Engineers

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REAL ESTATE - BUILDING - NORTHWESTERN MICHIGAN COLLEGE

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NAME OF BUILDING: HEALTH AND SCIENCE

KIND OF BUILDING: CLASS C

NO. OF STORIES: TWO WITH PARTIAL BASEMENT, PENTHOUSE

OCCUPANCY: SCIENCE

SIZE: BASEMENT - 4,013 SQUARE FEET  
1ST FLOOR - 28,195 SQUARE FEET  
2ND FLOOR - 22,821 SQUARE FEET  
PENTHOUSE - 6,098 SQUARE FEET

TOTAL SQUARE FEET = 61,127

FOUNDATION: CONCRETE

SUPERSTRUCTURE

FRAME - STEEL

FLOORS - CONCRETE ON GROUND; CONCRETE COMPOSITE ON METAL DECK

FLOOR COVERINGS - CARPET; LINOLEUM; PORCELAIN TILE  
CERAMIC TILE

ROOF STRUCTURE - STEEL, CONCRETE ON METAL DECK

ROOF COVER - EPDM ROOF MEMBRANE WITH INSULATION

CEILINGS - SUSPENDED ACOUSTICAL TILE  
PERFORATED METAL TILE  
GYPSUM BOARD

INTERIOR CONSTRUCTION - MASONRY AND FRAME PARTITIONS

BUILT-IN FIXTURES -

- 4 - DENTAL DESKS, DOUBLE FACE, WOOD, 74" WIDE
- 3 - TALL CABINETS, WOOD, 18" WIDE
- 3 - TALL CABINETS, WOOD, 42" WIDE
- 1 - TALL CABINET, WOOD, 30" WIDE
- 28 - WALL CABINETS, WOOD, 36" WIDE
- 3 - WALL CABINETS, WOOD, 24" WIDE
- 2 - WALL CABINETS, WOOD, 12" WIDE
- 5 - WALL CABINETS, WOOD, 30" WIDE
- 55 - BASE CABINETS, WITH EPOXY RESIN TOP, WOOD, 36" WIDE
- 5 - BASE CABINETS, WITH EPOXY RESIN TOP, WOOD, 24" WIDE
- 16 - BASE CABINETS, WITH EPOXY RESIN TOP, WOOD, 18" WIDE

R. A. SCHETTLER, INC.  
Appraisal Engineers

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REAL ESTATE - BUILDING -

NORTHWESTERN MICHIGAN COLLEGE

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HEALTH SCIENCE: continued

SUPERSTRUCTURE: continued

BUILT-IN FIXTURES - continued

- 2 - TALL CABINETS, WOOD, 48" WIDE
- 3 - TALL CABINETS, WOOD, 36" WIDE
- 7 - WALL CABINETS, WOOD, 24" WIDE
- 5 - WALL CABINETS, WOOD, 18" WIDE
- 5 - WALL CABINETS, WOOD, 48" WIDE
- 10 - WALL CABINETS, WOOD, 42" WIDE
- 23 - BASE CABINETS, WOOD WITH EPOXY RESIN TOP, 42" WIDE
- 19 - BASE CABINETS, WOOD, WITH EPOXY RESIN TOP, 21" WIDE
- 10 - BASE CABINETS, WOOD, EPOXY RESIN TOP, 48" WIDE
- 3 - BASE CABINETS, WOOD, EPOXY RESIN TOP, 15" WIDE
- 3 - BASE CABINETS, WOOD, EPOXY RESIN TOP, 12" WIDE
- 1 - BASE CABINET, WOOD, EPOXY RESIN TOP, 30" WIDE
- 6 - KNEE SPACE CABINET, WOOD, EPOXY RESIN TOP, 48" WIDE
- 1 - KNEE SPACE CABINET, WOOD, EPOXY RESIN TOP, 52" WIDE
- 12 - DESK, WOOD, EPOXY RESIN TOP, 45" WIDE
- 18 - LAMINATE BASE CABINETS, LAMINATE TOP, 36" WIDE
- 5 - LAMINATE BASE CABINETS, LAMINATE TOP, 18" WIDE
- 2 - LAMINATE BASE CABINETS, LAMINATE TOP, 30" WIDE
- BACKPACK HANGERS, WALL MOUNT
- 2 - ACCORDIAN PARTITIONS
- 2 - SENTINEL COIN OPERATED LOCKERS, 5-DOOR, 16 TIER
- 18 - FUME HOODS WITH CABINET BASE
- 10 - CORRIDOR BENCH SEATING UNITS, 20 LINEAR FEET EACH WITH 2 TABLES
- EMERGENCY EYE WASH

PLUMBING - AN APPROVED SYSTEM OF SANITARY FIXTURES CONSISTING OF:

- 19 - WATER CLOSETS
- 17 - LAVATORY
- 6 - URINALS
- 2 - SANITARY SINKS
- 4 - DRINKING FOUNTAINS
- 1 - BATHTUB
- 1 - LOCHINVAR DOMESTIC HOT WATER TANK

ELECTRICAL - AN APPROVED SYSTEM OF WIRING ALL IN CONDUIT WITH NECESSARY WALL PLUGS AND SWITCH BOXES,

- PITTSWAY NOTIFIER FIRE ALARM SYSTEM
- CLOCK SYSTEM
- 3 - CONTROLLED POWER EMERGENCY LIGHTING CONTROLLER
- TELEPHONE, DATA, LAN AND FIBER OPTIC



R. A. SCHETTLER, INC.  
Appraisal Engineers

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REAL ESTATE - BUILDING -

NORTHWESTERN MICHIGAN COLLEGE

HEALTH SCIENCE continued

SUPERSTRUCTURE: continued

HEATING AND AIR CONDITIONING -

- STEAM FROM POWER HOUSE
- 1 - HAAKON AIRPAK AIR HANDLING UNIT, #01-638101R
- 1 - TRANE EXHAUST FAN, 30 HORSEPOWER MOTOR
- 2 - TRANE EXHAUST FANS, 25 HORSEPOWER MOTOR
- 7 - TRANE UNIT HEATERS
- PUMPS AS REQUIRED
- 1 - TRANE RAUCD104BL0320 D0010 ROOFTOP AIR CONDITIONING UNIT  
#C01M67625
- 1 - TRANE RAUCD104BL0320 D0010 ROOFTOP AIR CONDITIONING UNIT  
#C01M67624
- TRANE PROGRAM CONTROL MODULE
- DRISTEAM VAPOR LOGIC 2 HUMIDIFIER
- 65 - VARIABLE AIR VOLUME TERMINAL UNITS (VAV)

EXTERIOR WALLS -

- FACE BRICK, BLOCK BACKUP, 12"
- COMPOSITE METAL PANEL SYSTEM AT FASCIA AND SOFFIT
- 1" INSULATED BUTT GLAZING IN ANOD ALUMINUM FRAME, SPLAYED  
MULLION AND LAP SEAL GLAZING
- 1" INSULATED GLAZING IN ANOD ALUMINUM CURTAIN WALL SYSTEM
- COMPOSITE METAL PANEL SYSTEM IN ANOD ALUMINUM CURTAIN WALL SYSTEM
- SPANDREL GLAZING IN ANOD ALUMINUM CURTAIN WALL SYSTEM

MISCELLANEOUS:

- 1 - OTIS PASSENGER ELEVATOR, 4 STOP, #38832
- PREFABRICATED GREENHOUSE
- LIFELINE MEDICAL AIR SYSTEM WITH 2 HITACHI 7.5 HORSEPOWER AIR  
COMPRESSORS
- SNOWMELT SYSTEM WITH 3 HEATWAY 1574 UNITS
- SPRINKLERS THROUGHOUT
- ACCESS CONTROL SYSTEM
- 5 - CAMERA SECURITY SYSTEM

BUILT: 2002

QUALITY OF CONSTRUCTION: GOOD

R. A. SCHESSLER, INC.  
Appraisal Engineers

Asset Acct.: NORTHWESTERN MICHIGAN COLLEGE Bldg.: APARTMENT A  
REAL ESTATE - BUILDING

Description	11/1/21
FOUNDATION:	75,000.00
SUPERSTRUCTURE:	
FLOORS	160,300.00
FLOOR COVERINGS	146,000.00
CEILINGS	48,700.00
ROOF STRUCTURE	53,700.00
ROOF COVER	32,900.00
INTERIOR CONSTRUCTION	483,600.00
BUILT-IN FIXTURES	55,800.00
ELECTRICAL	167,500.00
PLUMBING	163,200.00
HEATING	162,200.00
MISCELLANEOUS CONSTRUCTION	43,500.00
EXTERIOR WALLS	327,700.00
TOTAL LABOR AND MATERIALS	1,922,100.00
ARCHITECT'S PLANS AND SUPERVISION	7%
Replacement Value New	2,056,600.00
Depreciation %	49%
Sound Valuation	1,048,900.00

R. A. SCHETTLER, INC.  
Appraisal Engineers

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REAL ESTATE - BUILDING - NORTHWESTERN MICHIGAN COLLEGE

---

NAME OF BUILDING: APARTMENT A

KIND OF BUILDING: CLASS D

NO. OF STORIES: THREE

OCCUPANCY: APARTMENTS

SIZE	1ST FLOOR	- 4,133 SQUARE FEET
	2ND FLOOR	- 4,133 SQUARE FEET
	3RD FLOOR	- 4,133 SQUARE FEET

TOTAL SQUARE FEET 12,399

FOUNDATION: CONCRETE

SUPERSTRUCTURE:

FLOORS - WOOD JOISTS, WOOD DECK; CONCRETE ON GROUND

FLOOR COVERINGS - CARPET IN APARTMENTS AND CORRIDORS  
- VINYL TILE IN KITCHENS, BATHROOMS, LAUNDRY ROOM

ROOF STRUCTURE - WOOD TRUSS, WOOD DECK, HIP

ROOF COVER - SHINGLES, INSULATION

CEILINGS - GYPSUM BOARD

INTERIOR CONSTRUCTION - WOOD FRAME PARTITIONS

BUILT-IN FIXTURES - KITCHEN CABINETS WITH 2 COMPARTMENT SINK IN EACH  
- 36 COMPARTMENT MAILBOX

PLUMBING - AN APPROVED SYSTEM OF SANITARY FIXTURES CONSISTING OF:  
12 - WATER CLOSETS  
23 - LAVATORIES  
12 - BATH TUBS  
2 - WATER HEATERS, 75 GALLON

ELECTRICAL - AN APPROVED SYSTEM OF WIRING ALL IN CONDUIT WITH  
NECESSARY WALL PLUGS AND SWITCH BOXES

HEATING AND AIR CONDITIONING -  
- PUMPS AS REQUIRED  
- 40-GALLON EXPANSION TANK  
- BASEBOARD THROUGHOUT  
1 - LOCHINVAR MODEL F9XL, GAS FIRED BOILER

R. A. SCHETTLER, INC.  
Appraisal Engineers

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REAL ESTATE - BUILDING - NORTHWESTERN MICHIGAN COLLEGE

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APARTMENT A: continued

SUPERSTRUCTURE: continued

EXTERIOR WALLS - WOOD FRAME, FACE BRICK

MISCELLANEOUS:

8 - BALCONIES, WOOD CONSTRUCTION WITH RAILING

- FIRE ALARM SYSTEM

2 - AWNINGS, WOOD CONSTRUCTION, 10 X 16'

QUALITY OF CONSTRUCTION: GOOD

BUILT: 1972

R. A. SCHESSLER, INC.  
Appraisal Engineers

Asset Acct.: NORTHWESTERN MICHIGAN COLLEGE    Bldg.: APARTMENT B  
REAL ESTATE - BUILDING

Description	11/1/21
FOUNDATION:	75,000.00
SUPERSTRUCTURE:	
FLOORS	160,300.00
FLOOR COVERINGS	146,000.00
CEILINGS	48,700.00
ROOF STRUCTURE	53,700.00
ROOF COVER	32,900.00
INTERIOR CONSTRUCTION	483,600.00
BUILT-IN FIXTURES	55,800.00
ELECTRICAL	167,500.00
PLUMBING	163,200.00
HEATING	162,200.00
MISCELLANEOUS CONSTRUCTION	43,500.00
EXTERIOR WALLS	329,700.00
TOTAL LABOR AND MATERIALS	1,922,100.00
ARCHITECT'S PLANS AND SUPERVISION	7%
Replacement Value New	2,056,600.00
Depreciation %	49%
Sound Valuation	1,048,700.00



R. A. SCHETTLER, INC.  
Appraisal Engineers

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REAL ESTATE - BUILDING - NORTHWESTERN MICHIGAN COLLEGE

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NAME OF BUILDING: APARTMENT B

KIND OF BUILDING: CLASS D

NO. OF STORIES: THREE

OCCUPANCY: APARTMENTS

SIZE	1ST FLOOR	- 4,133 SQUARE FEET
	2ND FLOOR	- 4,133 SQUARE FEET
	3RD FLOOR	- 4,133 SQUARE FEET

TOTAL SQUARE FEET	<u>12,399</u>
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FOUNDATION: CONCRETE

SUPERSTRUCTURE:

FLOORS - WOOD JOISTS, WOOD DECK; CONCRETE ON GROUND

FLOOR COVERINGS - CARPET IN APARTMENTS AND CORRIDORS  
- VINYL TILE IN KITCHENS, BATHROOMS, LAUNDRY ROOM

ROOF STRUCTURE - WOOD TRUSS, WOOD DECK, HIP

ROOF COVER - SHINGLES, INSULATION

CEILINGS - GYPSUM BOARD

INTERIOR CONSTRUCTION - WOOD FRAME PARTITIONS

BUILT-IN FIXTURES - KITCHEN CABINETS WITH 2 COMPARTMENT SINK IN EACH  
- 36 COMPARTMENT MAILBOX

PLUMBING - AN APPROVED SYSTEM OF SANITARY FIXTURES CONSISTING OF:  
12 - WATER CLOSETS  
23 - LAVATORIES  
12 - BATH TUBS  
2 - WATER HEATERS, 75 GALLON

ELECTRICAL - AN APPROVED SYSTEM OF WIRING ALL IN CONDUIT WITH  
NECESSARY WALL PLUGS AND SWITCH BOXES

HEATING AND AIR CONDITIONING -  
- PUMPS AS REQUIRED  
- 40-GALLON EXPANSION TANK  
- BASEBOARD THROUGHOUT  
1 - LOCHINVAR MODEL FTXL GAS FIRED BOILER

R. A. SCETTLE, INC.  
Appraisal Engineers

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REAL ESTATE - BUILDING - NORTHWESTERN MICHIGAN COLLEGE

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APARTMENT B: continued

SUPERSTRUCTURE: continued

EXTERIOR WALLS - WOOD FRAME, FACE BRICK

MISCELLANEOUS:

8 - BALCONIES, WOOD CONSTRUCTION WITH RAILING

- FIRE ALARM SYSTEM

2 - AWNINGS, WOOD CONSTRUCTION, 10 X 16'

QUALITY OF CONSTRUCTION: GOOD

BUILT: 1972

R. A. SCHESSLER, INC.  
Appraisal Engineers

Asset Acct.: NORTHWESTERN MICHIGAN COLLEGE    Bldg.: APARTMENT C  
REAL ESTATE - BUILDING

Description	11/1/21
FOUNDATION:	75,000.00
SUPERSTRUCTURE:	
FLOORS	160,300.00
FLOOR COVERINGS	146,000.00
CEILINGS	48,700.00
ROOF STRUCTURE	53,700.00
ROOF COVER	32,900.00
INTERIOR CONSTRUCTION	483,600.00
BUILT-IN FIXTURES	55,800.00
ELECTRICAL	167,500.00
PLUMBING	163,200.00
HEATING	162,200.00
MISCELLANEOUS CONSTRUCTION	43,500.00
EXTERIOR WALLS	329,700.00
TOTAL LABOR AND MATERIALS	1,922,000.00
ARCHITECT'S PLANS AND SUPERVISION	7%
Replacement Value New	2,056,600.00
Depreciation %	49%
Sound Valuation	1,048,900.00

R. A. SCHETTLER, INC.  
Appraisal Engineers

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REAL ESTATE - BUILDING - NORTHWESTERN MICHIGAN COLLEGE

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NAME OF BUILDING: APARTMENT C

KIND OF BUILDING: CLASS D

NO. OF STORIES: THREE

OCCUPANCY: APARTMENTS

SIZE	1ST FLOOR	- 4,133 SQUARE FEET
	2ND FLOOR	- 4,133 SQUARE FEET
	3RD FLOOR	- 4,133 SQUARE FEET

TOTAL SQUARE FEET	<u>12,399</u>
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FOUNDATION: CONCRETE

SUPERSTRUCTURE:

FLOORS - WOOD JOISTS, WOOD DECK; CONCRETE ON GROUND

FLOOR COVERINGS - CARPET IN APARTMENTS AND CORRIDORS  
- VINYL TILE IN KITCHENS, BATHROOMS, LAUNDRY ROOM

ROOF STRUCTURE - WOOD TRUSS, WOOD DECK, HIP

ROOF COVER - SHINGLES, INSULATION

CEILINGS - GYPSUM BOARD

INTERIOR CONSTRUCTION - WOOD FRAME PARTITIONS

BUILT-IN FIXTURES - KITCHEN CABINETS WITH 2 COMPARTMENT SINK IN EACH  
- 36 COMPARTMENT MAILBOX

PLUMBING - AN APPROVED SYSTEM OF SANITARY FIXTURES CONSISTING OF:  
12 - WATER CLOSETS  
23 - LAVATORIES  
12 - BATH TUBS  
2 - WATER HEATERS, 75 GALLON

ELECTRICAL - AN APPROVED SYSTEM OF WIRING ALL IN CONDUIT WITH  
NECESSARY WALL PLUGS AND SWITCH BOXES

HEATING AND AIR CONDITIONING -  
- PUMPS AS REQUIRED  
- 40-GALLON EXPANSION TANK  
- BASEBOARD THROUGHOUT  
1 - LOCHINVAR MODEL FTXL GAS FIRED BOILER

R. A. SCETTLE, INC.  
Appraisal Engineers

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REAL ESTATE - BUILDING - NORTHWESTERN MICHIGAN COLLEGE

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APARTMENT C: continued

SUPERSTRUCTURE: continued

EXTERIOR WALLS - WOOD FRAME, FACE BRICK

MISCELLANEOUS:

8 - BALCONIES, WOOD CONSTRUCTION WITH RAILING

- FIRE ALARM SYSTEM

2 - AWNINGS, WOOD CONSTRUCTION, 10 X 16'

QUALITY OF CONSTRUCTION: GOOD

BUILT: 1972





R. A. SCHETTLER, INC.  
Appraisal Engineers

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REAL ESTATE - BUILDING -

NORTHWESTERN MICHIGAN COLLEGE

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NAME OF BUILDING: EASTERN AVENUE STORAGE BUILDING

QUALITY OF CONSTRUCTION: AVERAGE

SIZE           WIDTH 24', LENGTH 56', HEIGHT 8'/13'

TOTAL SQUARE FEET = 1,344

KIND OF BUILDING: CLASS D

NO. OF STORIES: ONE

OCCUPANCY: STORAGE

FOUNDATION: WOOD

SUPERSTRUCTURE:

FRAME - WOOD

FLOORS - CONCRETE ON GROUND

CEILINGS - PARTICLE BOARD WITH INSULATION

ROOF STRUCTURE - WOOD JOISTS

ROOF COVER - METAL DECK

INTERIOR CONSTRUCTION - ONE WOOD FRAME PARTITION

ELECTRICAL - AN APPROVED SYSTEM OF WIRING ALL IN CONDUIT

HEATING - 2 - ELECTROMODE SUSPENDED ELECTRIC UNIT HEATERS

EXTERIOR WALLS - WOOD FRAME, METAL SIDING, SINGLE WALL;  
                  SLIDING METAL DOOR, 99 X 89",  
                  - WOOD FRAME METAL SIDING WITH PARTICLE BOARD  
                  INTERIOR, INSULATION

BUILT: 1992 - ADDITION 1994

R. A. SCHETTLER, INC.  
Appraisal Engineers

Asset Acct.: NORTHWESTERN MICHIGAN COLLEGE    Bldg.: APPEL BIOLOGY LAB  
REAL ESTATE - BUILDING

Description	11/1/21
FOUNDATION:	4,400.00
SUPERSTRUCTURE:	
FRAME	2,900.00
FLOORS	12,700.00
FLOOR COVERINGS	15,100.00
CEILINGS	5,600.00
ROOF STRUCTURE	12,000.00
ROOF COVER	5,600.00
INTERIOR CONSTRUCTION	24,800.00
BUILT-IN FIXTURES	10,700.00
ELECTRICAL	12,500.00
PLUMBING	16,000.00
HEATING	5,200.00
EXTERIOR WALLS	39,800.00
TOTAL LABOR AND MATERIALS	167,300.00
ARCHITECT'S PLANS AND SUPERVISION	5%
Replacement Value New	175,700.00
Depreciation %	63%
Sound Valuation	65,000.00

R. A. SCHETTLER, INC.  
Appraisal Engineers

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REAL ESTATE - BUILDING

NORTHWESTERN MICHIGAN COLLEGE

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NAME OF BUILDING: APPEL BIOLOGY LAB - 1891 SARNS RD.

TYPE OF BUILDING: RESIDENTIAL RANCH, CLASS D

NO. OF STORIES: ONE

OCCUPANCY: FIELD LABORATORY WITH CONFERENCE ROOM

TOTAL SQUARE FEET = 1,160, MORE OR LESS

FOUNDATION: CONCRETE BLOCK

SUPERSTRUCTURE:

FRAME - WOODEN FRAME

FLOORS - WOODEN DECK

FLOOR COVERINGS - ASPHALT TILE IN LABORATORY AND DINING AREA  
HARDWOOD IN CONFERENCE ROOM, CARPET TILES

CEILINGS - WOOD TOUNGUE AND GROOVE GYPSUM BOARD

ROOF STRUCTURE - WOODEN GABLE

ROOF COVER - ASPHALT SHINGLES

INTERIOR CONSTRUCTION - WOOD FRAME DRYWALL PARTITIONS  
- PINE SIDING IN CONFERENCE ROOM

BUILT-IN FIXTURES - 1 - FIREPLACE, BRICK MANTLE  
- LAB COUNTER, 30 LINEAR FT. WITH STAINLESS  
STEEL SINK  
1 - YOUNGSTOWN METAL KITCHEN SINK

PLUMBING - AN APPROVED SYSTEM OF SANITARY FIXTURES CONSISTING OF:  
1 - WATER CLOSET  
1 - LAVATORY  
1 - URINAL  
1 - KITCHEN SINK  
1 - WATER HEATER, 18 GALLON

ELECTRICAL - AN APPROVED SYSTEM OF WIRING ALL IN CONDUIT WITH  
NECESSARY WALL PLUGS AND SWITCH BOXES, INCANDESCENT AND  
FLUORESCENT FIXTURES

HEATING - RUDD GAS FIRED FURNACE WITH DUCTWORK

EXTERIOR WALLS - VINYL SIDING, WINDOWS IN VINYL SASH

QUALITY OF CONSTRUCTION: AVERAGE  
BUILT: 1950'S, RENOVATED IN 1983

R. A. SCHETTLER, INC.  
Appraisal Engineers

Asset Acct.: NORTHWESTERN MICHIGAN COLLEGE    Bldg.: AVIATION  
REAL ESTATE - BUILDING

Description	11/1/21
FOUNDATION:	120,500.00
SUPERSTRUCTURE:	
FRAME	292,300.00
FLOORS	226,000.00
FLOOR COVERINGS	42,800.00
CEILINGS	37,200.00
ROOF STRUCTURE	218,900.00
ROOF COVER	225,000.00
INTERIOR CONSTRUCTION	242,200.00
BUILT-IN FIXTURES	12,500.00
ELECTRICAL	330,400.00
PLUMBING	110,800.00
HEATING	98,500.00
MISCELLANEOUS CONSTRUCTION	202,600.00
EXTERIOR WALLS	447,300.00
TOTAL LABOR AND MATERIALS	2,607,000.00
ARCHITECT'S PLANS AND SUPERVISION	6%

Replacement Value New	2,763,400.00
Depreciation %	45%
Sound Valuation	1,519,900.00



R. A. SCHESSLER, INC.  
Appraisal Engineers

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REAL ESTATE - BUILDING - NORTHWESTERN MICHIGAN COLLEGE

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NAME OF BUILDING: AVIATION - 2550 AERO PARK DRIVE

KIND OF BUILDING: CLASS S/C

NO. OF STORIES: ONE

OCCUPANCY: AVIATION HANGAR WITH REPAIR AREA, OFFICES AND CLASSROOMS

TOTAL SQUARE FEET = 20,912 WITH 1,750 SQUARE FT. STORAGE MEZZANINE

FOUNDATION: POURED CONCRETE FOOTINGS, REINFORCED

SUPERSTRUCTURE:

FRAME - STEEL I BEAMS AND COLUMNS

FLOORS - 4" POURED CONCRETE ON SAND FILL  
- CONCRETE DECK, MEZZANINE

FLOOR COVERINGS - VINYL ASBESTOS  
- CARPETING IN OFFICES AND CLASSROOMS

ROOF STRUCTURE - 1/2" METAL DECK ON RIGID FRAME  
- OPEN STEEL FOR METAL

ROOF COVER - SINGLE MEMBRANE WITH INSULATION  
- METAL, PRE-ENGINEERED WITH INSULATION

CEILINGS - SUSPENDED ACOUSTICAL IN OFFICES, CORRIDORS AND  
CLASSROOMS

INTERIOR CONSTRUCTION - MASONRY BLOCK PARTITIONS

BUILT-IN FIXTURES - 1 - FOLDING PARTITION WALL  
- CHALKBOARDS AND TACKBOARDS IN CLASSROOMS  
1 - LAMINATE KITCHENETTE COUNTER WITH  
STAINLESS STEEL SINK

PLUMBING - AN APPROVED SYSTEM OF SANITARY FIXTURES CONSISTING OF:  
4 - WATER CLOSETS  
5 - LAVATORIES  
2 - URINALS  
2 - SANITARY SINKS  
1 - RHEEM 50-GALLON WATER HEATER  
1 - WATER COOLER

R. A. SCHESSLER, INC.  
Appraisal Engineers

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REAL ESTATE - BUILDING - NORTHWESTERN MICHIGAN COLLEGE

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AVIATION: continued

SUPERSTRUCTURE: continued

ELECTRICAL - AN APPROVED SYSTEM OF WIRING ALL IN CONDUIT WITH  
NECESSARY WALL PLUGS AND SWITCH BOXES, FLUORESCENT  
TUBE FIXTURES, LED LIGHT FIXTURES IN HANGAR  
SQUARE D PANEL BOARD

HEATING AND AIR CONDITIONING -

- 2 - RUUD GAS FIRED FORCED AIR FURNACES W/AIR CONDITIONING
- 1 - APPLIED AIR MODEL GIF-100LH UNIT HEATER, 1,250,000 BTU
- 2 - ARCOAIRE ROOFTOP CONDENSING UNITS WITH INSULATION

EXTERIOR WALLS - PRE-ENGINEERED METAL SIDING; 8" FLUTED BLOCK  
AND MAIN ENTRANCE

MISCELLANEOUS:

- 1 - ALUMINUM FOLD-UP HANGAR DOOR, 80' X 20' WITH ELECTRIC OPENING  
SYSTEM
- 1 - ALUMINUM FOLD-UP DOOR, 50 X 20' WITH ELECTRIC OPENING SYSTEM
- 1 - METAL STAIRWAY TO MEZZANINE
- 1 - FIRE ALARM SYSTEM WITH CONTROL BOX
  - ACCESS CONTROL SYSTEM
- 3 - CAMERA SECURITY SYSTEM

QUALITY OF CONSTRUCTION: AVERAGE

BUILT: 1976

R. A. SCHESSLER, INC.  
Appraisal Engineers

Asset Acct.: NORTHWESTERN MICHIGAN COLLEGE    Bldg.: BECKETT  
REAL ESTATE - BUILDING

Description	11/1/21
FOUNDATION:	188,900.00
SUPERSTRUCTURE:	
FRAME	431,400.00
FLOORS	535,500.00
FLOOR COVERINGS	322,200.00
CEILINGS	417,900.00
ROOF STRUCTURE	423,100.00
ROOF COVER	228,300.00
INTERIOR CONSTRUCTION	1,995,600.00
BUILT-IN FIXTURES	13,100.00
ELECTRICAL	1,058,000.00
PLUMBING	625,200.00
HEATING	1,329,700.00
MISCELLANEOUS	53,000.00
EXTERIOR WALLS	864,900.00
FIRE PROTECTION	182,600.00
ELEVATORS	117,400.00
TOTAL LABOR AND MATERIALS	8,786,700.00
ARCHITECT'S PLANS AND SUPERVISION	7%
Replacement Value New	9,401,800.00
Depreciation %	23%
Sound Valuation	7,239,400.00

R. A. SCHETTLER, INC.  
Appraisal Engineers

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REAL ESTATE - BUILDING - NORTHWESTERN MICHIGAN COLLEGE

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NAME OF BUILDING: BECKETT

KIND OF BUILDING: CLASS C

NO. OF STORIES: PARTIAL TWO

OCCUPANCY: CLASSROOMS/OFFICES

SIZE: FIRST FLOOR 20,221  
SECOND FLOOR 14,048

TOTAL SQUARE FEET = 34,269

FOUNDATION: CONCRETE

SUPERSTRUCTURE:

FRAME - STEEL

FLOORS - CONCRETE ON GROUND  
- 6-1/2" CONCRETE SLAB ON 3" GALVANIZED METAL DECK,  
STEEL JOIST

FLOOR COVERINGS - VINYL TILE  
- CARPET  
- CERAMIC TILE  
2 - RECESSED MATS

ROOF STRUCTURE - STEEL JOISTS, METAL DECK, 6-1/2" CONCRETE SLAB

ROOF COVER - SINGLE PLY MEMBRANE WITH INSULATION

CEILINGS - GYPSUM BOARD  
- SUSPENDED ACOUSTIC PANEL  
- SKYLIGHT  
- E.I.F.S.

INTERIOR CONSTRUCTION - METAL FRAME PARTITIONS, SOME MASONARY

BUILT-IN FIXTURES -

- LAMINATE BASE CABINET, 11', WITH STAINLESS STEEL SINK
- LAMINATE WALL CABINET, 14'
- ISLAND BASE CABINET, LAMINATE, 12 X 3 X 3' HIGH
- COMPUTER ROOM WORK COUNTER, LAMINATE, 36 LINEAR FEET

R. A. SCHESSLER, INC.  
Appraisal Engineers

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REAL ESTATE - BUILDING -

NORTHWESTERN MICHIGAN COLLEGE

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BECKETT: continued

SUPERSTRUCTURE: continued

MECHANICAL EQUIPMENT

PLUMBING - AN MODERN SYSTEM OF SANITARY FIXTURES CONSISTING OF:

- 19 - WATER CLOSETS
- 17 - LAVATORIES
- 8 - URINAL
- 2 - SANITARY SINKS
- 5 - DRINKING FOUNTAINS
- 1 - WATER HEATER

ELECTRICAL - AN APPROVED SYSTEM OF WIRING ALL IN CONDUIT WITH  
NECESSARY WALL PLUGS AND SWITCH BOXES

- COMPUTER WIRING

HEATING AND AIR CONDITIONING -

- 2 - LOCHINVAR MODEL FTX850N GAS FIRED BOILER
- 25 - WATER FURNACE MODEL USV024TL004CVN HEAT PUMP
- PUMPS AS REQUIRED
- ABB VARIABLE FREQUENCY DRIVES
- 1 - NIMBUS VIRGAX3 ROOFTOP COOLING TOWER

EXTERIOR WALLS - CONCRETE BLOCK, FACE BRICK, 12"

MISCELLANEOUS:

- OTIS PASSENGER ELEVATOR, 2-STOP, 2500 LB. CAPACITY, #31455
- SPRINKLERS THRU-OUT
- BRIDGE WALKWAY, 12'5 X 20'
- 2 - AUTOMATIC DOOR OPENERS
- HONEYWELL NOTIFIER FIRE ALARM SYSTEM
- ACCESS CONTROL SYSTEM
- 4 - CAMERA SECURITY SYSTEM

QUALITY OF CONSTRUCTION: GOOD

BUILT: 1996



R. A. SCHETTLER, INC.  
Appraisal Engineers

Asset Acct.: NORTHWESTERN MICHIGAN COLLEGE    Bldg.: FOUNDERS HALL  
REAL ESTATE - BUILDING

Description	11/1/21
FOUNDATION:	31,000.00
SUPERSTRUCTURE:	
FLOORS	53,100.00
FLOOR COVERINGS	47,600.00
CEILINGS	39,500.00
ROOF STRUCTURE	85,400.00
ROOF COVER	55,300.00
INTERIOR CONSTRUCTION	290,000.00
BUILT-IN FIXTURES	32,000.00
ELECTRICAL	151,800.00
PLUMBING	89,600.00
HEATING	122,600.00
MISCELLANEOUS CONSTRUCTION	21,400.00
EXTERIOR WALLS	243,000.00
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TOTAL LABOR AND MATERIALS	1,262,300.00
ARCHITECT'S PLANS AND SUPERVISION	7%
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Replacement Value New	1,350,700.00
Depreciation %	35%
Sound Valuation	877,900.00

R. A. SCHETTLER, INC.  
Appraisal Engineers

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REAL ESTATE - BUILDING - NORTHWESTERN MICHIGAN COLLEGE  
NAME OF BUILDING: FOUNDERS HALL

KIND OF BUILDING: CLASS C

NO. OF STORIES: ONE

OCCUPANCY: OFFICES/CONFERENCE ROOMS

TOTAL SQUARE FEET = 4,950

FOUNDATION: CONCRETE

SUPERSTRUCTURE:

FLOORS - CONCRETE ON GROUND

FLOOR COVERINGS - VINYL TILE  
- CARPET  
- CERAMIC TILE

ROOF STRUCTURE - STEEL JOISTS, STEEL DECK

ROOF COVER - SINGLE PLY MEMBRANE WITH INSULATION

CEILINGS - SUSPENDED ACOUSTICAL PANELS  
- GYPSUM BOARD, LOBBY

INTERIOR CONSTRUCTION - MASONRY PARTITIONS  
- METAL FRAME PARTITIONS

BUILT-IN FIXTURES - CABINETS IN CONFERENCE ROOMS AND WORK ROOM  
- RECEPTION DESK  
- BASE CABINET, OAK, 3.5 X 3.5  
- BASE CABINET, OAK, STAINLESS STEEL SINK, 7-1/2'  
2 - CABINETS, 2 DOOR, LAMINATE, 84" HEIGHT  
- WALL CABINETS, LAMINATE, 6 X 11 X 7 X 9'  
- BASE CABINETS, LAMINATE, 11 X 7  
- WALL CABINETS, OAK, 7-1/2'  
- BASE CABINETS, OAK, STAINLESS STEEL SINK, 5'

PLUMBING - AN APPROVED SYSTEM OF SANITARY FIXTURES CONSISTING OF:  
2 - WATER CLOSETS  
2 - LAVATORY  
1 - URINALS  
1 - SANITARY SINKS  
1 - DRINKING FOUNTAIN  
1 - WATER HEATER

ELECTRICAL - AN APPROVED SYSTEM OF WIRING ALL IN CONDUIT WITH  
NECESSARY WALL PLUGS AND SWITCH BOXES

R. A. SCHESSLER, INC.  
Appraisal Engineers

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REAL ESTATE - BUILDING - NORTHWESTERN MICHIGAN COLLEGE

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FOUNDERS HALL:continued

SUPERSTRUCTURE: continued

HEATING AND AIR CONDITIONING -

- 2 - TRANE MODEL VCD060C1HOBA COMBINATION COOLING AND HEATING UNITS, GAS FIRED, ROOF TOP
- 1 - TRANE YSC060 ROOFTOP GAS FIRED HEATING AND AIR CONDITIONING UNIT

EXTERIOR WALLS - FACE BRICK, BLOCK BACK-UP, 12"

MISCELLANEOUS:

- FIRE ALARM SYSTEM
- ACCESS CONTROL SYSTEM
- 1 - CAMERA SECURITY SYSTEM

QUALITY OF CONSTRUCTION: GOOD

BUILT: 1976

R. A. SCHETTLER, INC.  
Appraisal Engineers

Asset Acct.: NORTHWESTERN MICHIGAN COLLEGE Bldg.: EAST HALL  
REAL ESTATE - BUILDING

Description	11/1/21
BASEMENT:	
FRAME	133,200.00
FLOOR	41,600.00
CEILING	38,600.00
EXTERIOR WALLS	47,500.00
INTERIOR PARTITION	293,900.00
ELECTRICAL	163,700.00
FOUNDATION:	351,800.00
SUPERSTRUCTURE:	
FRAME	1,246,800.00
FLOORS	967,100.00
FLOOR COVERINGS	297,600.00
CEILINGS	362,100.00
ROOF STRUCTURE	366,600.00
ROOF COVER	174,100.00
INTERIOR CONSTRUCTION	3,030,600.00
BUILT-IN FIXTURES	242,000.00
ELECTRICAL	1,533,200.00
PLUMBING	1,168,500.00
HEATING	745,800.00
MISCELLANEOUS CONSTRUCTION	372,000.00
EXTERIOR WALLS	1,313,300.00
TOTAL LABOR AND MATERIALS	12,890,000.00
ARCHITECT'S PLANS AND SUPERVISION	7%
Replacement Value New	13,792,300.00
Depreciation %	43%
Sound Valuation	7,861,600.00

R. A. SCHETTLER, INC.  
Appraisal Engineers

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REAL ESTATE - BUILDING - NORTHWESTERN MICHIGAN COLLEGE

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NAME OF BUILDING: EAST HALL

KIND OF BUILDING: CLASS B

NO. OF STORIES: ONE WITH BASEMENT  
THREE

OCCUPANCY - DORMITORY

SIZE:

BASEMENT	5,037 SQUARE FEET
FIRST FLOOR	19,951 SQUARE FEET
SECOND FLOOR	13,650 SQUARE FEET
THIRD FLOOR	<u>13,650 SQUARE FEET</u>
TOTAL SQUARE FEET	52,288

FOUNDATION: CONCRETE

SUPERSTRUCTURE:

FRAME - CONCRETE COLUMNS AND BEAMS  
- STEEL

FLOORS - CONCRETE ON GROUND C, CONCRETE JOISTS AND CONCRETE SLAB

FLOOR COVER - CARPET, OFFICES, LOUNGE AREAS, AND CORRIDORS  
- VINYL TILE IN RESIDENT ROOMS, CORRIDORS  
- CERAMIC TILE IN RESIDENT BATHROOMS

ROOF STRUCTURE - PRECAST CONCRETE TEE SLAB  
- STEEL JOISTS, METAL DECK

ROOF COVER - SINGLE PLY MEMBRANE, INSULATION

CEILINGS - SUSPENDED ACOUSTICAL TILE IN OFFICES AND LOUNGE AREA  
BLDG C, RESIDENT ROOMS AND CORRIDOR IN BLDG. A AND B  
- GYPSUM BOARD

INTERIOR CONSTRUCTION - 8" BLOCK PARTITIONS  
- DOUBLE SOLID GYPSUM WALL

BUILT-IN FIXTURES -

- 2 - 5-DRAWER 2-DOOR WARDROBE CABINETS, WOOD, 48 X 27 X 86" HEIGHT PER RESIDENT ROOM
- 2 - WOOD BASE CABINETS, LAMINATE MAPLE TOP, 60 X 24" AND STAINLESS STEEL SINK
- 1 - LAVATORY BASE CABINET, LAMINATE, OAK EDGING IN EACH RESIDENT BATHROOM
- 1 - RECESSED MEDICINE CABINET AND MIRROR IN EACH RESIDENT BATHROOM
- 1 - CENTRAL ELEVATOR, PASSENGER ELEVATOR, 3-STOP WITH POWER OPERATED REAR DOOR, 750 LB. CAPACITY



R. A. SCHETTLER, INC.  
Appraisal Engineers

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REAL ESTATE - BUILDING

NORTHWESTERN MICHIGAN COLLEGE

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EAST HALL: continued

BUILT-IN FIXTURES: continued

- MAIL BOXES, 144 DOORS
- RECEPTION DESK, LAMINATE, 15 LINEAR FT.
- INFORMATION DESK, LAMINATE, 13 LINEAR FT.
- 22 LINEAR FT. OF LAMINATE BASE CABINETS
- 22 LINEAR FT. OF LAMINATE WALL CABINETS
- LAMINATE KITCHEN CABINETS IN SUPERVISOR'S APARTMENT

PLUMBING - AN APPROVED SYSTEM OF SANITARY FIXTURES CONSISTING OF:

- 64 - WATER CLOSETS
- 64 - LAVATORIES
- 1 - URINALS
- 2 - SANITARY SINKS
- 2 - ELECTRIC WATER COOLERS
- 2 - BATH TUBS
- 60 - PREFABRICATED FIBERGLASS SHOWERS
- 2 - LAUNDRY TUBS
- 1 - WATER HEATER, STEAM HEATED, 6' DIAMETER X 9' LONG

ELECTRICAL - AN APPROVED SYSTEM OF WIRING ALL IN CONDUIT WITH NECESSARY WALL PLUGS AND SWITCH BOXES

HEATING AND AIR CONDITIONING -

- 2 - LOCHIVAR MODEL FTX850N-M13, GAS FIRED TUBE BOILER
- EXHAUST FANS AS REQUIRED
- PUMPS AS REQUIRED
- 3 - LIEBERT AIR CONDITIONING UNIT WITH CONDENSING UNIT
- 2 - DUCANE MODEL AC10B24A CONDENSING UNIT
- 1 - DUCANE MODEL AC10B36B CONDENSING UNIT
- 1 - DUCANE MODEL AC10B42 CONDENSING UNIT
- 1 - DUCANE MODEL AC10B60 CONDENSING UNIT
- 1 - DUCANE MODEL AC10B24 CONDENSING UNIT
- 1 - DUCANE MODEL AC10B18 CONDENSING UNIT
- 1 - MITSUBISHI CONDENSING UNIT
- UNIT AND CABINET HEATERS

EXTERIOR WALLS - FACE BRICK, BLOCK BACK-UP, 12"

- EIFS CANOPY
- INSULATED GLASS IN ALUMINUM FRAME

MISCELLANEOUS - HONEYWELL NOTIFIER FIRE ALARM SYSTEM WITH SMOKE DETECTORS

- SPRINKLERS THROUGHOUT
- ACCESS CONTROL SYSTEM
- 4 - CAMERA SECURITY SYSTEM

QUALITY OF CONSTRUCTION: GOOD

BUILT: 1967; RENOVATION OF LOBBY AND BASEMENT, ADDITION OF GENERATOR ROOM,

1999; RESIDENT ROOMS RENOVATED IN 2002

R. A. SCHETTLER, INC.  
Appraisal Engineers

Asset Acct.: NORTHWESTERN MICHIGAN COLLEGE    Bldg.: FINE ARTS  
REAL ESTATE - BUILDING

Description	11/1/21
BASEMENT:	
FLOOR	18,700.00
EXTERIOR WALLS	77,200.00
INTERIOR PARTITION	7,500.00
FOUNDATION:	117,000.00
SUPERSTRUCTURE:	
FLOORS	206,900.00
FLOOR COVERINGS	103,500.00
CEILINGS	1,800.00
ROOF STRUCTURE	460,900.00
ROOF COVER	182,600.00
INTERIOR CONSTRUCTION	1,122,700.00
BUILT-IN FIXTURES	63,900.00
ELECTRICAL	648,600.00
PLUMBING	310,400.00
HEATING	818,400.00
MISCELLANEOUS CONSTRUCTION	240,300.00
EXTERIOR WALLS	773,200.00
TOTAL LABOR AND MATERIALS	5,153,600.00
ARCHITECT'S PLANS AND SUPERVISION	8%
Replacement Value New	5,565,900.00
Depreciation %	39%
Sound Valuation	3,395,300.00

R. A. SCHETTLER, INC.  
Appraisal Engineers

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REAL ESTATE - BUILDING - NORTHWESTERN MICHIGAN COLLEGE

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NAME OF BUILDING: FINE ARTS

KIND OF BUILDING: CLASS D

NO. OF STORIES: ONE WITH PARTIAL BASEMENT

OCCUPANCY - ART AND MUSIC CLASSROOMS AND OFFICES

SIZE:

BASEMENT	2,076 SQUARE FEET
FIRST FLOOR	18,800 SQUARE FEET

TOTAL SQUARE FEET 18,800

FOUNDATION: CONCRETE

SUPERSTRUCTURE:

FRAME - WOOD

FLOORS - CONCRETE ON GROUND

FLOOR COVER - CARPET, CORRIDORS, MUSIC, CLASSROOMS, OFFICES, AUDITORIUM  
CERAMIC TILE RESTROOMS

ROOF STRUCTURE - WOOD TRUSS EXPOSED T & G WOOD DECK, 1-1/2" ROD  
AND TURN BUCKLES  
- CONCRETE PLANK

ROOF COVER - ASPHALT SHINGLES, INSULATION  
- SINGLE PLY MEMBRANE WITH INSULATION

CEILINGS - GYPSUM BOARD IN RESTROOMS;  
- GLASS IN MUSIC PRACTICE ROOMS

INTERIOR CONSTRUCTION - MASONRY AND FRAME PARTITIONS

BUILT-IN FIXTURES -

- 175 LINEAR FEET OF CURVED OAK SEATING UNIT WITH FABRIC UPHOLSTERED CUSHIONS
- PROJECTION COUNTER CABINET, WOOD BASE, LAMINATE TOP
- 1 - ROLLING DOOR, METAL, 16 X 7', CERAMICS
- 4 - WOOD BASE CABINETS WITH STAINLESS STEEL SINK, 12'
- 1 - WOOD BASE CABINET WITH STAINLESS STEEL SINK, 4'
- 1 - WOOD BASE CABINET WITH STAINLESS STEEL SINK, 7'

R. A. SCHESSLER, INC.  
Appraisal Engineers

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REAL ESTATE - BUILDING

NORTHWESTERN MICHIGAN COLLEGE

## FINE ARTS: continued

## PLUMBING - AN APPROVED SYSTEM OF SANITARY FIXTURES CONSISTING OF:

- 8 - WATER CLOSETS
- 8 - LAVATORIES
- 3 - URINALS
- 2 - SANITARY SINKS
- 1 - DRINKING FOUNTAINS
- 1 - HOT WATER GENERATOR, 150 GALLON CAPACITY
- 1 - WATER HEATER, ELECTRIC
- 1 - WATER COOLER

## ELECTRICAL - AN APPROVED SYSTEM OF WIRING ALL IN CONDUIT WITH NECESSARY WALL PLUGS AND SWITCH BOXES

- LITETRACK SYSTEM
- LED LIGHT FIXTURES

## HEATING AND AIR CONDITIONING -

- RADIANT PANELS
- 7 - CABINET UNIT HEATERS
- PUMPS AS REQUIRED
- 1 - TRANE MODEL CGAFC25EAHA1A0ODE 25-TON CHILLER, #C04J07864
- 1 - TRANE MODEL RAUCC30EBX030BD00020 30-TON CONDENSING UNIT #CO4J07865
- 1 - TRANE MODEL MCCB014UAOA0UB AIR HANDLING UNIT, AHU-2
- 1 - TRANE MODEL MCCB010UAOA0UA AIR HANDLING UNIT, AHU-1
- 1 - TRANE MODEL MCCB025UADA0UA AIR HANDLING UNIT, AHU-3
- 1 - COOK RETURN AIR FAN, 2 HORSEPOWER
- 1 - TACO CHILLER, #T19843
- 1 - LOCHINVAR MODEL KBN800 GAS FIRED DIRECT VENT BOILER # G08H10057962
- 1 - LOCHINVAR MODEL KBN800 GAS FIRED DIRECT VENT BOILER # G08H10057984
- 1 - FUJITSU SPLIT SYSTEM HEATING/AIR CONDITIONING SYSTEM, RM 104
- 1 - FUJITSU MODEL A0U9RLS3H, CONDENSING UNIT, #QVN003966

EXTERIOR WALLS - WOOD STUD, RED CEDAR SIDING, PLYWOOD SHEATHING,  
- INSULATION

## MISCELLANEOUS - NOTIFIER FIRE ALARM SYSTEM

- 36" DIAMETER KILN STACK, 30' HEIGHT
- SPRINKLERS THUR-OUT
- 1 - MECHANICAL BUILDING WOOD CONSTRUCTION, CONCRETE SLAB, CEDAR SIDING, SINGLE PLY MEMBRANE ROOF COVER, WITH STANDING RIDGES, 14' X 22' X 9/14'6", 308 SQ. FEET
- 308 SQ. FT.
- ACCESS CONTROL SYSTEM
- 1 - CAMERA SECURITY SYSTEM

QUALITY OF CONSTRUCTION: GOOD

BUILT: 1970; MECHANICAL BUILDING 2004

R. A. SCHETTLER, INC.  
Appraisal Engineers

Asset Acct.: NORTHWESTERN MICHIGAN COLLEGE    Bldg.: OSTERLIN LIBRARY  
REAL ESTATE - BUILDING

Description	11/1/21
BASEMENT:	
FLOOR	75,900.00
CEILING	36,200.00
EXTERIOR WALLS	162,000.00
INTERIOR PARTITION	405,800.00
ELECTRICAL	224,500.00
FOUNDATION:	328,600.00
SUPERSTRUCTURE:	
FRAME	1,383,800.00
FLOORS	606,400.00
FLOOR COVERINGS	622,200.00
CEILINGS	344,200.00
ROOF STRUCTURE	618,700.00
ROOF COVER	360,000.00
INTERIOR CONSTRUCTION	2,335,900.00
BUILT-IN FIXTURES	236,200.00
ELECTRICAL	1,483,500.00
PLUMBING	761,800.00
HEATING	1,777,400.00
MISCELLANEOUS CONSTRUCTION	277,400.00
EXTERIOR WALLS	940,900.00
TOTAL LABOR AND MATERIALS	12,981,400.00
ARCHITECT'S PLANS AND SUPERVISION	7%
Replacement Value New	13,890,100.00
Depreciation %	44%
Sound Valuation	7,778,500.00



R. A. SCHETTLER, INC.  
Appraisal Engineers

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REAL ESTATE - BUILDING - NORTHWESTERN MICHIGAN COLLEGE

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NAME OF BUILDING: OSTERLIN LIBRARY

KIND OF BUILDING: CLASS B

NO. OF STORIES: PARTIAL TWO WITH BASEMENT

OCCUPANCY - MEDIA CENTER, OFFICES AND CLASSROOMS

SIZE:

BASEMENT	7,048 SQUARE FEET
FIRST FLOOR	30,760 SQUARE FEET
SECOND FLOOR	8,926 SQUARE FEET

TOTAL SQUARE FEET 46,734 MORE OR LESS

FOUNDATION: POURED REINFORCED CONCRETE FOOTINGS

SUPERSTRUCTURE:

FRAME - CONCRETE, REINFORCED I BEAMS AND COLUMNS

FLOORS - CONCRETE PRECAST TEES, SLAB ON GRADE

FLOOR COVER - CARPET, LIBRARY, OFFICES AND CLASSROOMS  
CERAMIC TILE RESTROOMS  
VINYL ASBESTOS TILE IN CORRIDORS  
TERRAZZO IN CIRCULATION AREA (UNDER CARPET)

ROOF STRUCTURE - PRECAST CONCRETE TEES, SKYLIGHTS IN ALUMINUM  
FRAME

ROOF COVER - SINGLE PLY MEMBRANE WITH INSULATION

CEILINGS - PARTIAL ACOUSTIC AND SUSPENDED ACOUSTICAL

INTERIOR CONSTRUCTION - MASONRY BLOCK PARTITIONS; SOME PAINTED  
DRYWALL

BUILT-IN FIXTURES -

- 1 - ELEVATOR, 2,500 LB. CAPACITY WITH 3 STOPS, 2 DOORS
- 2 - LAMINATE A.V. REPAIR COUNTERS
- 1 - KREONITE PLASTIC DARKROOM SINK WITH LAMINATE WORK COUNTERS
- 1 - REVOLVING DARKROOM DOOR
- 1 - WOODEN SHOWCASE, 19'6" X 4' X 90" HEIGHT, SLIDING GLASS  
DOORS
- ALUMINUM FRAME MARKING BOARDS IN CLASSROOMS
- 1 - SERVICE DESK, LAMINATE 'L' SHAPE, 18 L.F.
- 1 - SERVICE DESK, LAMINATE, 20 L.F.
- 1 - CIRCULATION DESK, LAMINATE 'D' SHAPE, 50 L.F.
- 1 - ISLAND CIRCULATION COUNTER, LAMINATE, 10 L.F.
- LOCKERS

R. A. SCHETTLER, INC.  
Appraisal Engineers

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REAL ESTATE - BUILDING

NORTHWESTERN MICHIGAN COLLEGE

OSTERLIN LIBRARY: continued

PLUMBING - AN APPROVED SYSTEM OF SANITARY FIXTURES CONSISTING OF:

- 13 - WATER CLOSETS
- 18 - LAVATORIES
- 5 - URINALS
- 2 - SANITARY SINKS
- 4 - DRINKING FOUNTAINS
- 1 - HOT WATER HEATER, RHEEM, 82-GALLON

ELECTRICAL - AN APPROVED SYSTEM OF WIRING ALL IN CONDUIT WITH NECESSARY WALL PLUGS AND SWITCH BOXES

- FLUORESCENT TUBE FIXTURES;
- WIRING FOR T.V. PRODUCTION STUDIO WITH STAGE LIGHTING GRID
- 1 - 750 KVA TRANSFORMER

HEATING AND AIR CONDITIONING -

- 1 - TRANE MODEL MCCB025UAOCOUB AIR HANDLING UNIT, AHU-4
- 1 - TRANE MODEL RAUCD124BNC320D0010 125 TON CONDENSING UNIT, #CO4B01452
- CABINET AND UNIT HEATERS AS REQUIRED
- 1 - BOHN MODEL HCS144LF AIR HANDLER
- 1 - BOHN MODEL HCSZ1AMF AIR HANDLER
- 1 - BOHN MODEL HMZ26ALF AIR HANDLER
- 1 - TACO CHILLER
- STEAM FROM POWERHOUSE
- ABB VARIABLE FREQUENCY DRIVES

EXTERIOR WALLS - FACE BRICK ON CONCRETE BLOCK

- WINDOWS IN ALUMINUM SASH
- DRYVIT ON BRICK - SOUTH ELEVATION

MISCELLANEOUS - FIRE ALARM SYSTEM WITH NOTIFIER AFP-200 CONTROL BOX

- 2 - AUTOMATIC DOOR OPENERS
- SPRINKLERS THRU-OUT
- ACCESS CONTROL SYSTEM
- 5 - CAMERA SECURITY SYSTEM

QUALITY OF CONSTRUCTION: GOOD

BUILT: 1961 - MAIN BUILDING  
1983 - ADDITION

R. A. SCHESSLER, INC.  
Appraisal Engineers

Asset Acct.: NORTHWESTERN MICHIGAN COLLEGE    Bldg.: MUSEUM/AUDITORIUM  
REAL ESTATE - BUILDING

Description	11/1/21
FOUNDATION:	434,300.00
SUPERSTRUCTURE	
FRAME	975,600.00
FLOORS	650,100.00
FLOOR COVERINGS	640,700.00
CEILINGS	307,700.00
ROOF STRUCTURE	1,043,400.00
ROOF COVER	1,218,800.00
INTERIOR CONSTRUCTION	3,566,200.00
BUILT-IN FIXTURES	1,506,800.00
ELECTRICAL	1,951,100.00
PLUMBING	637,500.00
HEATING	2,396,700.00
MISCELLANEOUS CONSTRUCTION	480,600.00
EXTERIOR WALLS	2,803,300.00
TOTAL LABOR AND MATERIALS	18,617,800.00
ARCHITECT'S PLANS AND SUPERVISION	7%
Replacement Value New	19,921,000.00
Depreciation %	22%
Sound Valuation	15,538,400.00

R. A. SCHETTLER, INC.  
Appraisal Engineers

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REAL ESTATE - BUILDING - NORTHWESTERN MICHIGAN COLLEGE

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NAME OF BUILDING: MUSEUM/AUDITORIUM

KIND OF BUILDING: CLASS C

NO. OF STORIES: ONE

OCCUPANCY - MUSEUM/AUDITORIUM

SIZE: TOTAL SQUARE FEET 55,085

FOUNDATION: CONCRETE

SUPERSTRUCTURE:

FRAME - STEEL

FLOORS - CONCRETE ON GROUND

FLOOR COVER - CARPET IN OFFICES, LOBBY, GIFT SHOP, AUDITORIUM  
CERAMIC TILE IN RESTROOMS AND CLASSROOMS  
HARDWOOD FLOORS IN EXHIBIT A, B, AND C, STAGE  
MARBLE TILE IN LOBBY, RECEPTION, COATS, SCULPTURE  
COURT, CORRIDOR, VESTIBULE, VINYL TILE IN STORAGE  
SERVING

ROOF STRUCTURE - OPEN WEB STEEL JOISTS, 1-1/2" METAL DECK  
- 8' RADIUS QUARTER VAULT SKYLIGHT

ROOF COVER - STONE BALLAST ON SINGLE PLY ROOF MEMBRANE OVER  
STEPPED INSULATION OVER 3" RIGID INSULATION

CEILINGS - SUSPENDED ACOUSTICAL PANEL IN OFFICES  
- SUSPENDED GYPSUM BOARD  
- SUSPENDED CEILING PANELS, AUDITORIUM

INTERIOR CONSTRUCTION - MASONARY AND METAL FRAME PARTITIONS

BUILT-IN FIXTURES -

- 367 - PLASTIC FIXED THEATER SEATS WITH FABRIC UPHOLSTERED SEAT
- 3 - LOBBY DISPLAY CASES, SLIDING GLASS DOORS, 12 X 5'
- 32 - THEATER SEATS, PLASTIC FIXED WITH FABRIC UPHOLSTERED
- 1 - CURVED OAK RECEPTION DESK, 5' RADIUS LAMINATE WORK SURFACE
  - LOBBY CURVED BENCH, OAK TOP
  - OFFICE CASEWORK, LAMINATE
  - KITCHEN CASEWORK, LAMINATE
  - STAINLESS STEEL RINSE SINK
  - LIGHTING GRID WITH LED LIGHTS
- 2 - FOLDING PARTITIONS
  - PROJECTION SCREEN
  - WINDOW TREATMENT

R. A. SCHETTLER, INC.  
Appraisal Engineers

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REAL ESTATE - BUILDING                      NORTHWESTERN MICHIGAN COLLEGE

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MUSEUM/AUDITORIUM: continued

PLUMBING - AN APPROVED SYSTEM OF SANITARY FIXTURES CONSISTING OF:

- 15 - WATER CLOSETS
- 14 - LAVATORIES
- 4 - URINALS
- 2 - DRINKING FOUNTAIN
- 1 - LOCHINVAR 92-GALLON WATER HEATER
- 1 - JOHNSON COMPUTERIZED
- 2 - SHOWERS
- 1 - ELECTRIC WATER HEATER

ELECTRICAL - AN APPROVED SYSTEM OF WIRING ALL IN CONDUIT WITH  
NECESSARY WALL PLUGS AND SWITCH BOXES  
PHONE, DATA AND VIDEO LINES CONDUIT

- 1 - 1000 KVA TRANSFORMER

HEATING AND AIR CONDITIONING -

- 1 - TRANE MODEL CCDB35MEOM DRAW THROUGH CLIMATE CHANGER, #AHU-1
- 2 - NORTEC CONTROLLER HUMIDIFIERS
- 1 - JOHNSON THERMOSTATIC CONTROL
- 1 - TRANE MODEL 14-C CLIMATE CHANGER, #AHU-2
- 1 - TRANE MODEL 17-C CLIMATE CHANGER, #AHU-3
- PUMPS AS REQUIRE
- 1 - TRANE MODEL RAUJD10EBA132000010, 100 TON CHILLER  
#C10H04015
- 1 - LOCHINVAR KNIGHT MODEL KBN801 GAS FIRED BOILER,  
#F10H10143653
- 1 - LOCHINVAR KNIGHT MODEL KBN801 GAS FIRED BOILER,  
#F10H10143667
- 1 - TRANE MMDEL CSAA021UAL00, CLIMATE CHANGER AIR HANDLING UNIT  
#K17A04961                      #AHU-4
- 1 - THERMA-STOR MODEL HI-E DRY 100 DEHUMIDIFIER
- 1 - DRI-STEEM MODEL GTS200, STEAM HUMIDIFIER
- 1 - LOCHINVAR MODEL WHN285, GAS , WALL-MOUNT BOILER,  
#1607102616001
- 1 - TRANE MODEL RAUJC30EB, ROOF TOP CONDENSING UNIT
- 1 - LOCHINVAR MODEL WHN285, GAS , WALL-MOUNT BOILER,  
#1603102505085
- 1 - ENVIRONMENTAL TECHNOLOGY MODEL APS-3C, SNOW/ICE  
MELTING CONTROLLER
- 77 - VAV BOXES

- EXTERIOR WALLS - 4" STONE VENEER, 2" RIGID INSULATION, BLOCK  
BACK-UP
- 8" WITH 4" LIMESTONE BELT COURSES AND COPING
  - ALUMINUM WINDOW FRAMING WITH 1" INSULATED LOW E  
GLAZI





R. A. SCHESSLER, INC.  
Appraisal Engineers

Asset Acct.: NORTHWESTERN MICHIGAN COLLEGE    Bldg.: OBSERVATORY  
REAL ESTATE - BUILDING

Description	11/1/21
FOUNDATION:	10,500.00
SUPERSTRUCTURE:	
FLOORS	17,800.00
FLOOR COVERINGS	13,000.00
CEILINGS	11,000.00
ROOF STRUCTURE	21,400.00
ROOF COVER	15,000.00
INTERIOR CONSTRUCTION	62,700.00
BUILT-IN FIXTURES	73,300.00
ELECTRICAL	47,600.00
PLUMBING	27,200.00
HEATING	20,500.00
MISCELLANEOUS	15,000.00
EXTERIOR WALLS	104,500.00
TOTAL LABOR AND MATERIALS	439,500.00
ARCHITECT'S PLANS AND SUPERVISION	6%
Replacement Value New	465,900.00
Depreciation %	40%
Sound Valuation	279,500.00

R. A. SCHETTLER, INC.  
Appraisal Engineers

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REAL ESTATE - BUILDING - NORTHWESTERN MICHIGAN COLLEGE

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NAME OF BUILDING: OBSERVATORY - BRIMLEY ROAD

KIND OF BUILDING: CLASS C

NO. OF STORIES: ONE WITH 2 STORY TELESCOPE RECESS

OCCUPANCY - OBSERVATORY WITH CLASSROOM

SIZE: TOTAL SQUARE FEET 1,624 MORE OR LESS

FOUNDATION: POURED CONCRETE

SUPERSTRUCTURE:

FRAME - STRUCTURAL STEEL

FLOORS - 4" REINFORCED CONCRETE

FLOOR COVER - CARPET IN CLASSROOMS, VINYL ASBESTOS TILE

ROOF STRUCTURE - STEEL DECK ON JOIST

ROOF COVER - SINGLE PLY MEMBRANE WITH INSULATION

CEILINGS - SUSPENDED ACOUSTICAL

INTERIOR CONSTRUCTION - FEW MASONRY PARTITION:  
- GYPSUM BOARD WALL COVER

BUILT-IN FIXTURES -

- 1 - ASH-DOME HEMISPHERE ALUMINIZED STEEL TELESCOPE DOME,  
14' DIAMETER WITH SHUTTER SYSTEM
- 1 - CIRCULAR STAIRWAY TO TELESCOPE ACCESS
- 1 - LAMINATE DARKROOM COUNTER WITH STAINLESS STEEL SINK
- 1 - ALUMINUM FRAME CHALKBOARD, 20 X 4'

PLUMBING - AN APPROVED SYSTEM OF SANITARY FIXTURES CONSISTING OF:

- 1 - WATER CLOSET
- 1 - LAVATORY
- 1 - SANITARY SINK
- 1 - DRINKING FOUNTAIN
- 1 - HOT WATER HEATER, 8 GALLON

R. A. SCHESSLER, INC.  
Appraisal Engineers

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REAL ESTATE - BUILDING

NORTHWESTERN MICHIGAN COLLEGE

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OBSERVATORY: continued

ELECTRICAL - AN APPROVED SYSTEM OF WIRING ALL IN CONDUIT WITH  
NECESSARY WALL PLUGS AND SWITCH BOXES  
- FLUORESCENT TUBE FIXTURES

HEATING AND AIR CONDITIONING -

1 - TRANE MODEL GXX110F GAS FIRED FORCED AIR FURNACE  
110,000 BTU/HR

MISCELLANEOUS - ACCESS CONTROL SYSTEM  
1 - CAMERA SECURITY SYSTEM

EXTERIOR WALLS - CONCRETE BLOCK WITH EARTH BERM STUCCO FINISH  
- FEW WINDOWS IN ALUMINUM SASH

QUALITY OF CONSTRUCTION: GOOD

BUILT: 1981

R. A. SCHETTLER, INC.  
Appraisal Engineers

Asset Acct.: NORTHWESTERN MICHIGAN COLLEGE    Bldg.: OLESON CENTER  
REAL ESTATE - BUILDING

Description	11/1/21
FOUNDATION:	62,600.00
SUPERSTRUCTURE:	
FRAME	136,200.00
FLOORS	114,000.00
FLOOR COVERINGS	47,100.00
CEILINGS	70,200.00
ROOF STRUCTURE	177,500.00
ROOF COVER	120,000.00
INTERIOR CONSTRUCTION	656,100.00
BUILT-IN FIXTURES	185,000.00
ELECTRICAL	333,300.00
PLUMBING	197,000.00
HEATING AND AIR CONDITIONING	270,100.00
MISCELLANEOUS CONSTRUCTION	115,800.00
EXTERIOR WALLS	218,700.00
TOTAL LABOR AND MATERIALS	2,703,600.00
ARCHITECT'S PLANS AND SUPERVISION	7%
Replacement Value New	2,892,900.00
Depreciation %	27%
Sound Valuation	2,111,800.00



R. A. SCHETTLER, INC.  
Appraisal Engineers

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REAL ESTATE - BUILDING - NORTHWESTERN MICHIGAN COLLEGE

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NAME OF BUILDING: OLESON CENTER

KIND OF BUILDING: CLASS C

NO. OF STORIES: ONE

OCCUPANCY - CLASSROOM

SIZE: TOTAL SQUARE FEET 10,398

FOUNDATION: POURED CONCRETE

SUPERSTRUCTURE:

FRAME - STEEL

FLOORS - 4" CONCRETE SLAB ON SAND FILL

FLOOR COVER - CARPET IN OFFICES, CLASSROOMS; CERAMIC TILE  
IN KITCHEN; VINYL IN BATHROOMS, CLASSROOM 112

ROOF STRUCTURE - STEEL DECK ON STEEL JOIST  
- HIP ROOF ON JOISTS AND TRUSSES, 1/2" PLYWOOD WITH  
INSULATION

ROOF COVER - ASPHALT SHINGLES, SINGLE PLY MEMBRANE WITH INSULATION

CEILINGS - SUSPENDED ACOUSTICAL; GYPSUM BOARD

INTERIOR CONSTRUCTION - MASONRY BLOCK PARTITIONS

BUILT-IN FIXTURES -

- 1 - HARFORD WALK-IN COOLER, 6 X 12'
- 2 - FOLDING PARTITION WALLS, 30 X 9'
- TOILET PARTITIONS
- 4 - PREP TABLES, 4-DOOR, LAMINATE, STAINLESS STEEL DOUBLE  
SINK, 84 X 30"
- 2 - GREENHECK STAINLESS STEEL GHEW900S CANOPY HOODS WITH  
EXHAUST FAN, LIGHTS, 108 X 42 X 24"
- 2 - DISH TABLES, STAINLESS STEEL WITH SINK, 96 X 30"
- 1 - HARFORD DURACOOOL 86025-1161OR ROOFTOP WALK-IN COOLER  
REFRIGERATION UNIT, #H192OAC
- 2 - HOBART LXIH STAINLESS STEEL WAREWASHER
- 2 - INSINKERATOR SS-150 DISPOSER AND PRERINSE
- 2 - ANSUL FIRE PROTECTION SYSTEMS
- 2 - WALL SHELVES, STAINLESS STEEL, 24 X 18"
- VISUAL DISPLAY BOARDS
- WINDOW TREATMENT
- 1 - WORKSURFACE LAMINATE WALL MOUNTED 'L' SHAPE 19 LINEAR FT.
- BASE CABINET LAMINATE 2-STAINLESS STEEL SINK 22.5 LINEAR FT.
- WALL CABINETS LAMINATE 25.5 LINEAR FT.

R. A. SCHETTLER, INC.  
Appraisal Engineers

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REAL ESTATE - BUILDING

NORTHWESTERN MICHIGAN COLLEGE

OLESON CENTER: continued

BUILT-IN FIXTURES - continued

- 3 - COAT RACKS, OAK WALL MOUNTED, 39X16"
- 3 - COAT RACKS, OAK WALL MOUNTED, 48X16"

PLUMBING - AN APPROVED SYSTEM OF SANITARY FIXTURES CONSISTING OF:

- 7 - WATER CLOSETS
- 6 - LAVATORIES
- 2 - URINALS
- 2 - SANITARY SINKS
- 2 - DRINKING FOUNTAINS
- 1 - RHEEM RUUD 91 GALLON GAS WATER HEATER
- 1 - RHEEM WATER HEATER, ELECTRIC

ELECTRICAL - AN APPROVED SYSTEM OF WIRING ALL IN CONDUIT WITH NECESSARY WALL PLUGS AND SWITCH BOXES

- FLUORESCENT TUBE FIXTURES
- INCANDESCENT SPOTLIGHTS IN LOBBY AND MEETING ROOMS

HEATING AND AIR CONDITIONING -

- 1 - TRANE YSC092A3RLA2FD0AO10/0300 PACKAGED GAS/ELECTRIC ROOFTOP UNIT, 7-1/2 TON CAPACITY, #635102686L
- 1 - TRANE YSC092A3RHA2FD0AOF11B10300 PACKAGED GAS/ELECTRIC ROOFTOP UNIT, 7-1/2 TON CAPACITY, #635102986L
- 1 - TRANE YSC048A3RHA2MD2A101300 PACKAGED GAS/ELECTRIC ROOFTOP UNIT, 4-TON CAPACITY, #635102880L
- 1 - TRANE YSC060A3RHA2TD2AOA/B10300 PACKAGED GAS/ELECTRIC ROOFTOP UNIT, 5 TON CAPACITY, #635102790L
- 1 - TRANE YSCO60A3RHA2TD2AOA/B10300 PACKAGED GAS/ELECTRIC ROOFTOP UNIT, 5-TON CAPACITY, #6351026654L
- 1 - AAON INC. RM-013-8-0-AA02-367 PACKAGED GAS/ELECTRIC ROOFTOP UNIT, 13-TON CAPACITY, #200609-AMGK28824

EXTERIOR WALLS - 8" CONCRETE BLOCK WITH FLUSH WOOD SIDING  
- WINDOWS IN ALUMINUM SASH  
8" SPLIT FACED CONCRETE BLOCK

MISCELLANEOUS -

- 1 - SPRINKLER SYSTEM THRU-OUT
- 1 - NOTIFIER MODEL APF - 200 FIRE ALARM CONTROL SYSTEM
- 1 - CANOPY, CONCRETE/STEEL, 6 X 12'  
- ACCESS CONTROL SYSTEM
- 2 - CAMERA SECURITY SYSTEM

QUALITY OF CONSTRUCTION: VERY GOOD

BUILT: 1978; ADDITION AND RENOVATED IN 2006

R. A. SCHETTLER, INC.  
Appraisal Engineers

Asset Acct.: NORTHWESTERN MICHIGAN COLLEGE    Bldg.: PHYSICAL EDUCATION  
REAL ESTATE - BUILDING

Description	11/1/21
FOUNDATION:	189,400.00
SUPERSTRUCTURE:	
FRAME	485,000.00
FLOORS	335,300.00
FLOOR COVERINGS	396,700.00
CEILINGS	148,300.00
ROOF STRUCTURE	332,900.00
ROOF COVER	155,200.00
INTERIOR CONSTRUCTION	1,336,400.00
BUILT-IN FIXTURES	155,100.00
ELECTRICAL	641,700.00
PLUMBING	469,600.00
HEATING AND AIR CONDITIONING	483,800.00
MISCELLANEOUS CONSTRUCTION	148,900.00
EXTERIOR WALLS	769,700.00
TOTAL LABOR AND MATERIALS	6,048,000.00
ARCHITECT'S PLANS AND SUPERVISION	7%
Replacement Value New	6,471,400.00
Depreciation %	53%
Sound Valuation	3,041,500.00

R. A. SCHETTLER, INC.  
Appraisal Engineers

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REAL ESTATE - BUILDING - NORTHWESTERN MICHIGAN COLLEGE

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NAME OF BUILDING: PHYSICAL EDUCATION

KIND OF BUILDING: CLASS C

NO. OF STORIES: ONE - PARTIAL TWO

OCCUPANCY - PHYSICAL EDUCATION

SIZE: LOWER LEVEL - 19,074 SQUARE FEET  
UPPER LEVEL - 6,600 SQUARE FEET

TOTAL SQUARE FEET 25,674 MORE OR LESS

FOUNDATION: POURED REINFORCED CONCRETE

SUPERSTRUCTURE:

FRAME - STRUCTURAL STEEL WITH COLUMNS, BEAMS AND JOISTS

FLOORS - POURED CONCRETE ON GRADE, PRECAST CONCRETE

FLOOR COVER - CARPETING IN OFFICES, FITNESS CENTER; CERAMIC TILE  
IN SHOWER ROOMS, VINYL ASBESTOS IN CORRIDORS,  
HARDWOOD IN GYMNASIUM, DANCE ROOM

ROOF STRUCTURE - 2" FIBER ROOF TILE ON STEEL JOISTS

ROOF COVER - BUILT-UP COMPOSITION WITH INSULATION

CEILINGS - ACOUSTICAL TILE IN OFFICES, CLASSROOMS, LOCKER ROOMS  
CORRIDORS

INTERIOR CONSTRUCTION - BRICK ON BLOCK PARTITIONS INCLUDING  
BASKETBALL COURT, LOCKER ROOMS, CLASSROOMS  
OFFICE AND STORAGE ROOMS

BUILT-IN FIXTURES -

1 - ELEVATOR, 2,000 LB. CAPACITY, 2-STOPS

6 - RETRACTABLE BASKETBALL BACKSTOPS

1 - NEVCO ELECTRONIC SCOREBOARD

1 - POWER GYMNASIUM DIVIDER CURTAIN

1 - KITCHENETTE COUNTER

R. A. SCHESSLER, INC.  
Appraisal Engineers

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REAL ESTATE - BUILDINGNORTHWESTERN MICHIGAN COLLEGE

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## PHYSICAL EDUCATION: continued

## PLUMBING - AN APPROVED SYSTEM OF SANITARY FIXTURES CONSISTING OF:

- 14 - WATER CLOSETS
- 12 - LAVATORIES
- 5 - URINALS
- 2 - SANITARY SINKS
- 4 - DRINKING FOUNTAINS
- 8 - SHOWER HEADS
- 1 - SUPER STORE 120 GALLON WATER STORAGE TANK

ELECTRICAL - AN APPROVED SYSTEM OF WIRING ALL IN CONDUIT WITH  
NECESSARY WALL PLUGS AND SWITCH BOXES

- FLUORESCENT AND INCANDESCENT FIXTURES
- HIGH PRESSURE SODIUM FIXTURES IN GYMNASIUM

## HEATING AND AIR CONDITIONING -

- 1 - AMERICAN STANDARD 10AB 21,000 CFM HORIZONTAL AIR  
HANDLER UNIT
- 1 - AMERICAN STANDARD 104 5,400 CFM MULTIZONE VENTILATING  
UNIT
- 1 - AMERICAN STANDARD 5,600 CFM VERTICAL VENTILATING UNIT
- 1 - AMERICAN STANDARD 2,000 CFM VERTICAL VENTILATING UNIT
- PUMPS AS REQUIRED
- M-FLEX ADJUSTABLE SPEED CONTROLLER
- 1 - LOCHINVAR MODEL KBN800 GAS FIRED DIRECT VENT BOILER  
# G08H10057992
- 1 - LOCHINVAR MODEL KBN800 GAS FIRED DIRECT VENT BOILER  
# G08H10057954

## EXTERIOR WALLS - CONCRETE BLOCK

- FACE BRICK AT VESTIBULE ENTRANCE
- DRYVITON BLOCK WALL COVER

## MISCELLANEOUS -

- 1 - FIRE ALARM SYSTEM WITH CONTROL BOX
- 1 - AUTOMATIC DOOR OPENER
- SPRINKLER SYSTEM THRU-OUT
- ACCESS CONTROL SYSTEM
- 2 - CAMERA SECURITY SYSTEM

QUALITY OF CONSTRUCTION: GOOD

BUILT: 1969



R. A. SCETTTLER, INC.  
Appraisal Engineers

Asset Acct.: NORTHWESTERN MICHIGAN COLLEGE    Bldg.: POWERHOUSE  
REAL ESTATE - BUILDING

Description	11/1/21
FOUNDATION:	24,500.00
SUPERSTRUCTURE:	
FRAME	58,600.00
FLOORS	39,400.00
ROOF STRUCTURE	59,400.00
ROOF COVER	42,700.00
INTERIOR CONSTRUCTION	12,000.00
ELECTRICAL	360,000.00
PLUMBING	37,600.00
HEATING	1,383,600.00
MISCELLANEOUS	6,700.00
EXTERIOR WALLS	257,400.00
TOTAL LABOR AND MATERIALS	2,281,900.00
ARCHITECT'S PLANS AND SUPERVISION	7%
Replacement Value New	2,441,600.00
Depreciation %	57%
Sound Valuation	1,049,900.00

R. A. SCHESSLER, INC.  
Appraisal Engineers

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REAL ESTATE - BUILDING - NORTHWESTERN MICHIGAN COLLEGE

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NAME OF BUILDING: POWERHOUSE

KIND OF BUILDING: CLASS C

NO. OF STORIES: ONE

OCCUPANCY - BOILER HOUSE

SIZE: TOTAL SQUARE FEET = 3,580

FOUNDATION: POURED REINFORCED CONCRETE

SUPERSTRUCTURE:

FRAME - STEEL I BEAMS WITH JOISTS AND COLUMNS

FLOORS - CONCRETE ON GRADE

ROOF STRUCTURE - TECTUM DECK ON 18 GALLON BOX

ROOF COVER - SINGLE PLY MEMBRANE WITH INSULATION

INTERIOR CONSTRUCTION - CONCRETE BLOCK RESTROOM PARTITION,  
18 X 10'

PLUMBING - AN APPROVED SYSTEM OF SANITARY FIXTURES CONSISTING OF:

- 1 - WATER CLOSET
- 1 - LAVATORY
- 1 - URINAL
- 1 - 80-GALLON WATER HEATER
- 1 - WATER COOLER
- 1 - SANITARY SINK

ELECTRICAL - AN APPROVED SYSTEM OF WIRING ALL IN CONDUIT WITH  
NECESSARY WALL PLUGS AND SWITCH BOXES

- POWER WIRING DISTRIBUTION SYSTEM WITH SQUARE D  
SWITCHBOARD
- 1 - 500 KVA TRANSFORMER ON PAD

R. A. SCHETTLER, INC.  
Appraisal Engineers

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REAL ESTATE - BUILDING

NORTHWESTERN MICHIGAN COLLEGE

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POWERHOUSE: continued

HEATING AND AIR CONDITIONING -

- 1 - CLEAVER BROOKS MODEL CB428-500 PACKAGED BOILER,  
# 1-80366 2,092,000 BTU INPUT
- 1 - CLEAVER BROOKS MODEL CB428-700 PACKAGED BOILER,  
#L42353, 2,929,100 BTU INPUT
- 1 - CLEAVER BROOKS CR-266-200 PACKAGED BOILER, #L-48323
- 2 - TRANE UNIT HEATERS
- 1 - CLEAVER BROOKS MODEL CB-700-50-150 GAS FIRED  
PACKAGED BOILER # OL106948

MISCELLANEOUS - ACCESS CONTROL SYSTEM

- EXTERIOR WALLS - FACE BRICK ON 12" CONCRETE BLOCK
- NORTH ELEVATION WINDOWS IN STEEL SASH
  - 1 - OVERHEAD DOOR METAL/GLASS 12 X 10' HEIGHT

QUALITY OF CONSTRUCTION: GOOD

BUILT: 1963

R. A. SCHETTLER, INC.  
Appraisal Engineers

Asset Acct.: NORTHWESTERN MICHIGAN COLLEGE    Bldg.: SCHOLARS HALL  
REAL ESTATE - BUILDING

Description	11/1/21
BASEMENT:	
FRAME	627,600.00
FLOOR	216,100.00
CEILING	192,200.00
EXTERIOR WALLS	350,000.00
INTERIOR PARTITION	1,263,600.00
ELECTRICAL	630,400.00
FOUNDATION:	418,600.00
SUPERSTRUCTURE:	
FRAME	1,257,600.00
FLOORS	865,600.00
FLOOR COVERINGS	604,300.00
CEILINGS	380,300.00
ROOF STRUCTURE	429,100.00
ROOF COVER	240,400.00
INTERIOR CONSTRUCTION	2,533,600.00
BUILT-IN FIXTURES	252,700.00
ELECTRICAL	1,262,800.00
PLUMBING	1,179,600.00
HEATING	2,404,500.00
MISCELLANEOUS	44,700.00
EXTERIOR WALLS	1,185,200.00
FIRE PROTECTION	<u>299,300.00</u>
TOTAL LABOR AND MATERIALS	16,638,200.00
ARCHITECT'S PLANS AND SUPERVISION	7%
<hr/>	
Replacement Value New	17,802,900.00
Depreciation %	42%
Sound Valuation	<u>10,325,700.00</u>

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REAL ESTATE - BUILDING - NORTHWESTERN MICHIGAN COLLEGE

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NAME OF BUILDING: SCHOLARS HALL

KIND OF BUILDING: CLASS B

NO. OF STORIES: TWO WITH FULL BASEMENT

OCCUPANCY - CLASSROOMS, LECTURE ROOMS AND OFFICES

SIZE:

BASEMENT	19,996 SQUARE FEET
FIRST FLOOR	20,951 SQUARE FEET
SECOND FLOOR	19,092 SQUARE FEET

TOTAL SQUARE FEET 62,812 MORE OR LESS

FOUNDATION: POURED REINFORCED CONCRETE FOOTINGS

SUPERSTRUCTURE:

FRAME - CONCRETE COLUMNS AND BEAMS WITH REINFORCED CONCRETE

FLOORS - SLAB ON GRADE, PRECAST CONCRETE TEES

FLOOR COVER - CARPET IN OFFICES CORRIDORS AND CLASSROOMS;  
VINYL TILE IN LABS

ROOF STRUCTURE - PRECAST CONCRETE TEES

ROOF COVER - SINGLE PLY MEMBRANE WITH INSULATION

CEILINGS - SUSPENDED ACOUSTICAL THROUGHOUT

INTERIOR CONSTRUCTION - MASONRY AND DRYWALL PARTITIONS

BUILT-IN FIXTURES -

- 1 - OTIS ELEVATOR, 2,000 LB. CAPACITY WITH 3 STOPS, #40562
- 120 - WOOD TILT-UP CHAIRS WITH TABLET ARMS
- 77 - WOOD TILT-UP CHAIRS WITH TABLET ARMS
- 4 - CORRIDOR BENCHES, VINYL UPHOLSTERY
- RECEPTION WORK STATION
- WORK ROOM CABINETS
- CLASSROOM CABINETS



R. A. SCHESSLER, INC.  
Appraisal Engineers

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REAL ESTATE - BUILDING

NORTHWESTERN MICHIGAN COLLEGE

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SCHOLARS HALL: continued

PLUMBING - AN APPROVED SYSTEM OF SANITARY FIXTURES CONSISTING OF:

- 14 - WATER CLOSETS
- 16 - LAVATORIES
- 6 - URINALS
- 1 - 80-GALLON WATER HEATER
- 4 - WATER COOLERS
- 2 - SANITARY SINKS

ELECTRICAL - AN APPROVED SYSTEM OF WIRING ALL IN CONDUIT WITH  
NECESSARY WALL PLUGS AND SWITCH BOXES  
- FLUORESCENT AND INCANDESCENT FIXTURES  
2 - 500 KVA TRANSFORMER

HEATING AND AIR CONDITIONING -

- 1 - TRANE MODEL M-10 AIR HANDLING UNIT
- 1 - TRANE MODEL M-25 AIR HANDLING UNIT
- 3 - TRANE MODEL M-17 AIR HANDLING UNITS
- 1 - TRANE MODEL M-12 AIR HANDLING UNIT
- 1 - TRANE RTAC ROOFTOP AIR COOLED CHILLER, 160 TON CAPACITY  
- STEAM FROM POWERHOUSE

EXTERIOR WALLS - FACE BRICK ON CONCRETE BLOCK  
- WINDOWS IN ALUMINUM SASH  
- 6" ALUMINUM CURTAIN WALL SYSTEM

MISCELLANEOUS -

- 1 - NOTIFIER FIRE ALARM SYSTEM WITH CONTROL BOX
- 1 - AUTOMATIC DOOR OPENER  
- FIRE PROTECTION SPRINKLERS  
- ACCESS CONTROL SYSTEM
- 3 - CAMERA SECURITY SYSTEM

QUALITY OF CONSTRUCTION: GOOD

BUILT: 1963



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REAL ESTATE - BUILDING - NORTHWESTERN MICHIGAN COLLEGE

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NAME OF BUILDING: WEST HALL INNOVATION CENTER

KIND OF BUILDING: CLASS B/C

NO. OF STORIES: TWO WITH LOWER LEVEL, PENT HOUSE

OCCUPANCY - STUDENT CENTER, CAFETERIA, OFFICES AND LIBRARY

SIZE:

LOWER LEVEL	19,063 SQUARE FEET
FIRST FLOOR	32,065 SQUARE FEET
SECOND FLOOR	12,126 SQUARE FEET
PENT HOUSE	3,050 SQUARE FEET

TOTAL SQUARE FEET 66,304

FOUNDATION: CONCRETE FOOTINGS

SUPERSTRUCTURE:

FRAME - CONCRETE COLUMNS AND BEAMS  
- STEEL

FLOORS - 4" CONCRETE SLAB ON GRADE, 2" CONCRETE TOPPING ON DOX  
PLANK; STEEL JOIST, METAL DECK, CONCRETE TOPPING

FLOOR COVER - CARPET TILE, QUARRY TILE IN KITCHEN, PLANK TILE

ROOF STRUCTURE - 6" DOX PLANK-PRECAST CONCRETE  
- SKYLIGHTS AT COMMONS AREA

ROOF COVER - SINGLE PLY MEMBRANE WITH RIGID INSULATION

CEILINGS - SUSPENDED ACOUSTICAL TILE; GYPSUM BOARD

INTERIOR CONSTRUCTION - MASONRY PARTITIONS, AND FRAME PARTITIONS

BUILT-IN FIXTURES -

- 1 - HOBART CLPS66LN AUTOMATIC DISHWASHER WITH STAINLESS  
STEEL DRAINBOARD AND DISPOSAL
- 1 - RANGE VENTILATION HOOD, 13' X 60" WITH EXTINGUISHING SYSTEM
- 1 - RANGE VENTILATION HOOD, 13' X 54" WITH EXTINGUISHING SYSTEM
- 1 - COFFEE STATION STAINLESS STEEL WITH SINK, 120" X 30"
- 1 - TRAUlsen 2-DOOR PASS THRU FOOD WARMER
- 1 - STAINLESS STEEL 3 BASIN POT SINK
- 3 - STAINLESS STEEL PREP TABLE, 96" X 30"
- STAINLESS STEEL TABLE WITH SINK, 120" X 30"

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Appraisal Engineers

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REAL ESTATE - BUILDING

NORTHWESTERN MICHIGAN COLLEGE

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WEST HALL INNOVATION CENTER: continued

BUILT-IN FIXTURES - continued

- 1 - 3 COMPARTMENT STAINLESS STEEL SINK, 48" X 19"
- 1 - WALK-IN FREEZER, 16' X 9'
- 1 - MONTGOMERY 4,000 LB. ELEVATOR WITH 2-STOPS
- 1 - STAINLESS STEEL TABLE, 120" X 30"
- LAMINATE SALES COUNTERS IN BOOKSTORE
- 1 - COFFEE COUNTER, LAMINATE WITH CORIAN TOP, REFRIDGERATED DISPLAY CASE
- 1 - DELI WELCOME COUNTER, IRREGULAR SHAPED WITH HOT FOOD WELL (4) COLD FOOD WELL (4), BREATH PROTECTOR
- 8 - HAND SINKS, STAINLESS STEEL
- SALAD BAR COUNTER, LAMINATE WITH 3 COLD FOOD WELLS, BREATH PROTECTOR, CORIAN TOP
- 7 - LOCKERS
- SOILED DISH TABLE, STAINLESS STEEL
- 9 - SHELVES, STAINLESS STEEL
- 1 - KOLPAK WALK-IN REFRIGERATOR, 10 X 16'
- CIRCULATION DESK CASE WORK, LAMINATE, CORIAN TOP
- 1 - STAINLESS STEEL RANGE HOOD WITH EXTINGUISHER SYSTEM, 54" X 60"
- 1 - STAINLESS STEEL RANGE HOOD WITH EXTINGUISHER SYSTEM, 10' X 5'
- 1 - BEVERAGE WALK-IN COOLER, 23' X 7'9" X 8'6", 7 GLASS DOORS
- 1 - OPEN SHELF COUNTER, LAMINATE, CORIAN TOP, 64" X 25"
- 1 - MOBILFLEX GATE
- 1 - STAINLESS STEEL COUNTER, LAMINATE BASE, 2 SINKS, 14.5' X 30"
- 1 - COUNTER, STAINLESS STEEL LEGS, CORIAN TOP, 78" X 30"
- 1 - COUNTER, STAINLESS STEEL LEGS, CORIAN TOP, 28" X 30"
- 8 - BOOTHES, VINYL UPHOLSTERED, 78" X 36"
- 2 - WELCOME DESK, L SHAPE, LAMINATE, CORIAN TOP, 14 LINEAR FEET
- 6 - BOOTHES, VINYL UPHOLSTERED, 82" X 36"
- 1 - BASE CABINET, 3 DOOR, LAMINATE, CORIAN TOP, 82" X 24"
- 1 - FIREPLACE, GAS FIRED, 72" WIDE
- 1 - BOOKCASE, LAMINATE, 60" X 14" X 96"
- 1 - BOOKCASE, LAMINATE, 120" X 14" X 96"
- 1 - BOOKCASE, LAMINATE, 30" X 14" X 96"
- 1 - BASE COUNTER WITH STAINLESS STEEL SINK, CORIAN TOP, 111" X 25"
- 1 - WALL CABINET, LAMINATE, 111" X 12" X 30"
- 1 - BOOKCASE, LAMINATE, GLASS DOORS, 48" X 14" X 96"
- 1 - KONE ELEVATOR 3 STOP. 3500 LB. CAPACITY

PLUMBING - AN APPROVED SYSTEM OF SANITARY FIXTURES CONSISTING OF:

- 19 - WATER CLOSETS
- 15 - LAVATORIES
- 7 - URINALS
- 3 - SANITARY SINKS
- 1 - WATER HEATER
- 3 - DRINKING FOUNTAIN/BOTTLE FILLER

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REAL ESTATE - BUILDINGNORTHWESTERN MICHIGAN COLLEGE

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WEST HALL INNOVATION CENTER: continued

- ELECTRICAL - AN APPROVED SYSTEM OF WIRING ALL IN CONDUIT WITH  
NECESSARY WALL PLUGS AND SWITCH BOXES
- IT CABLE
  - FIRE ALARM SYSTEM

- HEATING AND AIR CONDITIONING - STEAM HEAT FROM POWERHOUSE
- 3 - LOCHINVAR MODEL FTXL850, GAS FIRED BOILER
  - 1 - RENEWAIRE MODEL HE3X1NV, ENERGY RECOVERY VENTILATOR INDOOR UNIT
  - 1 - TRANE MODEL CSAA-80, AIR HANDLING UNIT, #AHU-1
  - 1 - TRANE MODEL CSAA-25 AIR HANDLER UNIT, #AHU-2
  - 1 - TRANE MODEL CSAA-10 AIR HANDLER UNIT, #AHU-3
  - 1 - MITSUBISHI MODEL MSY-GL18NA, MINI-SPLIT SYSTEM
  - SNOW MELT SYSTEM
  - PUMPS AS REQUIRED
  - GEOTHERMAL SYSTEM

- EXTERIOR WALLS - FACE BRICK ON CONCRETE BLOCK
- ALUMINUM CURTAIN WALL
  - SOLID CORE ACM RAINSCREEN SYSTEM WITH DRY-LOC JOINTS
  - KAWNEER SUN SHADE SYSTEM
  - 4" HORIZONTAL INSULATED METAL PANEL SYSTEM
  - ALUMINUM STOREFRONT
  - BRICK VENEER, METAL STUDS

- MISCELLANEOUS -
- FIRE SPRINKLERS THROUGHOUT
  - 1 - PUBLIC ADDRESS SYSTEM, PUBLIC AREAS
  - 1 - RADIO BROADCAST ANTENNA, 100'
  - 1 - METAL OVERHEAD DOOR WITH DOCK LEVELER
  - ACCESS CONTROL SYSTEM

QUALITY OF CONSTRUCTION: VERY GOOD

BUILT: 1963

KITCHEN AND BOOKSTORE ADDITION 2003  
ADDITION AND RENOVATION 2019 AND 2020





R. A. SCHETTLER, INC.  
Appraisal Engineers

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REAL ESTATE - BUILDING - NORTHWESTERN MICHIGAN COLLEGE

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NAME OF BUILDING: UNIVERSITY CENTER CAMPUS/BOARDMAN LAKE

KIND OF BUILDING: CLASS C

NO. OF STORIES: THREE

OCCUPANCY - OFFICE RENTAL, CLASSROOMS, OFFICES

SIZE:

TOTAL SQUARE FEET 59,460 MORE OR LESS

FOUNDATION: CONCRETE

SUPERSTRUCTURE:

FRAME - STEEL

FLOORS - CONCRETE ON GROUND; STEEL PAN CONCRETE SLAB

FLOOR COVER - CARPET IN CLASSROOMS, OFFICES, CORRIDORS;  
- CERAMIC TILE RESTROOMS  
- VINYL TILE

ROOF STRUCTURE - STEEL JOIST, STEEL DECK

ROOF COVER - SINGLE PLY MEMBRANE WITH INSULATION

CEILINGS - SUSPENDED ACOUSTICAL TILE; GYPSYM BOARD

INTERIOR CONSTRUCTION - METAL FRAME PARTITIONS  
- MASONRY PARTITIONS

BUILT-IN FIXTURES -

- KITCHEN CABINETS, LAMINATE WITH STAINLESS STEEL SINK
- OAK CREDENZAS, WALL MOUNTED
- LAMINATE BASE CABINETS
- MONTGOMERY HYDRAULICALLY OPERATED ELEVATOR, 3-STOP,  
2,000 LB. CAPACITY #23504
- ADDITIONAL STOP FOR EXISTING OTIS ELEVATOR, 2100 LB.  
CAPACITY, #30485
- FOLDING PARTITION, 32 X 9', ROOMS 202 / 203

R. A. SCHESSLER, INC.  
Appraisal Engineers

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REAL ESTATE - BUILDING

NORTHWESTERN MICHIGAN COLLEGE

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UNIVERSITY CENTER CAMPUS/BOARDMAN LAKE: continued

PLUMBING - AN APPROVED SYSTEM OF SANITARY FIXTURES CONSISTING OF:

- 31 - WATER CLOSETS
- 26 - LAVATORIES
- 9 - URINALS
- 6 - SANITARY SINKS
- 6 - WATER COOLERS
- 1 - HOT WATER HEATER, 85-GALLON

ELECTRICAL - AN APPROVED SYSTEM OF WIRING ALL IN CONDUIT WITH  
NECESSARY WALL PLUGS AND SWITCH BOXES  
- TRANSFORMER

HEATING AND AIR CONDITIONING -

- MC QUAY AIR HANDLING UNIT
- MC QUAY AIR COOLED CONDENSING UNIT
- RITE MODEL 150 WATER HEATING BOILER, GAS FIRED
- PUMPS AS REQUIRED
- TRANE GAS FIRED ROOFTOP HEATING AND AIR CONDITIONING UNIT
  - 2 - RAYPACK MODEL H3-0514A GAS FIRED BOILER
  - 1 - LIEBERT AIR CONDITIONER
  - 1 - LIEBERT CONDENSING UNIT
- MC QUAY MODEL LSL-108 MAKE-UP AIR UNIT
- SNYDER - GENERAL MODEL ALP037C AIR CONDITIONING UNIT  
#5VM0507000
- VAV'S AND CONTROLS
- 1 - NIMBUS VIRGA III COOLING TOWER
- 26 - TRANE WATER FURANCE HEAT PUMP

EXTERIOR WALLS - FACE BRICK, BLOCK BACK-UP 12"  
- STEEL STUD WALLS, T & G CEDAR SIDING  
- 1" INSULATED GLASS, ALUMINUM FRAME

MISCELLANEOUS - SPRINKLERS LOWER LEVEL, SECOND AND THIRD FLOOR ADDITION  
- FIRELITE FIRE ALARM AND SECURITY SYSTEM  
1 - AUTOMATIC DOOR OPENER  
1 - BERGEY WINDPOWER WIND TURBINE WITH 70'18" TRIANGULAR  
GUYED TOWER, CABLE TO BUILDING, FOUNDATION, POWER  
INVERTER  
- ACCESS CONTROL SYSTEM  
5 - CAMERA SECURITY SYSTEM

QUALITY OF CONSTRUCTION: VERY GOOD

BUILT: 1986; THIRD FLOOR OVER 1995 ADDITION, 2000.

R. A. SCHETTLER, INC.  
Appraisal Engineers

Asset Acct.: NORTHWESTERN MICHIGAN COLLEGE    Bldg.: UTILITY TUNNELS  
REAL ESTATE - BUILDING

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Description	11/1/21
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APPROXIMATELY 6,925 SQUARE FEET OR 54,100 CUBIC FEET

STEAM TUNNELS CONNECTING BUILDINGS SERVICED BY  
CENTRAL HEATING SYSTEM

- INCLUDING LIGHTING AND DRAINAGE
- REINFORCED CONCRETE CONSTRUCTION

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Replacement Value New	2,207,300.00
Depreciation %	54%
Sound Valuation	1,015,400.00

R. A. SCHESSLER, INC.  
Appraisal Engineers

Asset Acct.: NORTHWESTERN MICHIGAN COLLEGE    Bldg.: MAINTENANCE  
REAL ESTATE - BUILDING

Description	11/1/21
FOUNDATION:	124,900.00
SUPERSTRUCTURE:	
FRAME	106,000.00
FLOORS	123,300.00
FLOOR COVERINGS	16,700.00
CEILINGS	16,700.00
ROOF COVER	73,800.00
INTERIOR CONSTRUCTION	123,800.00
BUILT-IN FIXTURES	45,200.00
ELECTRICAL	124,200.00
PLUMBING	85,800.00
HEATING	37,800.00
MISCELLANEOUS CONSTRUCTION	101,200.00
EXTERIOR WALLS	138,500.00
TOTAL LABOR AND MATERIALS	1,117,900.00
ARCHITECT'S PLANS AND SUPERVISION	5%
Replacement Value New	1,173,800.00
Depreciation %	20%
Sound Valuation	939,000.00

R. A. SCHETTLER, INC.  
Appraisal Engineers

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REAL ESTATE - BUILDING - NORTHWESTERN MICHIGAN COLLEGE

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NAME OF BUILDING: MAINTENANCE

KIND OF BUILDING: CLASS S

NO. OF STORIES: ONE

OCCUPANCY - MAINTENANCE/STORAGE

TOTAL SQUARE FEET = 11,900

FOUNDATION: CONCRETE

SUPERSTRUCTURE:

FRAME - STEEL

FLOORS - 6" REINFORCED CONCRETE OVER VAPOR BARRIER ON COMPACTED SAND

FLOOR COVER - VINYL COMPOSITION TILE;  
- CARPET

ROOF STRUCTURE - STEEL

ROOF COVER - STANDING SEAM METAL ROOF WITH INSULATION

CEILINGS - SUSPENDED ACOUSTICAL TILE; DRYWALL

INTERIOR CONSTRUCTION - FRAME PARTITIONS

BUILT-IN FIXTURES -

11 LINEAR FEET OF PLASTIC LAMINATE BASE CABINETS WITH LAMINATE TOP, CONFERENCE ROOM

11 LINEAR FEET OF PLASTIC LAMINATE WALL CABINETS, - CONFERENCE ROOM

7 LINEAR FEET OF PLASTIC LAMINATE BASE CABINET WITH SINK, LAMINATE TOP, - LUNCH ROOM

7 LINEAR FEET OF PLASTIC LAMINATE WALL CABINETS, - LUNCH ROOM

19 - LOCKERS

- TOILET PARTITIONS

6 - MINI BLINDS

175 - LINEAR FEET OF CYCLONE FENCE, 10' HEIGHT WITH 3 SWING GATES



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Appraisal Engineers

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REAL ESTATE - BUILDING

NORTHWESTERN MICHIGAN COLLEGE

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MAINTENANCE: continued

PLUMBING - AN APPROVED SYSTEM OF SANITARY FIXTURES CONSISTING OF:

- 4 - WATER CLOSETS
- 2 - LAVATORIES
- 1 - URINALS
- 1 - SANITARY SINKS
- 1 - ELECTRIC WATER COOLER
- 1 - HOT WATER HEATER
- 2 - SHOWER STALLS

ELECTRICAL - AN APPROVED SYSTEM OF WIRING ALL IN CONDUIT WITH  
NECESSARY WALL PLUGS AND SWITCH BOXES

- FLUORESCENT FIXTURES
- 400 WATT HIGH BAY FIXTURES

HEATING AND AIR CONDITIONING -

- 2 - REZNOR MODEL FE250 GAS FIRED SUSPENDED UNIT HEATERS
- 1 - PHILCO MODEL 5-TON CONDENSING UNIT
- 1 - PHILCO GAS FIRED FORCED AIR FURNACE WITH AIR  
CONDITIONING

EXTERIOR WALLS - DECORATIVE BLOCK

- METAL SIDING WITH INSULATION
- 2 - 12 X 10' METAL OVERHEAD DOORS

MISCELLANEOUS - FIRE SUPPRESSION SYSTEM

- ACCESS CONTROL SYSTEM

QUALITY OF CONSTRUCTION: GOOD

BUILT: 2001

R. A. SCHETTLER, INC.  
Appraisal Engineers

Asset Acct.: NORTHWESTERN MICHIGAN COLLEGE    Bldg.: LANDSCAPE BIN  
REAL ESTATE - BUILDING

Description	11/1/21
FOUNDATION:	6,800.00
SUPERSTRUCTURE:	
FRAME	3,300.00
FLOORS	6,700.00
ROOF STRUCTURE	5,000.00
ROOF COVER	5,100.00
EXTERIOR WALLS	8,400.00
Replacement Value New	35,300.00
Depreciation %	20%
Sound Valuation	28,200.00

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Appraisal Engineers

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REAL ESTATE - BUILDING -

NORTHWESTERN MICHIGAN COLLEGE

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NAME OF BUILDING: LANDSCAPE BINS

KIND OF BUILDING: CLASS D

NO. OF STORIES: ONE

OCCUPANCY: STORAGE

DIMENSIONS - 45' X 15' X 8'/11' HEIGHT  
- 60' X 20' X 11'/18' HEIGHT

TOTAL SQUARE FEET = 675

FOUNDATION: CONCRETE

SUPERSTRUCTURE:

FRAME - WOOD

FLOORS - CONCRETE ON SAND FILL

ROOF STRUCTURE - OPEN WOOD

ROOF COVER - METAL PANELS

INTERIOR CONSTRUCTION - FRAME PARTITIONS

EXTERIOR WALLS - WOOD

QUALITY OF CONSTRUCTION: GOOD

BUILT - 2001



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Appraisal Engineers

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REAL ESTATE - BUILDING - NORTHWESTERN MICHIGAN COLLEGE

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NAME OF BUILDING: AUTOMOTIVE SERVICE TECHNOLOGY

KIND OF BUILDING: CLASS C/S

NO. OF STORIES: ONE

OCCUPANCY - CLASSROOMS/TECHNOLOGY

TOTAL SQUARE FEET 18,328

FOUNDATION: CONCRETE

SUPERSTRUCTURE:

FRAME - STEEL

FLOORS - CONCRETE ON SAND FILL

FLOOR COVER - CONCRETE SEALER  
VINYL COMPOSITION TILE  
CARPET

ROOF STRUCTURE - STEEL - STEEL JOISTS, METAL DECK

ROOF COVER - METAL STANDING SEAM WITH INSULATION  
- BUILT UP COMPOSITION WITH INSULATION

CEILINGS - SUSPENDED ACOUSTICAL TILE

INTERIOR CONSTRUCTION - MASONRY AND FRAME PARTITIONS;

BUILT-IN FIXTURES -  
95 LINEAR FEET OF CYCLONE FENCE, 8' HEIGHT WITH 3 SWING GATES

PLUMBING - AN APPROVED SYSTEM OF SANITARY FIXTURES CONSISTING OF:  
4 - WATER CLOSETS  
4 - LAVATORIES  
1 - URINALS  
1 - ELECTRIC WATER COOLER  
1 - WASH FOUNTAIN  
1 - WATER HEATER

R. A. SCHESSLER, INC.  
Appraisal Engineers

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REAL ESTATE - BUILDING

NORTHWESTERN MICHIGAN COLLEGE

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AUTOMOTIVE SERVICE TECHNOLOGY: continued

MECHANICAL EQUIPMENT:

ELECTRICAL - AN APPROVED SYSTEM OF WIRING ALL IN CONDUIT WITH  
NECESSARY WALL PLUGS AND SWITCH BOXES;  
FIRE ALARM SYSTEM

HEATING AND AIR CONDITIONING -

- VANTAGE II GAS FIRED SUSPENDED RADIANT HEAT
- 2 - EXHAUST WALL FANS
- ROOFTOP GAS HEATING UNIT WITH AIR CONDITIONING

EXTERIOR WALLS - FACE BRICK, BLOCK BACKUP

- 8" BLOCK
- METAL SIDING WITH INSULATION
- 3 - 14 X 12' OVERHEAD DOORS, METAL, ELECTRIC OPENER
- 1 - 16 X 12' OVERHEAD DOOR, METAL, ELECTRIC OPENER
- 1 - 14 X 14' OVERHEAD DOOR, METAL, ELECTRIC OPENER

MISCELLANEOUS: - AUTOMATIC FIRE SUPPRESSION SYSTEM  
- COMPRESSED AIR SYSTEM  
- VEHICLE EXHAUST FUME SYSTEM WITH 12 HOSE DROPS  
3000 CFM CAPACITY  
- ACCESS CONTROL SYSTEM  
2 - CAMERA SECURITY SYSTEM

QUALITY OF CONSTRUCTION: GOOD

BUILT: 1982



R. A. SCHETTLER, INC.  
Appraisal Engineers

Asset Acct.: NORTHWESTERN MICHIGAN COLLEGE    Bldg.: GREAT LAKES CAMPUS  
REAL ESTATE - BUILDING

Description	11/1/21
FOUNDATION:	508,900.00
SUPERSTRUCTURE:	
FRAME	1,182,000.00
FLOORS	1,496,700.00
FLOOR COVERINGS	885,600.00
CEILINGS	238,400.00
ROOF STRUCTURE	653,400.00
ROOF COVER	1,418,400.00
INTERIOR CONSTRUCTION	4,111,500.00
BUILT-IN FIXTURES	2,831,000.00
ELECTRICAL	2,680,000.00
PLUMBING	1,098,300.00
HEATING	2,874,400.00
MISCELLANEOUS	74,700.00
EXTERIOR WALLS	3,280,700.00
FIRE PROTECTION	285,100.00
TOTAL LABOR AND MATERIALS	23,619,100.00
ARCHITECT'S PLANS AND SUPERVISION	7%
Replacement Value New	25,272,400.00
Depreciation %	18%
Sound Valuation	20,723,400.00

R. A. SCHETTLER, INC.  
Appraisal Engineers

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REAL ESTATE - BUILDING

NORTHWESTERN MICHIGAN COLLEGE

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NAME OF BUILDING: GREAT LAKES CAMPUS

KIND OF BUILDING: CLASS C

NO. OF STORIES: TWO WITH PENTHOUSE

OCCUPANCY: MARITIME ACADEMY, CULINARY ARTS, CONFERENCE CENTER

SIZE: FIRST FLOOR 35,670 SQUARE FEET  
SECOND FLOOR 33,050 SQUARE FEET  
PENTHOUSE 6,644 SQUARE FEET

TOTAL SQUARE FEET = 75,364

FOUNDATION: CONCRETE

SUPERSTRUCTURE:

FRAME - STEEL

FLOORS - CONCRETE ON GROUND, VAPOR BARRIER  
- STEEL, CONCRETE FLOOR ON STEEL DECK

FLOOR COVERINGS - VINYL TILE  
- CARPET  
- CERAMIC TILE  
- CARPET TILE  
- LINOLEUM TILE  
- THINSET TERRAZZO FLOORING

ROOF STRUCTURE - LOWER ROOF, STEEL LONG SPAN BAR JOIST, STEEL DECK  
- UPPER ROOF, LIGHT GAUGE MONO-TRUSSES, METAL DECK

ROOF COVER - STANDING SEAM METAL DECK, INSULATION, VAPOR BARRIER  
ICE AND WATER SHIELD AT EAVE  
EPDM MEMBRANE WITH INSULATION  
PREFINISHED ENGINEERED SNOW RETENTION SYSTEM

CEILINGS - GYPSUM BOARD  
- ACOUSTICAL CEILING TILE  
- GLASS

INTERIOR CONSTRUCTION - MASONRY AND FRAME PARTITIONS

BUILT-IN FIXTURES -

INTRO LAB:

4 - PREP TABLES, STAINLESS STEEL WITH SINK  
1 - EXHAUST HOOD WITH FIRE PROTECTION SYSTEM  
2 - POT SINKS, 3 COMPARTMENT, STAINLESS STEEL  
1 - PREP TABLE, STAINLESS STEEL, 2 COMPARTMENT SINK

R. A. SCHETTLER, INC.  
Appraisal Engineers

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REAL ESTATE - BUILDING

NORTHWESTERN MICHIGAN COLLEGE

GREAT LAKES CAMPUS - continued

BUILT-IN FIXTURES - continued

INTRO LAB: continued

- 4 - HAND SINKS, STAINLESS STEEL
- 1 - COOKS TABLE, WITH SINK, STAINLESS STEEL

GARDE MGR LAB:

- 1 - EXHAUST HOOD WITH FIRE PROTECTION SYSTEM
- 2 - COOKS TABLE, STAINLESS STEEL WITH SINK, UTENSIL RACK, DOUBLE FACE
- 2 - WORK TABLES, STAINLESS STEEL WITH REFRIGERATED BASE, SINK
- 1 - POT SINK, 3 COMPARTMENT, STAINLESS STEEL
- 2 - HAND SINKS, STAINLESS STEEL

BAKERY LAB:

- 1 - WALK-IN COOLER
- 1 - WALK-IN FREEZER
- 2 - FIRE PROTECTION SYSTEMS
- 1 - PREP TABLE, STAINLESS STEEL, SINK, WATER METER/FILLER
- 1 - PREP TABLE, 2 COMPARTMENT SINK, STAINLESS STEEL, DISPOSAL
- 3 - HAND SINKS, STAINLESS STEEL
- 1 - POT SINK, 3 COMPARTMENT STAINLESS STEEL SINK, DISPOSAL, POT WASHER
- 1 - EXHAUST HOOD, STAINLESS STEEL WITH FIRE PROTECTION SYSTEM

FIRST FLOOR CONFERENCE DEMO KITCHEN:

- 1 - WALK-IN COOLER
- 1 - PREP TABLE, STAINLESS STEEL WITH SINK
- 1 - EXHAUST HOOD WITH FIRE PROTECTION SYSTEM
- 1 - DEMO TABLE, STAINLESS STEEL, SINK, MIRROR
- 1 - PLATING TABLE, STAINLESS STEEL
- 1 - UTILITY COUNTER, STAINLESS STEEL
- 2 - ICE BIN AND WATER FILLER, STAINLESS STEEL
- 4 - HAND SINKS, STAINLESS STEEL
- 1 - POT SINK, 3 COMPARTMENT, STAINLESS STEEL
- 1 - HOBART DISHWASHER WITH BOOSTER HEATER, DISPOSAL
- 1 - DISHWASHER HOOD WITH EXHAUST FAN, STAINLESS STEEL

ADVANCED COOLING LAB/SECOND FLOOR:

- 1 - WALK-THRU COOLER
- 2 - PREP TABLES, STAINLESS STEEL WITH SINK, 8'
- 2 - PREP TABLES, STAINLESS STEEL WITH SINK, 7 X 5'
- 1 - EXHAUST HOOD WITH FIRE PROTECTION SYSTEM
- 1 - FRONT SERVICE COUNTER
- 1 - BAKERY DISPLAY CASE
- 1 - HOT FOOD TABLE
- 3 - REFRIGERATED BASE
- 1 - UTILITY COUNTER
- 1 - UTILITY COUNTER WITH SINK
- 1 - BEVERAGE COUNTER 'L' SHAPE, 16'

REAL ESTATE - BUILDING

NORTHWESTERN MICHIGAN COLLEGE

GREAT LAKES CAMPUS: continued

## BUILT-IN FIXTURES - CONTINUED

## ADVANCED COOKING LAB/ SECOND FLOOR: continued

- 2 - DISH TABLES, STAINLESS STEEL FOR DISHWASHER WITH SINK
- 1 - POT SINK, 3 COMPARTMENT, STAINLESS STEEL
- 1 - HOBART DISHWASHER WITH DISPOSAL
- 1 - DISHWASHER HOOD WITH EXHAUST FAN
- 1 - HOSE SPRAY UNIT
- 1 - SERVICE STATION, "L" SHAPE, STAINLESS STEEL TOP, 35 L.F.
- 1 - FRONT BAR
- 1 - BAR SERVICE STATION AND ICE BIN
- 2 - PERLICK BLENDER STATIONS
- 1 - PERLICK REFRIGERATED BACK BAR
- 5 - PERLICK DRAINBOARDS
- 2 - PERLICK ICE BIN AND SPEED RAILS
- 1 - BAR SINK
- 5 - CORNER FILLERS, STAINLESS STEEL
- 1 - "U" SHAPE CARIAN TOP FRONT BAR, 60 L.F.

## MARITIME ACADEMY:

- 1 - EXHAUST FUME HOOD
- 15 - LOCKERS, 2 TIER
- 1 - OTIS ELEVATOR, 2 STOP
- 2 - ROLLING DOORS, METAL, 24 X 10'
- 3 - ROLLING DOORS, METAL, 78 X 120"
- 1 - ROLLING DOOR, METAL, 10 X 10'
- 1 - ROLLING DOOR, METAL, 15 X 10'
- 3 - MOVABLE PARTITIONS, 48'

## CULINARY ARTS:

- 1 - OTIS ELEVATOR, 2-STOP
- 1 - WALK-IN FREEZER
- 2 - WALK-IN COOLERS

## PLUMBING - AN MODERN SYSTEM OF SANITARY FIXTURES CONSISTING OF:

- 36 - WATER CLOSETS
- 30 - LAVATORIES
- 13 - URINAL
- 5 - JANITOR SINKS
- 12 - DRINKING FOUNTAINS
- 3 - SHOWERS
- 2 - STORAGE TANKS, 752 GALLON CAPACITY
- 3 - HELLEN BRAND MODEL H200M, WATER CONDITIONING SYSTEM

- ELECTRICAL - AN APPROVED SYSTEM OF WIRING ALL IN CONDUIT WITH NECESSARY WALL PLUGS AND SWITCH BOXES
- EMERGENCY LIGHTING

REAL ESTATE - BUILDING

NORTHWESTERN MICHIGAN COLLEGE

GREAT LAKES CAMPUS: continued

## HEATING AND AIR CONDITIONING -

- 1 - LOCHINVAR MODEL FTX850N-M13, GAS FIRED TUBE BOILER,  
#1639103476412
- 12 - TRANE FNB04 CABINET UNIT HEATERS
- 3 - TRANE 90S UNIT HEATERS
- 4 - B & G HEATING EXCHANGERS
- 1 - TRANE MCC-40 AIR HANDLING UNIT, AHU-1
- 1 - TRANE MCC-40 AIR HANDLING UNIT, AHU-2
- 1 - TRANE MCC-25 AIR HANDLING UNIT, AHU-3
- 1 - TRANE MCC-35 AIR HANDLING UNIT, AHU-4
- 1 - TRANE MCC-40 AIR HANDLING UNIT, AHU-5
- 1 - TRANE RAUCC304 ROOFTOP CONDENSING UNIT, CU-3
- 1 - TRANE RAUCC504 ROOFTOP CONDENSING UNIT, CU-2
- 1 - TRANE RAUCC504 ROOFTOP CONDENSING UNIT, CU-1
- 1 - TRANE ROOFTOP CONDENSING UNIT, CU-4
- 1 - TRANE ROOFTOP CONDENSING UNIT, CU-5
- 2 - HEATWAY 1574 SNOW MELTING RADIANT FLOOR SYSTEM
- 87 - TRANE VAV BOXES (VARIABLE AIR VOLUME)
- 1 - DUO-AIRE MODEL CAA-2D ROOFTOP DIRECT GAS INDUSTRIAL MAKE-UP  
AIR UNIT, #565605B
- 1 - DUO-AIRE MODEL CAA-3D ROOFTOP DIRECT GAS INDUSTRIAL MAKE-UP  
AIR UNIT, #565605
- 1 - DUO-AIRE MODEL CAA-1D ROOFTOP DIRECT GAS INDUSTRIAL MAKE-UP  
AIR UNIT, #565605
- 1 - DUO-AIRE MODEL CAA-2D ROOFTOP DIRECT GAS INDUSTRIAL MAKE-UP  
AIR UNIT, #565605
- 1 - LOCHINVAR MODEL FTX850N-M13, GAS FIRED TUBE BOILER,  
#1639103476415
- 1 - LOCHINVAR MODEL FTX850N-M13, GAS FIRED TUBE BOILER,  
#1639103476426
- 1 - LOCHINVAR MODEL FTX850N-M13, GAS FIRED TUBE BOILER,  
#1639103476414
- 1 - LOCHINVAR MODEL FTX850N-M13, GAS FIRED TUBE BOILER,  
#1639103476425
- 1 - LOCHINVAR MODEL FTX850N-M13, GAS FIRED TUBE BOILER,  
#1639103476431
- 1 - LOCHINVAR MODEL FTX850N-M13, GAS FIRED TUBE BOILER,  
#1639103476428

EXTERIOR WALLS - FACE BEICK, BLOCK BACK-UP  
7-1/2" STRUCTURAL CURTAIN WALL SYSTEM  
WITH 1" INSULATED GLAZING UNITS  
OVERHEAD DOOR, GLASS/METAL  
WITH ELECTRIC OPERATOR, 20 X 16'

R. A. SCHETTLER, INC.  
Appraisal Engineers

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REAL ESTATE - BUILDING

NORTHWESTERN MICHIGAN COLLEGE

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GREAT LAKES CAMPUS: continued

MISCELLANEOUS:

- MARITIME ACADEMY DECK, STEEL FRAME, CONCRETE ON METAL DECK  
1,262 SQUARE FEET
- CULINARY ARTS DECK, STEEL FRAME, CONCRETE ON METAL DECK, 460  
SQUARE FEET
- ACCESS CONTROL SYSTEM
- 5 - CAMERA SECURITY SYSTEM

FIRE PROTECTION - FIRE PROTECTION SPRINKLERS



R. A. SCHESSLER, INC.  
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Asset Acct.: NORTHWESTERN MICHIGAN COLLEGE    Bldg.: AERO PARK LAB  
REAL ESTATE - BUILDING

Description	11/1/21
FOUNDATION:	180,500.00
SUPERSTRUCTURE:	
FRAME	562,100.00
FLOORS	220,200.00
FLOOR COVERINGS	25,000.00
CEILINGS	12,600.00
ROOF STRUCTURE	375,500.00
ROOF COVER	339,600.00
INTERIOR CONSTRUCTION	528,700.00
BUILDING FIXTURES	52,400.00
ELECTRICAL	749,300.00
PLUMBING	304,400.00
HEATING	211,200.00
MISCELLANEOUS CONSTRUCTION	475,100.00
EXTERIOR WALLS	449,100.00
TOTAL LABOR AND MATERIALS	4,485,700.00
ARCHITECT'S PLANS AND SUPERVISION	6%
Replacement Value New	4,754,800.00
Depreciation %	39%
Sound Valuation	2,900,500.00

R. A. SCHETTLER, INC.  
Appraisal Engineers

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REAL ESTATE - BUILDING

NORTHWESTERN MICHIGAN COLLEGE

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NAME OF BUILDING: AERO PARK LAB

TYPE OF BUILDING: CLASS C

NO. OF STORIES: ONE

OCCUPANCY: LABORATORY WITH CLASSROOM

TOTAL SQUARE FEET = 29,600, MORE OR LESS

FOUNDATION: CONCRETE

SUPERSTRUCTURE:

FRAME - STEEL  
- CRANEWAY

FLOORS - CONCRETE ON GROUND

FLOOR COVERINGS - CARPET AND CERAMIC TILE

CEILINGS - SUSPENDED ACDUSTICAL CEILING SYSTEM WITH EDGE TRIM,  
OFFICES

ROOF STRUCTURE - STEEL JOIST, METAL DECK

ROOF COVER - SINGLE PLY MEMBRANE WITH INSULATION

INTERIOR CONSTRUCTION - MASONRYAND FRAME PARTITIONS; STORE FRONT

BUILT-IN FIXTURES -

- 1 - COFFEE BAR, L SHAPE, LAMINATE, 15'6" X 8'4"
- 1 - BASE CABINET, LAMINATE, 3-DOOR/4-DRAWER WITH  
STAINLESS STEEL SINK
- 1 - WALL CABINET, LAMINATE, 2-DOOR WITH SHELF  
66" X 16" X 24"
- 1 - PALLET RACKING SYSTEM
- TOILET PARTITIONS
- 3 - ROLLING DOORS, METEL, 8' X 8'

PLUMBING - AN APPROVED SYSTEM OF SANITARY FIXTURES CONSISTING OF:

- 7 - WATER CLOSET
- 8 - LAVATORY
- 3 - URINAL
- 1 - SANITARY SINK
- 1 - SHOWER
- 4 - ELECTRIC WATER COOLER
- 1 - WATER HEATER

R. A. SCHETTLER, INC.  
Appraisal Engineers

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REAL ESTATE - BUILDING

NORTHWESTERN MICHIGAN COLLEGE

AERO PARK LAB: continued

- ELECTRICAL - AN APPROVED SYSTEM OF WIRING ALL IN CONDUIT WITH  
NECESSARY WALL PLUGS AND SWITCH BOXES  
2000 AMP SWITCHBOARD  
- SOLAR PANEL ARRAY, 3.6 KW

HEATING AND AIR CONDITIONING

- 1 - ABSOLUTAIRE MODEL AA6UMXDX, GAS DIRECT FIRED  
MAKE-UP AIR UNIT #25581  
2 - AMANA HEAT PUMP SPLIT SYSTEM WITH CONDENSING  
AMBIENT PACKAGE  
1 - RENEWAIRE MODEL HE2XRT ENERGY RECOVERY VENTILATOR  
1 - FUJITSU MODEL PKA-A12GA DUCTLESS AIR CONDITIONER  
1 - FUJITSU MODEL PVY-A12NHA CONDENSING UNIT  
1 - BERKO MODEL SRA-2020DSAG ELECTRIC HEATER  
5 - EXHAUST FANS  
2 - AMERICAN STANDARD FREEDOM 95 DIRECT VENT GAS  
FURANCE  
1 - ENERGY KNIGHT DUCTLESS AIR CONDITIONER  
1 - SUSPENDED GAS FIRED UNIT HEATER  
1 - TRANE MODEL 4TTA3048D4000CA, CONDENSING UNIT,  
#152452UE3F

- EXTERIOR WALLS - FACE BRICK, BLOCK BACK-UP  
- HORIZONTAL RIBBED METAL, METAL FRAME  
- METAL SIDING WITH INSULATION  
- OVERHEAD DOORS

- MISCELLANEOUS - AUTOMATIC FIRE SUPPRESSION SYSTEM  
1 - AURORA 5 TON BRIDGE CRANE, 60' SPAN WITH YALE  
HOIST  
1 - MEZZANINE WITH STAIRCASE  
- ACOUSTICAL BAFFLES  
- SKYSTREAM 3-7 WIND TURBINE, 45' TOWER  
- GE EST FIRE ALARM SYSTEM  
13 - WELDING BOOTHS MASONRY WITH FUME, HOODS,  
EXHAUST DUCT  
1 - CRIB FENCE, 31 LINEAR FEET X 8' HEIGHT  
1 - ATLAS COPCO MODEL GX7P, ROTARY SCREW AIR  
COMPRESSOR  
- ACCESS CONTROL SYSTEM  
12 - DOUBLE FACE WELDING BOOTHS WITH LIGHTS EXHAUST  
3 - CAMERA SECURITY SYSTEM

QUALITY OF CONSTRUCTION: GOOD, LEED CERTIFIED



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REAL ESTATE - BUILDING - NORTHWESTERN MICHIGAN COLLEGE

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NAME OF BUILDING: PARSEN-STULLEN M-TEC

KIND OF BUILDING: CLASS C

NO. OF STORIES: TWO

OCCUPANCY - CLASSROOM

SIZE:     FIRST FLOOR           42,800 SQUARE FEET  
          SECOND FLOOR         22,200 SQUARE FEET

TOTAL SQUARE FEET - 65,000

FOUNDATION: CONCRETE

SUPERSTRUCTURE:

FRAME - STEEL

FLOORS - CONCRETE ON GROUND, 5 1/2" SLAB ON METAL DECK, STEEL  
          JOISTS

FLOOR COVER - RESILIENT TILE  
              - CERAMIC TILE  
              - TERRAZZO  
              - CARPET

ROOF STRUCTURE - PRE-ENGINEERED BOW SPRING STEEL ROOF TRUSSES  
                  STEEL JOIST, METAL DECK

ROOF COVER - SNAP-ON STANDING SEAM CURVED METAL ROOFING, PLYWOOD  
              DECK WITH INSULATION  
              - SINGLE PLY MEMBRANE WITH INSULATION

CEILINGS - SUSPENDED ACOUSTICAL PANELS  
          - SUSPENDED GYPSUM BOARD  
          - SUSPENDED PREFORMED FLUSH ALUMINUM PANELS  
          - SUSPENDED ALUMINUM PANELS  
          - SUSPENDED VINYL FACED GYPSUM PANELS

INTERIOR CONSTRUCTION - MASONRY AND FRAME PARTITION

BUILT-IN FIXTURES -

- 350 LINEAR FT. OF LAMINATE BASE CABINETS
- 225 LINEAR FT. OF LAMINATE WALL CABINETS
- 1 - INFORMATION DESK, LAMINATE, 20 LINEAR FT.
- 1 - INFORMATION DESK, LAMINATE, 13 LINEAR FT.
- 5 - FOLDING PARTITIONS, 28 X 9'
- LOT OF VISUAL DISPLAY BOARDS

R. A. SCHETTLER, INC.  
Appraisal Engineers

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REAL ESTATE - BUILDING -

NORTHWESTERN MICHIGAN COLLEGE

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M-TEC: continued

## BUILT-IN FIXTURES - continued

- 1 - STAINLESS STEEL SINK WITH DRAINBOARD, DISPOSAL, DISHWASHER
- 1 - DOUBLE COMPARTMENT SINK, STAINLESS STEEL
- 1 - TV CABINET, LAMINATE, 48 X 24 X 84"
- 10 - WARDROBE CABINETS, LAMINATE, 42 X 24 X 84"
- 1 - ISLAND CABINET, LAMINATE, 68 X 48 X 35"
- 1 - ISLAND CABINET, LAMINATE, 120 X 30 X 35"
  - 40 LINEAR FT. LAMINATE WITH 3-DRAWER PEDESTAL BASE, 2-DOOR BASE
  - 38 LINEAR FT. LAMINATE WITH 3-DRAWER PEDESTAL BASE
- 20 - LOCKERS, METAL, 2-TIER, 15 X 18 X 60"
- 28 - LOCKERS, METAL, 2-TIER, 12 X 12 X 60"
  - 1 - OTIS PASSENGER ELEVATOR, 2-STOP
  - 1 - LAB FUME HOOD, 47" WITH LAMINATE BASE CABINET
  - 3 - PENINSULA LAB BASE CABINETS, LAMINATE WITH SINK, GAS, AIR, ACID PROOF TOP, 72 X 42"
    - 12 LINEAR FT. LAB BASE CABINETS, LAMINATE, ACID PROOF TOP
    - TOILET PARTITIONS
    - MINI BLIND WINDOW TREATMENTS
    - SIGNAGE
  - 1 - DISPLAY CASE / DIRECTORY
- 12 - WELDING BOOTHS MASONARY

## PLUMBING - A MODERN SYSTEM OF SANITARY FIXTURES CONSISTING OF:

- 22 - WATER CLOSETS
- 25 - LAVATORIES
- 8 - URINALS
- 2 - SANITARY SINKS
- 6 - ELECTRIC WATER COOLERS
- 1 - WASH FOUNTAIN
- 1 - SHOWER
- 1 - RAYPACK GAS FIRED DOMESTIC WATER BOILER WITH 115 GALLON STORAGE TANK

## ELECTRICAL - AN APPROVED SYSTEM OF WIRING ALL IN CONDUIT WITH NECESSARY WALL PLUGS AND SWITCH BOXES

## HEATING AND AIR CONDITIONING -

- 1 - RAYPACK MODEL H-ADB-500 GAS FIRED BOILER
- 2 - RAYPACK MODEL H-ADB-750 GAS FIRED BOILERS
- 2 - RAYPACK MODEL H-6-962 GAS FIRED BOILERS
- 2 - RAYPACK MODEL H-4-1000 GAS FIRED BOILERS
- 1 - ITT BELL & GOSSETT HEAT EXCHANGER
- 2 - YORK MODEL H2CA300A46D CONDENSING UNITS, 25 TON CAPACITY
- 7 - YORK AIR HANDLING UNITS
- 1 - BALTIMORE AIR COIL MODEL F1443-0 FLUID COOLER



R.A. SCHETTLER, INC.  
Appraisal Engineers

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REAL ESTATE - BUILDING

NORTHWESTERN MICHIGAN COLLEGE

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M-TEC: continued

HEATING AND AIR CONDITIONING - continued

- 1 - BALTIMORE AIR COIL MODEL F1463-P FLUID COOLER
  - PUMPS AS REQUIRED
  - BASEBOARD RADIATION
  - RADIANT FLOOR IN STUDENT ACTIVITIES ROOM
- 1 - LIEBERT AIR CONDITIONING UNIT
- 1 - LIEBERT CONDENSING UNIT
- 1 - TRANE 2TRW4024A100011 CONDENSING UNIT, #6135KWL4F
  - SOLAR THERMAL SYSTEM INCLUDING:
- 7 - MAZDON 30-TUBE SOLAR PANELS, 6 X 6' ON WALL MOUNTED  
STEEL FRAME
- 2 - STORAGE TANKS, 150 GALLON CAPACITY
  - PUMPS
- 1 - MITSUBISHI SPLIT SYSTEM AIR CONDITIONER, 3 TON, ROOM 204

- EXTERIOR WALLS - SPLIT FACE MASONRY WITH BLOCK BACK UP, 12"
- BLOCK, 8"
  - HORIZONTAL METAL SIDING
  - INSULATED GLASS IN ALUMINUM FRAME
  - 3 - OVERHEAD DOORS, ROLL UP WITH ELECTRIC OPERATOR,  
16 X 15', 28 X 22', 13 X 10'

- MISCELLANEOUS - FIRE PROTECTION SPRINKLERS
- DATA/TELEPHONE/IT INFRASTRUCTURE
  - DIGITAL FLOORING SYSTEM
  - 2 - CANOPIES, STEEL FRAME, SPLIT FACE MASONRY, STEEL  
JOISTS, METAL DECK, STANDING SEAM METAL ROOF COVER,  
13.5' X 14.5' X 10' HEIGHT
  - 1 - SOLAR PV SYSTEM INCLUDING: 12 - BP SOLAR PANELS,  
5 X 10'
    - STEEL FRAME FOR PANELS, 42' WIDE 10' HEIGHT
  - 2 - FRONIUS IG INVERTER
    - WIRING
    - SIMPLEX FIRE ALARM SYSTEM
  - 1 - USA TANK MODEL 2520, WATER TANK STEEL,  
25' DIAMETER X 20' HEIGHT, 66800 GALLON CAPACITY,  
#150115100A WITH CRANE STAIRCASE, SAND FILTERS
    - FM200 FIRE SUPPRESSION SYSTEM FOR ROOMS 100 AND 204A
    - ACCESS CONTROL SYSTEM
  - 5 - CAMERA SECURITY SYSTEM

QUALITY OF CONSTRUCTION: GOOD

BUILT: 2000

R. A. SCHETTLER, INC.  
Appraisal Engineers

Asset Acct.: NORTHWESTERN MICHIGAN COLLEGE    Bldg.: NORTH HALL  
REAL ESTATE - BUILDING

Description	11/1/21
FOUNDATION:	199,300.00
SUPERSTRUCTURE:	
FRAME	177,800.00
FLOORS	536,500.00
FLOOR COVERINGS	234,600.00
CEILINGS	147,200.00
ROOF STRUCTURE	175,300.00
ROOF COVER	184,600.00
INTERIOR CONSTRUCTION	1,655,300.00
BUILT-IN FIXTURES	952,500.00
ELECTRICAL	567,100.00
PLUMBING	701,300.00
HEATING AND AIR CONDITIONING	871,800.00
MISCELLANEOUS	83,000.00
EXTERIOR WALLS	664,100.00
FIRE PROTECTION	107,800.00
ELEVATORS	170,500.00
TOTAL LABOR AND MATERIALS	7,428,600.00
ARCHITECT'S PLANS AND SUPERVISION	6%
Replacement Value New	7,874,300.00
Depreciation %	3%
Sound Valuation	7,638,100.00

R. A. SCHETTLER, INC.  
Appraisal Engineers

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REAL ESTATE - BUILDING

NORTHWESTERN MICHIGAN COLLEGE

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NAME OF BUILDING: NORTH HALL

KIND OF BUILDING: CLASS D

NO. OF STORIES: THREE

OCCUPANCY: STUDENT HOUSING

TOTAL SQUARE FEET = 46,730

FOUNDATION: CONCRETE

SUPERSTRUCTURE:

FRAME - STEEL

FLOORS - 4" CONCRETE SLAB, VAPOR BARRIER, INSULATION  
- WOOD TRUSSES, WOOD DECK  
- CONCRETE METAL PAN STAIRWAY

FLOOR COVERINGS - WOOD COMPOSITE, CERAMIS TILE, RUBBER BASE,  
CARPET, RESILIENT SHEET FLOORING

ROOF STRUCTURE - WOOD TRUSSES, WOOD DECK  
- STEEL JOIST, METAL DECK

ROOF COVER - SINGLE PLY MEMBRANE OVER RIDGID INSULATION

CEILINGS - SUSPENDED ACOUSTICAL PANEL  
- GYPSUM BOARD WITH KNOCKDOWN FINISH, PAINTED  
- SUSPENDED WOOD SLAT PLANK CEILING SYSTEM

INTERIOR CONSTRUCTION - WOOD PARTITIONS, FEW MASONRY PARTITIONS

BUILT-IN FIXTURES - LAMIMATE KITCHEN CABINETS  
- WOOD VANITY CABINETS  
- LAMINATE LAUNDRY CABINETS

PLUMBING - AN MODERN SYSTEM OF SANITARY FIXTURES CONSISTING OF:  
47 - WATER CLOSETS  
49 - LAVATORIES  
1 - URINAL  
3 - SANITARY SINK  
3 - LOCHINVAR MODEL SIT1199, INDIRECT WATER HEATER,  
119 GALLON CAPACITY  
2 - ELECTRIC WATER COOLERS  
48 - SHOWERS

R. A. SCHETTLER, INC.  
Appraisal Engineers

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REAL ESTATE - BUILDING

NORTHWESTERN MICHIGAN COLLEGE

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NORTH HALL: continued

ELECTRICAL - AN APPROVED SYSTEM OF WIRING ALL IN CONDUIT WITH  
NECESSARY WALL PLUGS AND SWITCH BOXES

HEATING AND AIR CONDITIONING -

- 1 - LOCHINVAR MODEL FTX850, GAS FIRED TUBE BOILER, #239797
- 40 - CLIMATE MASTER HEAT PUMPS
- 6 - RENEWAIRE MODEL HEIXRT, ROOF TOP ENERGY RECOVERY UNITS
- 1 - LOCHINVAR MODEL FTX850, GAS FIRED TUBE BOILER, #216336
- 1 - LOCHINVAR MODEL FTX850, GAS FIRED TUBE BOILER, #216523
- 1 - GUNTNER MODEL GFH080, ROOFTOP DRY COOLER

MISCELLANEOUS - ACCESS CONTROL SYSTEM

- 6 - CAMERA SECURITY SYSTEM

EXTERIOR WALLS - HORIZONTAL CEMENTITIOUS SIDING PANELS

- CEMENTITIOUS LAP SIDING
- ALUMINUM CURTAIN WALL
- ALUMINUM STOREFRONT
- BUILT-UP EYEBROW TRIM

ELEVATOR - KONE 3 STOP PASSENGER ELEVATOR, 4000 LB. CAPACITY,  
#9960649

YEAR BUILT - 2017

QUALITY OF CONSTRUCTION - GOOD

# R.A. Schettler, Inc.

24634 W. FIVE MILE RD.  
REDFORD, MI. 48239

Certified  
Appraisal Service

(248) 705-5801

Industrial - Commercial

RAS

Residential - Institutional

NOVEMBER 1, 2021

ASSOCIATED GROUP UNDERWRITERS, INC.  
39111 W. SIX MILE ROAD  
LIVONIA, MICHIGAN 48152

TO WHOM IT MAY CONCERN:

AS REQUESTED BY THE MICHIGAN COMMUNITY COLLEGE RISK MANAGEMENT AUTHORITY, WE SUBMIT HERewith OUR CERTIFIED APPRAISAL OF LIBRARY HOLDINGS BELONGING TO NORTHWESTERN MICHIGAN COLLEGE, 1701 E, FRONT STREET, TRAVERSE CITY, MICHIGAN. THIS APPRAISAL INCLUDES MEDIA CENTER COLLECTIONS ONLY.

THIS APPRAISAL IS REPORTED IN A NUMBER OF CATEGORIES AND FURNISHES AN UNBIASED STATEMENT OF VALUES. VALUES STATED ARE REPLACEMENT VALUE NEW, WHICH ARE DEFINED AS THE COST THAT WOULD BE INCURRED IN ACQUIRING AN EQUALLY DESIRABLE SUBSTITUTE FOR PROPERTY, WHICH IS DETERMINED IN ACCORDANCE WITH MARKET PRICES PREVAILING AT THE DATE OF THIS APPRAISAL AND REPRESENTS THE COST TO REPLACE NEW, THE PROPERTY IN LIKE KIND.

IN THIS ANALYSIS, WE HAVE RELIED ON THE BOWKERS ANNUAL GUIDE TO PROVIDE AVERAGE UNIT PRICES FOR COMMUNITY COLLEGE LIBRARY COLLECTIONS. WE HAVE MET WITH YOUR MEDIA DIRECTOR OR OTHER STAFF TO DISCUSS THESE VALUES AND TO MAKE ADJUSTMENTS FOR ANY SPECIAL CIRCUMSTANCES OR COLLECTIONS.

WE HAVE NOT EXAMINED THE LEGAL TITLES OF PROPERTY. THEREFORE WE DO NOT ASSUME RESPONSIBILITY REGARDING THE OWNERSHIP OF PROPERTY IN THIS APPRAISAL.

VERY TRULY YOURS,

R.A. SCHETTLER, INC.

# R.A. Schettler, Inc.

24634 W. FIVE MILE RD.  
REDFORD, MI. 48239

Certified  
Appraisal Service

(248) 705-5801

Industrial - Commercial

RAS

Residential - Institutional

NOVEMBER 1, 2021

NORTHWESTERN MICHIGAN COLLEGE  
1701 E. FRONT STREET  
TRAVERSE CITY, MICHIGAN 49684

TO WHOM IT MAY CONCERN:

AS REQUESTED BY THE MICHIGAN COMMUNITY COLLEGE RISK MANAGEMENT AUTHORITY, WE SUBMIT HERewith OUR CERTIFIED APPRAISAL OF LIBRARY HOLDINGS BELONGING TO NORTHWESTERN MICHIGAN COLLEGE, 1701 E, FRONT STREET, TRAVERSE CITY, MICHIGAN. THIS APPRAISAL INCLUDES MEDIA CENTER COLLECTIONS ONLY.

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VERY TRULY YOURS,

R.A. SCHETTLER, INC.



**R. A. Schettler, Inc.**  
**Appraisal Engineers**

**Northwestern Michigan College**  
**Library Holdings by Building**

DATE:      NOVEMBER      2021

<b>Building Name</b>	<b>Circulating Books</b>	<b>Reference Books</b>	<b>Periodicals</b>	<b>Videotape</b>	<b>CD Rom</b>	<b>Sound Recordings</b>	<b>Other Holdings</b>	<b>Building Total</b>
Library	1,530,550	267,180	70,350	33,915	0	0	0	\$1,901,995
<b>TOTAL</b>	<b>\$1,530,550</b>	<b>\$267,180</b>	<b>\$70,350</b>	<b>\$33,915</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,901,995</b>

# **Appendix I**

## **Campus Maps**



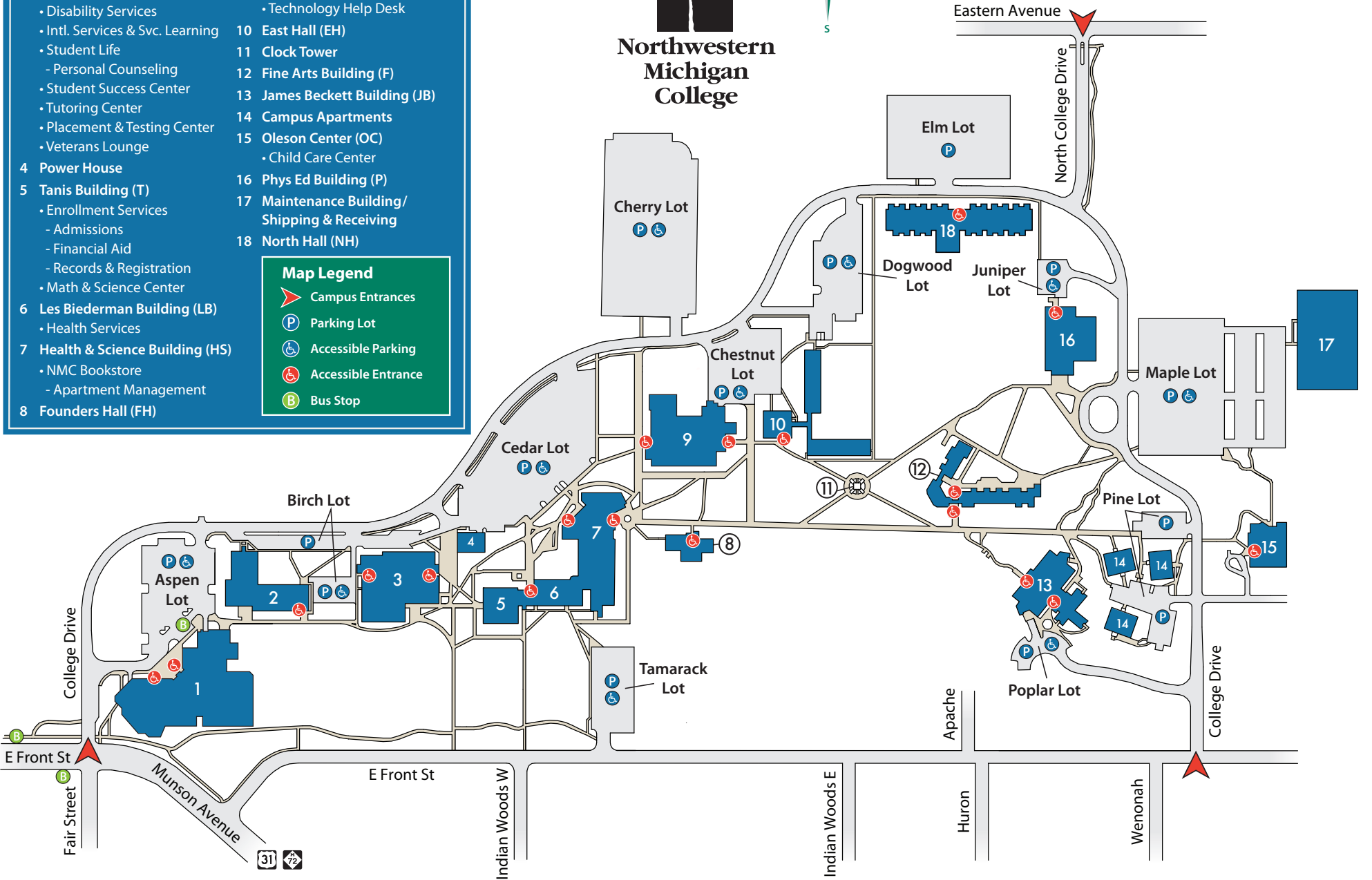
**Northwestern  
 Michigan  
 College**



- |                                   |  |
|-----------------------------------|--|
| 1 Denmos Museum (DMC)             | 9 Timothy J. Nelson Innovation Center & Library (IC) |
| 2 Scholars Hall (SH)              | • Campus Safety                                      |
| • Writing & Reading Center        | • Student IDs, Parking passes                        |
| 3 Osterlin Building (O)           | • Hawk Owl Café                                      |
| • Academic & Career Advising Ctr. | • Technology Help Desk                               |
| • Disability Services             | 10 East Hall (EH)                                    |
| • Intl. Services & Svc. Learning  | 11 Clock Tower                                       |
| • Student Life                    | 12 Fine Arts Building (F)                            |
| • Personal Counseling             | 13 James Beckett Building (JB)                       |
| • Student Success Center          | 14 Campus Apartments                                 |
| • Tutoring Center                 | 15 Oleson Center (OC)                                |
| • Placement & Testing Center      | • Child Care Center                                  |
| • Veterans Lounge                 | 16 Phys Ed Building (P)                              |
| 4 Power House                     | 17 Maintenance Building/<br>Shipping & Receiving     |
| 5 Tanis Building (T)              | 18 North Hall (NH)                                   |
| • Enrollment Services             |  |
| • Admissions                      |  |
| • Financial Aid                   |  |
| • Records & Registration          |  |
| • Math & Science Center           |  |
| 6 Les Biederman Building (LB)     |  |
| • Health Services                 |  |
| 7 Health & Science Building (HS)  |  |
| • NMC Bookstore                   |  |
| • Apartment Management            |  |
| 8 Founders Hall (FH)              |  |

**Map Legend**

- Campus Entrances
- Parking Lot
- Accessible Parking
- Accessible Entrance
- Bus Stop



**Map Legend**

- Campus Entrances
- Parking Lot
- Accessible Parking
- Accessible Entrance
- Bus Stop



**Northwestern  
Michigan  
College**



**Great Lakes Campus**  
715 E Front Street

Lake Michigan  
Grand Traverse Bay

- 1 Maritime Academy (GL)
- 2 Water Studies Institute (GL)
- 3 Hagerty Center
- 4 Lobdell's Teaching Restaurant
- 5 Culinary Institute (GL)

Front Street  
31

Main Entrance

**NMC University Center**  
2200 Dendrinis Drive

310

Dendrinis Dr

Main Entrance

Cass St

- 1 North Wing
  - Business Office
  - Extended Education
  - Human Resources
  - Greenspire High School
- 2 Middle
  - University Center (UC)
- 3 South Wing
  - NMC Foundation
  - Strategic Initiatives Office
  - University Center (UC)

South Airport Rd

**Aero Park Campus**  
2600 Aero Park Drive

To Parsons Rd

Aero Park Drive

Automotive Service Technology Building (AT)

W Aero Park Court

Aviation Hangars

Parsons-Stulen Building (PS)

Aero Park Laboratories (AL)

To 3 Mile Rd

Aero Park Drive

**FISCAL YEAR 2024  
CAPITAL OUTLAY PROJECT REQUEST**

**Institution Name:** Northwestern Michigan College

**Project Title:** Integrated Student Services Hub

**Project Focus:**  Academic  Research  Administrative/Support

**Type of Project:**  Renovation  Addition  New Construction

**Program Focus of Occupants:** Student Academic and Administrative Support

**Approximate Square Footage:** 26,000 square feet

**Total Estimated Cost:** \$6,500,000

**Estimated Start/Completion Dates:** Project is ready for construction contingent upon authorization approval. Total build time is expected to be one-year.

Is the Five-Year Plan posted on the institution's public internet site?  Yes  No

Is the requested project the top priority of the Five-Year Capital Plan?  Yes  No

Is the requested project focused on a single, stand-alone facility?  Yes  No

**Note: Attached to this project request is a condensed, 1-page project summary.**

**Executive Summary  
Student Services Hub – Renovation Project**

**Project Overview**

Northwestern Michigan College is applying for Capital Outlay funding to renovate and upgrade the Osterlin Building on central campus into an Integrated Student Services Hub ("the Hub") or ("the project"). The Hub would become a central building for the College's key student service departments including admissions, advising, tutoring, counseling, financial aid, cashier's, international outreach, and more; it would add a Veteran's Lounge, testing center, and talent development services area. These services are currently spread out among three different buildings on central campus.

Built in 1961 and expanded in 1984, Osterlin has reached the end of its functional life and is in need of significant repairs and upgrades. This includes upgrades to the building envelope, HVAC system and a reconfiguration of the layout to maximize use of the existing building footprint. The project will also include energy efficiency upgrades and student focused spaces to enable collaboration and learning. The project will not impact tuition and will be cost shared from existing NMC reserves. The last Capital Outlay project funded at NMC was in 2018 for the West Hall Innovation Center Renovation Project.

## Project Purpose

The purpose of this project is to address 3 main needs for NMC's central campus:

1. **Enhance an Existing Asset:** The Osterlin building is over 60 years old and has reached the end of its functional life. Instead of demolishing the structure, NMC intends to repurpose, transform, and extend the life of the building while creating a functional, centralized hub for key student services.
2. **Improve Student Efficiency:** Currently, students must travel to several different buildings for their support service needs. Consolidating all of our student support services into one area will allow students to access resources in one location. We believe this holistic customer service experience will lead to increased student retention and completion due to the enhanced experience.
3. **Improve Energy Efficiency:** The project would include a complete envelope overhaul including new energy efficient windows and doors, new insulation and a new exterior that would increase efficiency and sustainability. Additional project elements would include a new HVAC system and the installation of LED lights, all of which will help reduce the carbon footprint for this building.

## Describe the Scope of the Project

The project is the complete renovation and modernization of the 60 year old Osterlin Building. The scope includes addressing deficiencies identified in the facility assessment report (**Appendix E of Five-Year Capital Plan**) and other overdue upgrades to transform the space into a centrally located hub for student services.

Specific project elements include:

- Updated information technology infrastructure
- Revised or improved building entrances
- Replace existing windows and exterior doors to increase efficiency
- Replace deteriorating stucco with new insulated metal panels to increase efficiency and sustainable design
- Updated facility to address ADA accessibility
- Upgrade/replace lighting with LED lights
- Replace inefficient HVAC system with new energy efficient system
- Elevator upgrades
- Electrical upgrades
- New interior finish
- Flexible and adaptable learning spaces for group and individual learning, spaces for career advising and workforce readiness partners
- Breakout spaces to support services to students
- Improved operating efficiencies
- Consolidation of student support offices



Once completed the Osterlin Building will be home to:

- Admissions
- Financial Aid
- Student Financial Services / Cashiers
- Registrar
- Counseling
- Career Services
- Health Services
- Veterans Lounge
- Advising and Tutoring
- Learning Services and Student Testing Center
- International Outreach and Service Learning

The project outcomes for our learners include:

- Integrated student support services
- Holistic advising experience to help them with their student success
- Improved customer service to students
- Increased use of student support services
- Improved retention rates

*Please provide detailed, yet appropriately concise responses to the following questions that will enhance our understanding of the requested project:*

**1. How does the project enhance Michigan's job creation, talent enhancement and economic growth initiatives on a local, regional and/or statewide basis?**

Northwestern Michigan College plays a pivotal role in talent enhancement and economic growth initiatives at the local, regional, state and national basis. A 2017 study conducted by EMSI, a leading provider of economic impact studies and labor market data to educational institutions, concluded that NMC “benefits local businesses by increasing consumer spending in the region and supplying a steady flow of qualified, trained workers into the workers.” The study further found that NMC “benefits the state and local taxpayers through increased tax receipts” and “benefits society as a whole in Michigan by creating a more prosperous economy and generating a variety of savings through the improved lifestyles of students.”

Specifically the study found that 1 out of every 22 jobs in the region is supported by the activities of NMC and its students. The study also reported that NMC added \$42.3 million in income to the region during the analysis year as a result of its day-to-day operations. Further, the 2017 economic impact study conducted by EMSI found that for every \$1.00 of public monies invested in NMC, taxpayers receive a cumulative value of \$2.90 over the course of the student’s working lives.

Therefore, the proposed integrated student services hub is critically important to ensure that NMC is able to continue meeting its goal of providing our communities

and learners with the skills, experiences and values that help them create social and economic wealth during their lifetime.

## 2. How does the project enhance the core academic and/or research mission of the institution?

This project is closely aligned with NMC’s mission of “providing lifelong learning opportunities to our communities.” With an enrollment of approximately 4,000 students, services such as advising, tutoring, financial aid, and counseling play a key role in student success and completion.

In 2017, financial aid was offered to 67% of our student population. A 2016 RAND study<sup>1</sup> and a 2019 University of Chicago study<sup>2</sup> found that **providing community college students with comprehensive wraparound services increases full time enrollment and completion rates**. The 2019 study by the University of Chicago Poverty Lab found that providing wraparound supports for community college students can improve their chances of persisting, resulting in nearly doubling their retention to the next term and leading to a 35% increase in full-time enrollment.

Therefore, to support success and completion for our approximately 4,000 students, this project will allow NMC to provide a singular location to help students navigate enrollment, financial aid and advising. Delivering more consistent and timely answers will provide the project outcome of a more uniform, holistic customer service experience that will help attract and retain students.

## 3. How does the project support investment in or adaptive re-purposing of existing facilities and infrastructure?

The integrated student services hub will be an adaptive re-purposing of a centrally located but outdated facility. The project maximizes the use of an existing building to accommodate the vast majority of our student support services in one location. In addition, the project leverages vacated space once home to the College’s library, which has moved to our new Timothy J. Nelson Innovation Center. This transition leaves 26,000 square feet of centrally located space in the Osterlin Building that would not be repurposed in such a way to benefit all students.

### **Does the project address or mitigate any current health/safety deficiencies relative to existing facilities? If yes, please explain.**

Yes, the project will address several health/safety deficiencies in the existing structure. The building was built in 1961 and expanded in 1984. A renovation and re-purposing of the building will allow us to update the building based on current

<sup>1</sup> <https://www.rand.org/news/press/2016/11/30/index2.html>

<sup>2</sup> <https://news.uchicago.edu/story/study-evaluates-model-helping-students-complete-community-college>

emergency management protocol and today's ADA requirements. In summary, some of the deficiencies addressed with a project would include:

- Additional barrier free restrooms
- Remodel of interior of buildings to eliminate ramps that are not ADA compliant
  - Currently the building utilizes a series of ramps to access portions of the building that are not compliant with the current ADA standards
- HVAC heating and cooling upgrades
  - Dated equipment will be replaced with a higher efficiency and environmentally compliant system
- Window and exterior door replacement
  - Replace dated windows with energy efficient windows

**4. How does the institution measure utilization of its existing facilities, and how does it compare relative to established benchmarks for educational facilities? How does the project help to improve the utilization of existing space and infrastructure, or conversely how does current utilization support the need for additional space and infrastructure?**

NMC utilizes a robust analytic process for determining efficient use and utilization of our classrooms and spaces. We were one of the first colleges to use classroom efficiency rather than “go numbers” to determine enrollment decisions. Starting in 2000, NMC adopted an efficiency model whereby the college set an ambitious target to achieve an average of 90% fill rate for our classes. While not reaching that goal in every area due to the need to support smaller efficiency in some key specialty areas, the college average has reached between 82% and 85% in the last five academic years. Classes in some disciplines are entirely full.

The College also analyzes the utilization of our current buildings using our R25 scheduling software. Our current utilization reports show that our adaptive learning spaces are at maximum use. These spaces are scheduled for large and small student study groups. Additionally, our reports show that simulation space is at capacity. These adaptive rooms are used by both credit and certificate programs. NMC was at capacity for our residential students and added an additional 150 new beds in 2017. Our residential halls are currently at 90% occupancy.

This project would greatly assist in improving the utilization of existing space on campus. Specifically, with the movement of the library to a new building on campus, a large portion of the Osterlin building will be vacant. Further, as the building is currently configured, space is non-congruent and prevents students from seamlessly utilizing space and service. Once completed, the project would create a more holistic space for student support service activity. With more students living on campus, we believe areas such as counseling and health services will see more activity. Both of these departments are strained for space in their current location. Offices that are

currently being used by these departments will be able to be repurposed as additional classrooms or needed office space.

**5. How does the institution intend to integrate sustainable design principles to enhance the efficiency and operations of the facility?**

Over the years, NMC has shown a commitment to sustainable design principles in construction of both new buildings and renovation projects. Although this is a relatively small renovation project, we will once again incorporate facility efficiencies wherever appropriate. This project will see the same level of commitment to integrate sustainable design principles to enhance operating efficiency as all of our building and renovation projects have seen.

An example of how NMC's projects have adhered to sustainable design principals can be found in NMC's self-funded purchase and renovation of a former manufacturing facility in 2010 that has led to LEED certification. The new facility is used to teach our sustainable energy programs, construction trade and other technical programs that relate to the sustainable design fields. Each year the College commits to certain projects that will result in direct energy efficiencies. We have converted exterior and interior lighting to LED efficient lighting and installed occupancy sensors in classrooms, hallways, and restrooms.

The following sustainability elements are planned for the Student Services Hub:

- Upgraded lighting
- Occupancy sensors
- Energy efficient HVAC upgrades
- Improved building envelope design around exterior doors
- Improved roofing and other insulation

**6. Are match resources currently available for the project? If yes, what is the source of the match resources? If no, identify the intended source and the estimated timeline for securing said resources?**

Yes. The college has reserve funds available to match state dollars for this project as well as resources from private contributions from the NMC Foundation.

**If authorized for construction, the state typically provides a maximum of 75% of the total cost for university projects and 50% of the total cost for community college projects. Does the institution intend to commit additional resources that would reduce the state share from the amounts indicated? If so, by what amount?**

No, not at this time. NMC is committed to matching the required 50% for this project.

**7. Will the completed project increase operating costs to the institution? If yes, please provide an estimated cost (annually, and over a five-year period) and**

**indicate whether the institution has identified available funds to support the additional cost.**

No, we do not anticipate an increase in operating costs if this project were funded. If anything, the improvements to the building should yield operating efficiencies in electrical and heating costs. Combining multiple departments should help reduce labor redundancies, and therefore the College will be able to save on labor costs in the long term after this project is completed.

**8. What impact, if any, will the project have on tuition costs?**

There will not be an impact on tuition costs as a result of the project because capital projects are planned for and built into a four-year budget model.

**If this project is not authorized, what are the impacts to the institution and its students?**

If this project is not authorized it will be a detriment to our current and future students. We would also be left with space that will be vacant- following the move of our library to a new location. Further, if not authorized, the space would not be able to provide a more robust student support services area that will give students the ability to access a multitude of student support services in one location. Once completed, the Student Services Hub will be a more efficient way for students to access these services, which translates to more use and less time constraints.

**12. What alternatives to this project were considered? Why is the requested project preferable to those alternatives?**

There is no viable alternative to this project. The project allows for us to consolidate student support service in one area. This will result in a more holistic approach for our students and a more efficient delivery system for staff. We expect this to result in time savings for students with greater results.

Any alternative would only allow for us to make limited changes based on space capacity. This does not allow for the unified holistic experience for our students. Additionally, the alternative would not address many of the ADA compliance concerns we have with this dated facility.

Based on the age of the facility and the need for a unified student support service center we believe that this project will best meet all of the objectives for the Student Learning Support Services Renovation Project.

**13. History of prior appropriations received by the institution through the capital outlay process.**

<b>Project</b>	<b>Year</b>
Integrated Science & Tech Learning Center	2002
West Bay Great Lakes Campus	2004
Oleson Center Renovation Project	2006
West Hall Innovation Center Project	2018



# Integrated Student Service Hub

Total Project Cost: \$6.5 million | State Funding Request: \$3.25 million



Northwestern Michigan College

## Summary

This project will transform Northwestern Michigan College's 60 year-old Osterlin Building on central campus into an integrated student service hub. The hub will efficiently serve student needs for admissions, financial aid, cashiers, advising, counseling, international outreach, health and veteran services. It features a dedicated Veterans Lounge, testing center, and talent development services area.

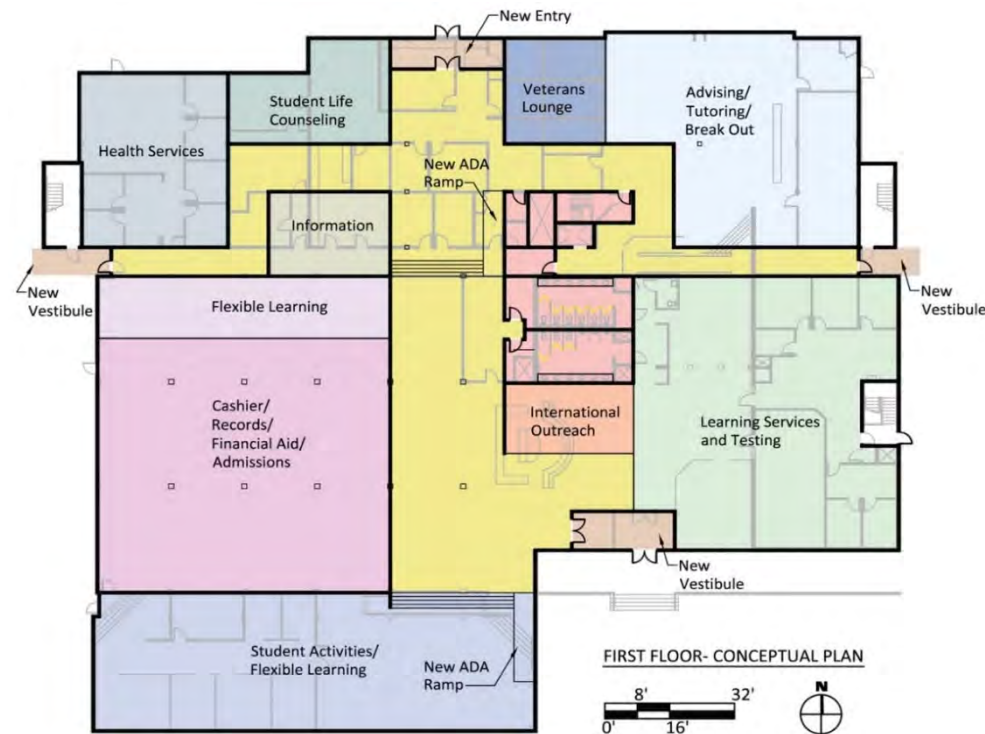
## Features

- Key student needs centralized from 3 buildings to 1
- Reduced environmental footprint through use of sustainable technologies
- Integrates with regional talent development strategy
- Veterans Lounge
- Reduced operating costs
- Local match (\$3.25 million)
- No impact on tuition
- Last state funded capital project was 2018

## Key Upgrades

- 26,000 ft.<sup>2</sup> renovation, includes demolition and reconstruction of 1<sup>st</sup> floor interior design
- HVAC modernization
- Energy efficient windows
- Exterior upgrades
- Improve ADA accessibility
- Lighting and electrical upgrades
- IT infrastructure upgrades
- Elevator upgrade

## Conceptual Floor Plan



## Student Outcomes

This project will increase student retention and completion due to an improved, holistic customer service experience via the Hub

### Current Condition



Osterlin Building – SE Exterior



Osterlin Building – Main Entrance



Osterlin Building – Student Success Ctr



## Northwestern Michigan College

231.995.1000 | Traverse City, MI | www.nmc.edu

### Board Policy B-100.00

#### Board-President Relationship

## Delegation to the President

All board authority delegated to staff is delegated to the president, so that all authority and accountability of staff—as far as the board is concerned—is considered to be the authority and accountability of the president.

1. The board will direct the president to achieve certain results through the establishment of Ends policies. The board may limit the latitude the president may exercise in practices, methods, and conduct in achievement of the ends through establishment of Parameters policies.
2. As long as the president uses any reasonable interpretation of the board's Ends and Parameters policies, the president is authorized to establish all staff policies and procedures.
3. The board may change its Ends and Parameters policies, thereby shifting the boundary between board and president domains. By so doing, the board changes the latitude choices given to the president. But so long as any particular delegation is in place, the board and its members will respect and support the president's decisions. This does not prevent the board from obtaining information in the delegated areas except where laws of confidentiality prohibit disclosure.
4. Only decisions of the board acting as a body are binding upon the president.
  - a. Decisions or instructions of individual board members, officers, or committees are not binding on the president except in rare instances when the board has specifically authorized such exercise of authority.
  - b. Individual board members may request information or assistance from the president. Requests that require (in the president's judgment) a material amount of staff time or funds or are disruptive may be referred to the board for determination.

If any provision(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 provision(s).

Adopted by the Northwestern Michigan College Board of Trustees October 23, 1995

Reviewed without revision January 23, 2006

Revised May 22, 2017



**Northwestern Michigan College**

231.995.1000 | Traverse City, MI | www.nmc.edu

## Board Policy B-101.00

### Board-President Relationship

# President's Role and Job Description

1. The president is accountable to the board acting as a body. The board will instruct the president through written policies, delegating implementation to the president.
2. As the board's official link to the operating organization, the president's job performance will be considered to be synonymous with organizational performance as a whole, as reflected in an annual evaluation conducted by the Board.
3. Consequently, the president's job contributions can be stated as performance in only two areas:
  - a. Organizational accomplishment of the provisions of board policies on Ends
  - b. Organization operation within the boundaries of prudence and ethics established in board policies on Parameters
4. Notwithstanding the above, the president serves at the pleasure of the board and contractual understandings will apply.

If any provision(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 provision(s).

Adopted by the Northwestern Michigan College Board of Trustees October 23, 1995

Revised January 23, 2006

Reviewed with no changes May 22, 2017



**Northwestern Michigan College**

231.995.1000 | Traverse City, MI | www.nmc.edu

Board Policy C-104.00

Ends Policy

## Institutional Effectiveness Criteria

It shall be the policy of Northwestern Michigan College to establish ends policies which state the overall institutional goals toward which the activities of administration, faculty, and staff are to be directed. The ends policies of Northwestern Michigan College are as follows.

### 1. Learning

#### a. Scholarship

NMC shall promote the acquisition of knowledge, skills, and attitudes that all students need to function effectively in a changing world through outstanding academic programs recognized for their regional and national level competencies. NMC is committed to helping students acquire the ability to communicate effectively, to think critically, and to be aware of diversity in our world. The scholarship criterion measures the effectiveness of how well NMC prepares students for success in the workplace related to their chosen field and the extent to which NMC provides credible transfer and articulation programs for those students who choose to continue their education at other colleges and universities. Furthermore, in support of our open access philosophy, NMC encourages the academic success of under-prepared college students in their pursuit of basic educational skills and abilities.

#### b. Enrichment

NMC shall provide lifelong learning opportunities to regional residents by offering quality educational opportunities for all ages. Programs are designed to be flexible, convenient, and responsive to the needs of the community. Moreover, NMC is committed to enriching and broadening the knowledge base and cultural life of the community. It does so by offering a wide range of programs and curricula that emphasize continuing education, skill enhancement, professional development, and cultural and personal enrichment. The enrichment criteria measures how effectively NMC performs in responding to the community's learning needs in those areas.

#### c. Workforce

NMC shall be a significant contributor to regional economic development. The College supports economic development by providing programs responsive to key economic drivers and in support of business and partnership needs. NMC is committed to working collaboratively with community agencies, assessing the economic climate, and providing excellent and reputable training and services. The workforce criterion assesses how well NMC serves in this capacity.

### 2. Organization

#### a. Partnership

NMC shall develop and maintain collaborative relationships with the communities it serves to create a learning-centered College that meets the needs of its students and stakeholders. To this

end, NMC shall effectively communicate with its communities. It shall successfully raise resources to support strategic initiatives. NMC shall develop meaningful relationships with partners in seeking out potential areas for improvement. The partnership criteria assesses the extent to which NMC effectively builds relationships with educational institutions, businesses, service organizations, external agencies, alumni and the general community to fulfill its mission.

b. Operations

NMC shall conduct College operations in a manner reflecting the highest standards of business and professional ethics, legal compliance, and accountability to the public trust. College leaders guide the institution in establishing and accomplishing institutional directions and action plans and in seeking opportunities to build and sustain an effective learning environment. NMC promotes a goals and outcomes related culture by collecting and using data to responsibly manage its operations and to continuously improve.

c. Champion

NMC shall be committed to supporting (championing) students in a learning-centered environment. NMC shall seek to understand student and stakeholder needs and expectations through a variety of methods. NMC shall provide quality academic and support services with the goal of meeting students' needs in an environment of continuous improvement. The champion criterion shall evaluate how well NMC understands its students' and stakeholders' needs as well as how well it supports those needs.

d. Culture

NMC shall foster a work environment that reflects the College's values and leads to an effective work culture. NMC shall commit to the development of the talents and continuous learning of all its faculty, staff, and administrators. NMC manages its employees through effective personnel processes.

If any provision(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 provision(s).

Adopted by the Northwestern Michigan College Board of Trustees March 26, 2007

Revised December 21, 2015



## Northwestern Michigan College

231.995.1000 | Traverse City, MI | www.nmc.edu

### Board Policy B-102.00

#### Board-President Relationship

## Monitoring Presidential Performance

Monitoring executive performance is synonymous with monitoring organizational performance against board policies on Ends and on Parameters. Evaluation of presidential performance, formal or informal, shall be derived from these monitoring data.

1. The purpose of monitoring is to determine the degree to which board policies are being fulfilled.
2. A given policy may be monitored in one or more of three ways:
  - a. Internal report: disclosure of compliance information to the board from the president.
  - b. External report: discovery of compliance information by a disinterested, external auditor or third party who is selected by and reports directly to the board. Such reports will assess presidential performance against policies of the board, unless the board has previously indicated that the third party's opinion will be the standard.
  - c. Direct board inspection: discovery of compliance information by a board member, a committee, or the board as a whole. This is a board inspection of documents, activities, or circumstances directed by the board which allows a "reasonable person" test of policy compliance.
3. Upon the choice of the board, any policy ~~can~~ may be monitored by any of the above methods at any time. The board may establish a regular schedule and method for monitoring Ends and Parameters policies.

If any provision(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 provision(s).

Adopted by the Northwestern Michigan College Board of Trustees October 23, 1995

Reviewed without revision February 27, 2006

Reviewed with no changes May 22, 2017





## Northwestern Michigan College

231.995.1000 | Traverse City, MI | www.nmc.edu

### Board Policy B-103.00

#### Board-President Relationship

## Communication and Counsel to the Board

With respect to providing information and counsel to the board, the president shall inform the board regarding matters of importance. Accordingly, the president shall:

1. Inform the board of relevant trends, anticipated adverse media coverage, or material external and internal changes or events.
2. Submit required monitoring data to the board regarding accomplishment of the ends policies and conformance to the means policies in a timely, accurate, and understandable fashion.
3. Obtain for the board adequate internal and external points of view, facts, issues, and options as may be needed to make fully informed board decisions.
4. Provide a mechanism for official board, officer, board committee, and president communications.
5. Report in a timely manner an actual or anticipated noncompliance with any policy of the board.
6. Keep the board informed regarding progress on major strategic initiatives
7. Provide information as requested through the President's Office by any individual board member per Board Policy B-100.00 Delegation to the President.

If any provision(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 provision(s).

Adopted by the Northwestern Michigan College Board of Trustees October 23, 1995

Revised February 27, 2006

Revised May 22, 2017



## Board Policy D-100.00

### Institutional Effectiveness Criterion: Scholarship

## Learning Outcomes

NMC shall promote the acquisition of knowledge, skills, and attitudes that all students need to function effectively in a changing world through outstanding academic programs recognized for their regional and national level competencies. NMC ~~is~~ shall be committed to helping students acquire the ability to communicate effectively, to think critically, and to be aware of diversity in our world. The scholarship criterion shall measure the effectiveness of how well NMC prepares students for success in the workplace related to their chosen field and the extent to which NMC provides credible transfer and articulation programs for those students who choose to continue their education at other colleges and universities. Furthermore, in support of our open access philosophy, NMC shall encourage the academic success of under-prepared college students in their pursuit of basic educational skills and abilities.

The President shall exercise and promote innovative and creative leadership to support scholarship at Northwestern Michigan College. In so doing the President is hereby granted full authority and autonomy by the Board of Trustees to utilize College resources to that end in any manner deemed appropriate, so long as the President exercises prudent judgment, ethical and lawful behavior, and reasonable interpretation of this policy. The President shall:

1. Establish and publish graduation requirements, grading policies, and other academic policies.
2. Provide programs which prepare students for successful transfer and accurately inform students how courses transfer to their universities of choice.
3. Provide programs which have been developed in concert with the requirements of universities and potential employers.
4. Ensure that College instructional practices and programs will maintain the College's accreditation.
5. Effectively utilize available technology to improve student learning and access to learning.
6. Develop and maintain a library collection of sufficient scope and currency to support a high quality community college curriculum and to meet the information needs of NMC's students, faculty and staff.
7. Ensure that every course and program of instruction has clearly articulated learning objectives which support the College's significant learning outcomes.
8. Ensure that the significant learning outcomes which the College has established are clearly articulated for the benefit of faculty, staff, and students.
9. Provide programs which prepare students for successful job placement and provide an appropriate level of career and academic advising regarding the job market and preparation needed for individual careers.

If any provision(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 provision(s).

Adopted by the Northwestern Michigan College Board of Trustees July 22, 1996 as D-300.00

Revised and renumbered December 18, 2006

Reviewed with no changes October 23, 2017



## Northwestern Michigan College

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### Board Policy D-200.00

#### Institutional Effectiveness Criterion: Enrichment

## Enrichment

NMC ~~shall~~ provides lifelong learning opportunities to regional residents by offering quality educational opportunities for all ages. Programs ~~are shall be~~ designed to be flexible, convenient, and responsive to the needs of the community. Moreover, NMC is committed to enriching and broadening the knowledge base and cultural life of the community. It ~~does shall do~~ so by offering a wide range of programs and curricula that emphasize continuing education, skill enhancement, professional development, and cultural and personal enrichment. The enrichment criteria ~~shall~~ measures how effectively NMC performs in responding to the community's learning needs in those areas.

The President shall exercise and promote innovative and creative leadership in pursuit of enrichment at Northwestern Michigan College. In so doing the President is hereby granted full authority and autonomy by the Board of Trustees to utilize College resources to that end in any manner deemed appropriate, so long as the President exercises prudent judgment, ethical and lawful behavior, and reasonable interpretation of this policy. The President shall ensure that appropriate academic freedom and artistic freedom of expression are maintained.

If any provision(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 provision(s).

Adopted by the Northwestern Michigan College Board of Trustees December 18, 2006

Reviewed with no changes October 23, 2017



## Northwestern Michigan College

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### Board Policy D-202.00 Institutional Effectiveness Criterion: Enrichment

## Public School Academies

1. The Board of Trustees of Northwestern Michigan College believes that public school academies can serve a useful function in the education of students within its boundaries. In an effort to foster diversity of educational opportunity without sacrificing quality of education or unnecessarily duplicating existing educational opportunity of a like nature, the board may review and accept or reject applications for contractual authorization of public school academies.
2. All approved programs ~~must shall~~ have clearly defined educational goals, competent administration and staff to carry out those goals, sufficient financial resources for achieving those goals, and means and methods for ongoing evaluation of the program.
3. A regional public school academy review committee shall be appointed to consider concept and/or application proposals and to recommend approval, modification, amendment, or rejection to the president and board from time to time. The recommendation shall include the proposed length of term of the initial agreement (not to exceed three years, renewable at the discretion of the board), as well as the proposed date of the start of education. The agreement, including monthly financial and operational status reports and annual audit, shall be subject to review by the board.
4. It is further understood that the board ~~has shall have~~ the authority to suspend the charter at any time when it is deemed in the best interest of the Northwestern Michigan College or the students enrolled.
5. The review committee shall be advisory only and ~~will shall~~ not usurp authority from local agencies authorized to charter one or more academies. The review committee shall afford potential candidates an opportunity to gain insight and information relative to criteria necessary to receive a charter. It shall serve to provide a consistent process and “user-friendly” initial steps to those interested in the establishment of an academy.
6. Special attention shall be paid to and a detailed description shall be included concerning the fiscal arrangement proposed by the applicant. The President is authorized to develop staff policy and procedures necessary for the implementation of this policy.

If any provision(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 provision(s).

Initially adopted as D-702.00 by the Northwestern Michigan College Board of Trustees September 23, 1996  
Renumbered D-202.00 December 18, 2006  
Reviewed without revision November 2008  
Reviewed with no changes October 23, 2017



*MEMO*  
*Educational Services*

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**To:** Nick Nissley, President  
**From:** Stephen Siciliano, Vice President for Educational Services  
**Date:** October 3, 2022  
**Subject:** Discontinuation of the Level 1 Certificate in Plumbing

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Board Authorization Requested

I am seeking Board authorization, under Policy A-106.00, to discontinue the Level 1 Certificate in Plumbing.

Background

On June 28, 2010, the Board approved the creation of a Level 1 Certificate in Plumbing. The certificate was based on a six-course core of Plumbing classes. In fall 2010, the program began by offering two of the courses and then two additional courses in the spring 2011. Due to low enrollment, only three different courses were offered the following year. Since that time, the low student demand for plumbing courses has resulted in only offering two of the original six courses in the program. In short, the limited student enrollment from the outset prevented the college from offering the full program.

The Higher Learning Commission has asked us to update our records for our certificates and given the enrollment history of this certificate, I am recommending that we discontinue this program. We will continue to offer the two or three plumbing courses we have been offering since 2009 as elective courses as part of our Construction Technology certificates and degrees.

Thank you for your consideration.



EXHIBITIONS | PERFORMANCES | MUSEUM STORE

**To:** Dr. Nick Nissley, President  
**From:** Craig Hadley, Executive Director and Chief Curator  
 Michael Chrypinski, Director of Campus Services  
**Date:** October 12, 2022  
**Re:** Milliken Auditorium LED Conversion Project

**MEMO**

This document provides an overview and recommendation for the selection of a provider to upgrade Milliken Auditorium lighting from conventional incandescent to LED technology.

**Recommendation**

Authorize the administration to enter into a contract with CSD Lighting for \$317,283 to complete a full LED conversion of the Milliken Auditorium lighting system. CSD has completed similar projects in our area, including Central High School. The CSD bid offers more comprehensive project management of electrical work, light design, and programming over the TLS bid. This aspect is critical to project success since NMC lacks in-house expertise and does not employ an auditorium manager. Work to take place summer 2023.

**Bid Analysis** (We were unable to secure a third bid due to our geographic location)

Company	Location	Amount
CSD Lighting	Traverse City, MI	\$317,283
TLS Productions	Ann Arbor, MI	\$305,914

**Background / Scope of Work**

The stage and house lighting systems for the 367-seat Milliken Auditorium have reached the end of their useful life. Originally installed in 1991, it is increasingly difficult to upgrade, repair, and maintain the system in 2022. Most stages in our region have already modernized their lighting infrastructure to LED, including the City Opera House, Interlochen, and TCAPS - Central High School.

The challenges facing Milliken's antiquated lighting system are many:

- Lack of workplace relevancy when training audio tech students to use antiquated equipment.
- Significant energy expense when running the system; fire hazard due to heat output.
- Bulbs and many replacement parts are no longer in production.
- Staff time required to conduct basic maintenance (e.g., scissor lift, gels, and staff to change colors).
- Decreased venue appeal and competitiveness for rental clients.

Direct NMC usage of Milliken now accounts for 80%+ of booked time (1,000 average annual hours). This includes music, audio tech, new student orientations, IAF, NMC town halls and special programs, and commencement. External rentals utilize the space 15% of the time, while DMC usage accounts for 5%.

**Funding Source**

NMC Foundation: \$225,000 in private donations from the Milock family have been secured.

FY23 Plant Fund: Request for \$92,283 in additional plant funds to cover the remaining balance.





**Northwestern  
Michigan  
College**

**To:** Dr. Nick Nissley, President  
**From:** Jason Slade, Vice President of Strategic Initiatives  
**Date:** October 24, 2022  
**Subject:** Michigan New Jobs Training Program (MNJTP) - Amended Agreements for Board Approval

#### Recommendation

##### **Agreement amendment:**

Requesting Board approval of the following amended New Jobs Training Program agreements:

- Cherry Republic of Glen Arbor, MI. Amend the previous agreement dated June 28, 2021. This agreement increases the budget from \$313,486 to \$450,000. (Agreement #1)
- Cherry Republic of Glen Arbor, MI. Amend the previous agreement dated June 28, 2021. This agreement increases the budget from \$240,000 to \$373,498. (Agreement #2)
- RJG of Traverse City, MI. Amends the previous agreement dated June 28, 2021. This agreement increases the budget from \$220,000 to \$300,000.
- Shoreline Power of Williamsburg, MI. Amends the previous agreement dated June 28, 2021. This agreement increases the budget from \$440,012 to \$550,000.
- Tamarack Holdings of Traverse City, MI. Amends the previous agreement dated April 27, 2020. This agreement increases the budget from \$100,000 to \$120,000.
- Adaptive Counseling of Traverse City, MI. Amends the previous agreement dated December 9, 2021. This agreement increases the budget from \$50,000 to \$70,000.

With the amendment:

- Net new jobs qualified under all agreements are projected at 1,032.
- Training expenditures are now valued at \$9.2M for the region, delivered through 2032.

#### Requirements of the program

The Michigan New Jobs Training Program, established in 2008, allows community colleges to provide training for employers that are creating new jobs and/or expanding operations in Michigan. The training for the newly hired workers is paid by capturing the state income tax associated with the new employees' wages. Eligibility:

- Are full-time, in a new, existing or expanding business of the employer
- Are not jobs of recalled workers, replacement jobs, or any other job that existed in the employer's business within the 1-year period preceding the date of an agreement
- Are new jobs that pay at least 175 percent of the Michigan minimum wage when the contract is signed
- Are new jobs that result in a net increase in employment in this state for the employer

## Michigan New Jobs Training Program -- Board Summary

Company:	<b>Adaptive Counseling and Case Management, LLC</b>																						
	3335 South Airport Road; Traverse City, MI 49684																						
Company Classification:	621330 - Offices of Mental Health Practitioners (except physicians)																						
Type of Agreement:	Ten-Year Agreement																						
Company Overview:	Adaptive Counseling and Case Management partners with primary care physicians' office to provide care management services to patients. They provide mental health services and have partnered with over 12 physician offices and over 50 physicians to provide services in the Traverse City and Petoskey areas.																						
Existing Jobs:	3																						
Net New Jobs to be Created:	3																						
People to be Trained:	3																						
Approximate Start Date:	01/01/17																						
Approximate End Date:	12/18/26																						
Budget Analysis:	<table border="1"> <thead> <tr> <th></th> <th></th> <th>Amendment 10/24/22</th> </tr> </thead> <tbody> <tr> <td colspan="3"><u>Revenues</u></td> </tr> <tr> <td>Estimated State Withholding</td> <td>\$ 50,000</td> <td>\$ 70,000</td> </tr> <tr> <td colspan="3"><u>Estimated Expenses</u></td> </tr> <tr> <td>MCCA Administration Costs (1%)</td> <td>\$ 435</td> <td>\$ 609</td> </tr> <tr> <td>College Administration Costs (14%)</td> <td>\$ 6,086</td> <td>\$ 8,521</td> </tr> <tr> <td>Total Estimated Training Budget</td> <td>\$ 43,478</td> <td>\$ 60,870</td> </tr> </tbody> </table>				Amendment 10/24/22	<u>Revenues</u>			Estimated State Withholding	\$ 50,000	\$ 70,000	<u>Estimated Expenses</u>			MCCA Administration Costs (1%)	\$ 435	\$ 609	College Administration Costs (14%)	\$ 6,086	\$ 8,521	Total Estimated Training Budget	\$ 43,478	\$ 60,870
		Amendment 10/24/22																					
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College Administration Costs (14%)	\$ 6,086	\$ 8,521																					
Total Estimated Training Budget	\$ 43,478	\$ 60,870																					
Funding Vehicle:	Pay-As-You-Go Agreement																						
Recommendation:	Agreement Approval																						

## Michigan New Jobs Training Program Board Summary

**Company Name:** **Cherry Republic**  
**Company Classification:** 311421  
**Agreement Type:** Seven-Year Agreement amended to a 13-Year Agreement

**Company Overview:**

Cherry Republic is the world's largest exclusive retailer of cherry products. It was founded 23 years ago by Bob Sutherland to help the cherry farms in northern Michigan keep their farms during a time when pressure from development was encroaching. He started Cherry Republic by selling t-shirts that read, "Life, Liberty, Beaches, and Pie," out of the trunk of his car. It has been successful in creating a memorable brand that brings to life the "Up North" experience and celebrates the bounty of the region's cherry harvest in fun and innovative ways. Cherry Republic is headquartered in Glen Arbor, the heart of cherry country on Michigan's Leelanau Peninsula. Cherry Republic sells over 150 gourmet cherry products (not counting the fine quality wines the cherries also produce) through four company-owned retail store locations, a well-developed catalog and internet business, independent retailers, and gift shows across the country.

**Existing Jobs:** 31  
**Net New Jobs:** 50  
**People to be Trained:** 50  
**Appx. Start Date:** 05/01/13  
**Appx. End Date:** 04/21/26

**Budget Analysis:**

**Revenues**

Estimated State Withholding

**Estimated Expenses**

MCCA Administration Costs (1%)

College Administration Costs (14%)

Total Estimated Training Budget

	04/21/21			04/21/26			
	Original Award 04/22/13	Amendment 1 06/24/19	Amendment 2 03/13/20	Amendment 3 09/28/20	Amendment 4 03/24/21	Amendment 5 06/28/21	Amendment 6 10/24/22
Estimated State Withholding	\$ 150,000	\$ 180,000		\$ 185,011		\$ 313,486	\$ 450,000
MCCA Administration Costs (1%)	\$ 1,304	\$ 1,565		\$ 1,609		\$ 2,726	\$ 3,913
College Administration Costs (14%)	\$ 18,261	\$ 21,913		\$ 22,523		\$ 38,164	\$ 54,783
Total Estimated Training Budget	\$ 130,435	\$ 156,522		\$ 160,879		\$ 272,597	\$ 391,304

## Michigan New Jobs Training Program -- Board Summary

Company: **Cherry Republic**  
 6026 South Lake Street; PO Box 677; Glen Arbor, MI 49636-0677

Company Classification: 311421

Type of Agreement: Five-Year Agreement

Existing Jobs: 75

Net New Jobs to be Created: 30

People to be Trained: 30

Approximate Start Date: 09/24/18

Approximate End Date: 09/23/23

Budget Analysis:

Revenues

Estimated State Withholding

Estimated Expenses

MCCA Administration Costs (1%)

College Administration Costs (14%)

Total Estimated Training Budget

	Original Award 09/24/18	Amendment 06/21	Amendment 10/22
Estimated State Withholding	\$ 125,000	\$ 240,000	\$ 373,498
<u>Estimated Expenses</u>			
MCCA Administration Costs (1%)	\$ 1,087	\$ 2,087	\$ 3,248
College Administration Costs (14%)	\$ 15,217	\$ 29,217	\$ 45,469
Total Estimated Training Budget	\$ 108,696	\$ 208,696	\$ 324,781

Funding Vehicle: Pay-As-You-Go Agreement

Recommendation: Agreement Approval



## Michigan New Jobs Training Program -- Board Summary

Company:

**RJG Inc.**

3111 Park Drive; Traverse City, MI 49686

Company Classification:

334513 -- Instruments and Related Products Manufacturing  
for Measuring, Displaying, and Controlling Industrial Process  
Variables

Type of Agreement:

Ten-Year Agreement

Company Overview:

RJG Inc. is a recognized international leader in injection molding training, technology, and resources. The RJG eDART System revolutionized the industry by providing standardized parts processing and advanced diagnostic tools. A full complement of related products--sensors, installation kits, software modules, and more--makes RJG an important supplier for companies looking to improve product quality and consistency while optimizing efficiency and performance.

Existing Jobs:

71

Net New Jobs to be Created

20

People to be Trained:

20

Approximate Start Date:

07/01/16

Approximate End Date:

04/30/21

<b>Amendment</b> <b>03/24/21</b> <b>Expires</b> <b>05/22/26</b>
--

Budget Analysis:

Revenues

Estimated State Withholding

	<b>Original Agreement</b>	<b>Amendment 05/20/19</b>	<b>Amendment 09/28/20</b>	<b>Amendment 06/28/21</b>	<b>Amendment 10/24/22</b>
Estimated State Withholding	\$ 100,000	\$ 120,000	\$ 145,000	\$ 220,000	\$ 300,000
<u>Estimated Expenses</u>					
MCCA Administration Costs (1%)	\$ 870	\$ 1,043	\$ 1,261	\$ 1,913	\$ 2,608
College Administration Costs (14%)	\$ 12,174	\$ 14,609	\$ 17,652	\$ 26,783	\$ 36,522
<b>Total Estimated Training Budget</b>	<b>\$ 86,956</b>	<b>\$ 104,348</b>	<b>\$ 126,087</b>	<b>\$ 191,304</b>	<b>\$ 260,870</b>

Estimated Expenses

MCCA Administration Costs (1%)

\$ 870 \$ 1,043 \$ 1,261 \$ 1,913 \$ 2,608

College Administration Costs (14%)

\$ 12,174 \$ 14,609 \$ 17,652 \$ 26,783 \$ 36,522

Total Estimated Training Budget

\$ 86,956 \$ 104,348 \$ 126,087 \$ 191,304 \$ 260,870

Funding Vehicle:

Pay-As-You-Go Agreement

## Michigan New Jobs Training Program Board Summary

Company: **Shoreline Power Services Inc.**

Classification Code: 238210 -- Electrical Contractors and Other Wire Installation Contractors

Agreement Type: Seven-Year Agreement (amended)  
Amended 04/20 to a Ten-Year Agreement with an expiration date of 04/21/23.

Overview: Shoreline Power Services, Inc. is a full-service electrical contractor. They were created in 2012. Shoreline Power Services currently employees 20 people with plans to hire 10 additional employees within the next year. The new positions earn wages of between \$15 to \$27 per hour.

Existing Jobs: 20

Net New Jobs to be Created: 100

Amended on 08/25/14 to: 30.    Amended on 08/24/15 to: 65.

People to be Trained: 80

Approximate Start Date: 05/01/13

Approximate End Date: 04/21/23

Budget Analysis:

Revenues

Estimated State Withholding

Estimated Expenses

MCCA Administration Costs (1%)

College Administration Costs (14%)

Total Estimated Training Budget

Award	Amendment of 08/25/14	Amendment of 08/24/15	Amendment of 06/28/21	Amendment of 10/24/22
\$ 119,012	\$ 144,012	\$ 340,012	\$ 440,012	\$ 550,000
\$ 1,035	\$ 1,252	\$ 2,957	\$ 3,826	\$ 4,782
\$ 14,488	\$ 17,532	\$ 41,393	\$ 53,567	\$ 66,957
\$ 103,489	\$ 125,228	\$ 295,663	\$ 382,619	\$ 478,261

Funding Vehicle: Pay-As-You-Go Agreement

Recommendation: Agreement Approved



## Michigan New Jobs Training Program -- Board Summary

Company:	<b>BB&amp;HC, LLC dba Tamarack Holdings</b>		
	1610 Barlow Street, Suite 201; Traverse City, MI 49686		
Company Classification:	551112 -- Offices of Other Holding Companies		
Type of Agreement:	Five-Year Agreement	<b>Amended: 04/27/20 Eight-Year Agreement</b>	
Company Overview:	BB&HC, LLC dba Tamarack Holdings is a newly formed organization that has been put into place to manage and coordinate a number of businesses owned by the same individual and an artisanal food distributor.		
Existing Jobs:	1		
Net New Jobs to be Created:	4		
People to be Trained:	4		
Approximate Start Date:	07/01/16		
Approximate End Date:	06/30/24		
Budget Analysis:	<u>Revenues</u>	<b>Amended 04/27/20</b>	<b>Amended 10/24/22</b>
	Estimated State Withholding	\$ 50,150	\$ 100,000 \$ 120,000
	<u>Estimated Expenses</u>		
	MCCA Administration Costs (1%)	\$ 436	\$ 870 \$ 1,043
	College Administration Costs (14%)	\$ 6,105	\$ 12,174 \$ 14,609
	Total Estimated Training Budget	\$ 43,609	\$ 86,956 \$ 104,348
Funding Vehicle:	Pay-As-You-Go Agreement		
Recommendation:	Agreement Approval		

**MICHIGAN NEW JOBS TRAINING AGREEMENT  
NJTP-052; AMENDMENT #6**

**This amendment between Northwestern Michigan College and Cherry Republic dated October 24, 2022, amends the previous agreement dated June 28, 2021. The Agreement increases the budget from \$313,486 to \$450,000.**

**PART I**

1. "College" means Northwestern Michigan College of Traverse City, Michigan. Notices, requests, or other communications directed to the College under this Agreement shall be addressed as follows:

**Finance**

Lindsey Lipke, Controller  
Northwestern Michigan College  
1701 East Front Street  
Traverse City, MI 49686  
[llipke@nmc.edu](mailto:llipke@nmc.edu)  
231-995-1943

**Training**

Lisa Rollin, Senior Accountant  
Michigan Manufacturing Technology Center  
1701 East Front Street  
Traverse City, MI 49686  
[lrollin@nmc.edu](mailto:lrollin@nmc.edu)  
231-995-2005

2. "Employer" means Cherry Republic of Glen Arbor, Michigan. Notices, requests, or other communications directed to the Employer under this Agreement shall be addressed as follows:

Lisa Gomez  
Payroll and Benefits Administrator  
Cherry Republic  
PO Box 677  
Glen Arbor, MI 49636  
**Federal ID: 38-2933781**

3. The Employer certifies that the number of jobs on its payroll in Michigan as of January 7, 2013, the date of the Preliminary Agreement, was 29 and that the highest number of jobs on its payroll in Michigan in the last 12 months prior to the date of the Preliminary Agreement was 31. Two positions remain open as of the date of the Preliminary Agreement.
4. The Employer agrees that the New Jobs Credit from Withholding paid by the Employer to the College for Program Costs will begin as employees are hired.
5. The effective date of this Agreement shall be April 22, 2013 (the "Effective Date").
6. The term of this Agreement shall be thirteen (13) years, expiring April 21, 2026, provided this Agreement shall not terminate and the obligations, representations, warranties, covenants, and agreements of the Employer hereunder shall continue until the Program Costs have been paid in full as provided herein.

The provisions of Part II and Part III of this Agreement are hereby approved and incorporated in full by reference.

**MICHIGAN NEW JOBS TRAINING AGREEMENT  
PART II  
EXHIBIT A**

**Estimated Budget**

1.	Training	\$ 391,304
2.	Training Equipment	\$ 0
3.	Administrative Fee	\$ 58,696
	TOTAL	\$ 450,000

**Final Costs**

1.	Training	\$
2.	Training Equipment	\$
3.	Administrative Fee	\$
	TOTAL	\$

Acknowledged this 24<sup>th</sup> day of October 2022.



Todd Ciolek, Chief Executive Officer  
Cherry Republic

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Nick Nissley, President  
Northwestern Michigan College

## EXHIBIT B Tentative Training Program

### I. Overview

A.	Estimated number of new jobs:	50
B.	Expected date by which new jobs will be filled:	12/31/13
C.	Estimated costs of training:	\$391,304
D.	Expected begin date:	05/01/13
E.	Expected end date:	04/21/26

### II. Description of Training

- Service Training Development
- Train-the-Trainer
- ERP
- Machine – Production Line Filler
- Machine – Production Line Caper
- Marketing: Web Design for Magento
- Marketing: Web Development
- Bakery Development
- Human Resource Certification
- Lean Champion
- Leadership Skills
- HACCP
- Hoshin Planning
- Innovation Planning
- Service from the Heart
- Trailhead Leadership I
- Trailhead Leadership II
- Fun with Fruit and Finance
- Diversity in the Workplace
- Get More Done
- Leadership Coaching

### III. Description of Training Equipment

**EXHIBIT C**  
**Employer Projections of Payroll and New Jobs Credit**

Year of Agreement	Estimated Payroll of New Positions	Estimate of Diverted Payroll Taxes	Cumulative Diverted Payroll Taxes
1	\$ 814,480	\$ 34,615	\$ 34,615
2	\$ 814,480	\$ 34,615	\$ 69,230
3	\$ 814,480	\$ 34,615	\$103,845
4	\$ 814,480	\$ 34,615	\$138,460
5	\$ 814,480	\$ 34,615	\$173,075
6	\$ 814,480	\$ 34,615	\$207,690
7	\$ 814,480	\$ 34,615	\$242,305
8	\$ 814,480	\$ 34,615	\$276,920
9	\$ 814,480	\$ 34,615	\$311,535
10	\$ 814,480	\$ 34,615	\$346,150
11	\$ 814,480	\$ 34,615	\$380,765
12	\$ 814,480	\$ 34,615	\$415,380
13	\$ 814,480	\$ 34,615	\$450,000

Note: Although the term of this Agreement is thirteen (13) years, the amount of payroll taxes diverted hereunder may not exceed the total amount of the budget. The College will work with the Employer and the Michigan Department of Treasury to ensure taxes in excess of the required amounts are not diverted but rather are forwarded directly to the State of Michigan by the Employer.

## MICHIGAN NEW JOBS TRAINING AGREEMENT

### PART III

An agreement to provide for:

- The creation of a New Jobs Training Program between the College and the Employer.
- The capture of New Jobs Credit from Withholding from employees in New Jobs.
- The use of New Jobs Credit from Withholding to pay Project Costs.

This New Jobs Training Agreement (the "Agreement") made and entered into as of the Effective Date, between the College and the Employer, under the following circumstances:

A. Pursuant to the New Jobs Training Programs codified in Chapter 13 of the Community College Act of 1966, Act 331, Public Acts of Michigan, 1966, as amended ("Act 331"), the College and the Employer have determined to enter into this Agreement for purposes of establishing a project to educate and train certain persons employed by the Employer in new jobs.

B. The College and the Employer each have full power and authority to authorize, execute, and deliver this Agreement.

C. When duly executed and delivered, this Agreement will be a legal, valid, and binding obligation of the College and of the Employer enforceable in accordance with its terms.

NOW, THEREFORE, in consideration of the mutual covenants and benefits set forth below, it is agreed by the parties hereto as follows:

#### ARTICLE I DEFINITIONS

Section 1.1 "Act" means the New Jobs Training Programs codified in Chapter 13 of the Community College Act of 1966, Act 331, Public Acts of Michigan, 1966, as amended.

Section 1.2 "Bonds" means Bonds or Notes of the College issued pursuant to the Act to pay all or part of the Program Costs pursuant to this Agreement.

Section 1.3 "Debt Service" means the payment of the principal of and interest on and redemption premium, if any, on Bonds issued pursuant to this Agreement.

Section 1.4 "New Job" means a full-time job in this state that meets all of the following:

- (i) Except as provided in subparagraph (ii) or (iii), is a new, existing, or expanding business of an employer.
- (ii) Is not a job of a recalled worker, a replacement job, or any other job that existed in the employer's business within the one-year period preceding the date of the Agreement.
- (iii) Is not a job that is part of an employer's business operation located in a municipality in this state, if that job existed in a business operation or a substantially similar business operation of the employer formerly located in another municipality in this state, the employer moved that business operation or substantially similar business operation to its current location, and the employer closed or substantially reduced that former business operation or substantially similar business operation.



(iv) Results in a net increase in employment in this state for that employer.

(v) The wage paid for the job is equal to or exceeds 175 percent of the state minimum hourly wage rate in effect as of the Effective Date (**\$12.95**).

Section 1.5 “New Jobs Credit from Withholding” or “Jobs Credit” means the New Jobs Credit from Withholding, established in Section 163 of the Act, MCL 389.163, paid to the College by the Employer pursuant to Article IV of this Agreement.

Section 1.6 “Program Costs” means all necessary and incidental costs of providing Program Services for the Project and shall include an administrative fee of 15 percent of the aggregate amount paid under this Agreement. Attached hereto as Part II Exhibit A and incorporated herein by reference is an estimated budget relating to the Project.

Section 1.7 “Program Services” for the Project are as tentatively set forth on Part II Exhibit B attached hereto and incorporated herein by reference.

Section 1.8 “Project” shall consist of this training arrangement to provide Program Services pursuant to this Agreement with respect to employees to be employed by the Employer in New Jobs at the Project Site.

Section 1.9 “Project Fund” means a special fund of the College established for the payment of Program Costs as provided in Section 3.1 and for no other purpose.

Section 1.10 “Project Site” means the Employer’s business address named in Part I attached hereto and incorporated herein by reference, where the New Jobs will be created.

Section 1.11 “Resolution” means the Resolution or Resolutions authorizing the issuance of New Jobs Training Bonds adopted by the College in connection with the Project.

Section 1.12 “Training” means the Program Services exclusive of administrative fees for the New Jobs Training Program and the College’s legal fees.

Other terms used in this Agreement shall have the meanings set forth in the Act.

## **ARTICLE II PROJECT: PROGRAM SERVICES**

Section 2.1 The College agrees to provide the Program Services to the extent of funds available for that purpose in the Project Fund. It is understood and agreed that the Employer and the College will cooperate in the coordination and programming of the specific expenditures and of the Project within the guidelines set out in this Agreement and Part II, Exhibits B and C. The College may, in its discretion, subcontract with other entities or persons to provide all or part of the Training. It is understood and agreed that the Training set forth on Part II, Exhibit B is tentative and is subject to change and further development, within the budget for the Project, upon the mutual written agreement of the College, acting through its authorized officer, and the Employer.

Section 2.2 The College and Employer agree that all necessary and incidental costs, including but not limited to Program Costs and Debt Service, if any, and related costs may be paid from New Jobs Credit from Withholding, to be received or derived from new employment resulting from the Project.

If any equipment is to be procured as part of the Program Services under this Agreement (“Training Equipment”), all of the following apply:

(a) Training Equipment may be procured by either purchase or pursuant to a lease which does not result in or end with the ownership of the property by the leasing party.

Training Equipment acquired by purchase may only be acquired by the College and title to such Training Equipment shall immediately vest with the College. Training Equipment procured by the College, whether by lease or purchase, shall comply with the College's approved procurement policy and state law.

Training Equipment acquired by lease may be acquired by either the College or the Employer with prior written approval of the College. The term of any such lease shall not be longer than the term of this Agreement.

(b) During the term of this Agreement, Training Equipment shall be used exclusively to provide the Program Services and may not be used by the Employer for any other purpose.

(c) Upon expiration or termination of this Agreement, the College may use or dispose of the Training Equipment acquired by purchase in compliance with the same policies, procedures and practices in effect for similar property of the College.

(d) Any costs for the delivery of the Training Equipment shall be paid as part of Program Costs. Any installation accommodations, such as compressed air, or routine maintenance necessary to keep the Training Equipment in good and working condition, such as fluid refills or changes, replacement of worn tools, parts, or consumables, etc. during the term of this Agreement, shall be the sole responsibility of the Employer.

(e) Only fully qualified, competent, trained and certified (if applicable) personnel providing the Training ("Training Personnel") may use the Training Equipment to provide Program Services.

(f) Each of the College or the Employer, as applicable, shall contractually or otherwise require Training Personnel to keep a record of each day and time the Training Equipment is used to provide Training and the name of every employee who participated in Training on such day and time. The Employer shall provide these records to the College upon request.

(g) Training Personnel shall manage the Training Equipment in a professional manner and properly instruct any employees in the use of the Training Equipment.

(h) The Employer shall ensure that the Training Equipment is properly operated and maintained in accordance with the manufacturer's recommendations and that all scheduled maintenance or necessary repairs are carried out promptly by a qualified person so as to keep the Training Equipment in good working order and to maintain all applicable manufacturer's warranties.

(i) During the term of this Agreement, the Employer shall indemnify, defend, and hold College its officials, administrators, employees, agents, contractors, successors, and assignees, harmless from and against any and all claims, suits, debts, demands, actions, judgments, liens, costs, expenses, damages, injuries and liabilities, including reasonable attorney's fees, arising from the ownership or lease, use, storage, procurement, delivery, maintenance, repair, movement or relocation of the Training Equipment, including, without limitation, all claims relating to injury or death of any person or damage to any property.

(j) If Training Equipment will be physically located on the property of the College, then all of the following apply:

- (i) The College shall be responsible for any damage to the Training Equipment other than normal wear and tear.
- (ii) The College shall ensure the Training Equipment is housed in a safe location on its property and shall protect the Training Equipment from all risks, including but not limited to risk of damage or theft.
- (iii) The College and the Employer shall mutually agree on a Training schedule to ensure the Employer has access to the Training Equipment.

(k) If Training Equipment will be physically located on the property of the Employer, then all of the following apply:

- (i) The Employer shall be responsible for any damage to the Training Equipment other than normal wear and tear.
- (ii) The Employer shall ensure the Training Equipment is housed in a safe location on its property and shall protect the Training Equipment from all risks, including but not limited to risk of damage or theft.
- (iii) To the extent the Training Equipment requires internet access, the Employer shall provide a secure internet connection (wired or wireless) for the Training Equipment and the Employer shall be solely responsible for the selection, implementation and maintenance of security procedures, policies and protocols sufficient to protect electronic records and data against improper access, use, loss, alteration or destruction.
- (iv) The Employer shall procure Commercial General Liability Insurance, and maintain such insurance at all times the Training Equipment is on the property of the Employer, that meets all of the following requirements:
  - (1) Limits of liability shall not be less than the commercially reasonable value of the Training Equipment.
  - (2) Commercial General Liability shall include an endorsement stating the following shall be Additional Insureds: the College, its officials, administrators, employees, agents, contractors, successors and assignees. It is understood and agreed by naming the College as additional insured, coverage afforded is considered to be primary and any other insurance the College may have in effect shall be considered secondary and/or excess
  - (3) The policy shall include an endorsement providing that the College shall be provided thirty (30) days' advance written notice of Non-Renewal, Reduction, and/or Material Change of the policy and ten (10) days' advance written notice of cancellation of the policy for non-payment of premium.
  - (4) The Employer shall provide the College a Certificate of Insurance as well as the required endorsements prior to the location of any Training Equipment on the property of the Employer. In lieu of required endorsements, if applicable, a copy of the policy sections where coverage is provided for additional insured and cancellation notice would be acceptable. Copies or certified copies of all policies mentioned above shall be furnished to the College upon request.
- (v) The Employer shall provide the College access to the Training Equipment upon request to allow the College to inspect the Training Equipment and ensure the Employer's compliance with the provisions of this Section 2.2.
- (vi) The Employer shall, at its sole cost, deliver or cause to be delivered the Training Equipment to the College, or to the owner of the Training Equipment if leased, in compliance with any delivery instructions provided by the College's representative upon the earlier of (A) the completion of Training for all eligible and identified positions, (B) ten (10) business days of the expiration or termination of this Agreement, or (C) the day of expiration of the lease of the Training Equipment.

Section 2.3 The College may revise or expand the Training from time to time as may be mutually agreed between the parties; provided that no revision shall be made which would change the Project to purposes other than those purposes permitted by the Act.



Section 2.4 Employer certifies that the number of jobs, including formerly existing jobs, on its payroll in Michigan is as set forth in Part I of this Agreement.

Section 2.5 As part of the Program Services, the Employer shall pay to the College an administrative fee of 15 percent of the aggregate amount paid under this Agreement. The College shall retain that portion of the administrative fee representing 14 percent of the aggregate amount paid under this Agreement for its administrative expenses and the remaining sum representing 1 percent of the aggregate amount paid under this Agreement shall be paid by the College to the Michigan Community College Association (the "MCCA") to cover certain costs of the MCCA with respect to administration, coordination, and reporting requirements for new jobs training agreements, including this Agreement.

### **ARTICLE III PROJECT FUND**

Section 3.1 The College shall open a separate depository account or create a separate Project Fund on the books of the College to facilitate the funding of this Agreement. The College shall deposit into the Project Fund (i) funds on hand of the College, (ii) tuition, student fees, or special charges received by the College for the Project, (iii) training funds received by the College from the Employer (other than New Jobs Credit from Withholding) intended as direct payment for the Project, and (iv) proceeds of the Bonds issued for the Project pursuant to Article VI. All sums held in the Project Fund shall be used solely and only for payment of costs of the Project.

### **ARTICLE IV NEW JOBS CREDIT FROM WITHHOLDING**

Section 4.1 The Employer and the College hereby acknowledge and agree that the costs of the Project are to be paid from New Jobs Credit from Withholding which shall be based on salary and wages paid to employees of the Employer in the New Jobs.

Section 4.2 This Agreement is entered into upon the expectation that, as set forth in Part II, Exhibit C, sufficient funds from New Jobs Credit from Withholding will be generated to pay the Program Costs. Part II, Exhibit C sets forth the minimum annual amount of New Jobs Credit from Withholding or tuition and fee payments to be paid for Program Costs. Employer's projections of gross wages to be paid to employees in New Jobs covered by this Agreement are set forth in Part II, Exhibit C attached hereto.

Section 4.3 Part II, Exhibit B sets forth the estimated number of employees in New Jobs to be trained, the expected beginning and ending date of the training to be provided, the estimated costs, the training that will be provided, and the expected date by which the number of New Jobs will be filled.

Section 4.4 The Employer shall each month for each employee in a New Job pay the amount required to be deducted and withheld by the Employer under section 703 of the income tax act of 1967, 281 PA 1967, MCL 206.703, to the College in the same manner as the Employer returns and pays withholding payments to the Revenue Division of the Department of Treasury.

Section 4.5 The Employer agrees to certify to the Department of Treasury all New Jobs Credit from Withholding paid to the College pursuant to this Agreement and shall provide any other information reasonably requested by the Department of Treasury.

Section 4.6 Upon receipt of New Jobs Credit from Withholding and other funds received pursuant to this Article, if any, the College shall deposit said funds into a special fund designated as the Project Receipt Fund and used exclusively for the purposes of reimbursing the College for Program Costs.

Section 4.7 The College agrees to certify to the Michigan Department of Treasury, at the end of each calendar quarter, the amount of New Jobs Credit from Withholding that the Employer has remitted to the College in said quarter. In addition, the College agrees to satisfy all reporting requirements to the Department of Treasury as set forth in the Act.

Section 4.8 The Employer agrees to provide the College at least quarterly during the term of this Agreement with payroll and such other records as the College may reasonably request with respect to all employees in New Jobs in sufficient detail to permit the College to review and confirm the wages paid to said employees; timing of payments, deductions, and withholdings from income tax for purposes of generated New Jobs Credit from Withholding; and dates of employment.

## **ARTICLE V REIMBURSEMENT OF EMPLOYER TRAINING EXPENSES**

Section 5.1 The Employer has consented to pay for all training conducted under this Agreement for remuneration of all expenses incurred by the College including but not limited to assessment; instruction; training materials and manuals; required equipment; evaluation; and other related costs. The College will not require payment from the Employer, nor is the Employer obligated to prepay, any College administrative costs incurred as a result of this Agreement except for the administrative fee of 15 percent required by Section 2.5 of this Agreement.

Section 5.2 The College agrees to periodically submit invoices to the Employer delineating all anticipated expenses related for the ensuing training period. These invoices will include costs and fees associated with providing training to meet expectations established in the approved Training Plan. Unless the Employer disputes the invoiced amount in good faith, the Employer agrees to remit, in full, the total amount listed on the invoice within thirty (30) days of its receipt. If the Employer disputes any portion of the invoiced amount in good faith, the Employer shall pay the disputed portion as required under this Section 5.2 and provide written notice to the College describing the Employer's reason(s) for disputing the balance of the invoice. The Employer and College shall promptly meet to discuss and resolve such dispute. Upon completion of each training period, the College shall provide documentation to the Employer evidencing the actual costs and expenses incurred.

Section 5.3 The Employer may, with the College's prior written approval, directly incur certain training expenses. The Employer is required to submit to the College copies of all invoices, receipts, records, and any additional data necessary to describe all expenses it incurred and paid, if any, for purposes of providing the training as outlined in the Training Plan.

Section 5.4 If training is provided by an entity or person other than the College, the College shall add a project management fee of twenty (20) percent to the total cost of Training.

## **ARTICLE VI NEW JOBS TRAINING REVENUE BONDS: SECURITY**

Section 6.1 If Bonds are issued to finance or refinance all or a part of the Project, then the provisions of this Article shall apply.

Section 6.2 The College may irrevocably pledge the New Jobs Credit from Withholding, and the Project Receipt Fund into which the withholdings are paid, for the payment of the principal of and interest on bonds issued by the College to finance or refinance the Project in whole or in part. The Employer acknowledges and agrees that the College may issue bonds for this Project in conjunction with and as a single issue, or as multiple series of bonds, to finance multiple projects of the College pursuant to new jobs training agreement(s) entered into between the College and other employers. The Employer's obligations, covenants and representations set forth herein are not and shall not be conditioned on the issuance of Bonds identifiable or specifically attributable to this Project.

Section 6.3 The College and the Employer agree that the receipts from the New Jobs Credit from Withholding and the Project Receipt Fund into which the same are paid may be irrevocably pledged by the College for the payment of the Debt Service. If Bonds are to be issued, a tentative payment schedule for the Bonds shall be attached to this Agreement. Following issuance and sale of the Bonds a final payment schedule, if different from the attached schedule, shall be prepared using the actual rates of interest and maturities for the Bonds. Such final payment schedule, if prepared, shall become a part of this Agreement without further action by the Employer or the

College and shall supersede the schedule attached hereto. A copy of such final payment schedule shall be provided to the Employer.

Section 6.4 The term of this Agreement shall coincide with the period of time over which the Bonds mature and the Program Costs are deferred; provided, that this Agreement shall not terminate, and the obligations, representations, warranties, covenants and agreements of the Employer hereunder shall continue until the Bonds, if any, issued in connection with the Project shall have been paid in full.

Section 6.5 The Bonds will be issued pursuant to a Resolution adopted by the Board of Trustees of the College in the aggregate principal amount, bearing interest (at a rate to be determined at the time the Bonds are authorized to be issued), maturing, and being redeemable as set forth in the Resolution.

Section 6.6 The proceeds from the sale of the Bonds shall be paid to the College and deposited in the Project Fund or other fund established by the College. The Project Fund shall be used only for purposes of the Project. Pending disbursements for Program Services and Program Costs, the proceeds so deposited in the Project Fund, together with any investment earnings thereon, shall be subject to a lien in favor of the holders of the Bonds as provided in the Resolution authorizing the Bonds.

Section 6.7 The College agrees to use its best efforts to sell and issue the Bonds, and the Employer agrees to cooperate with the College to provide necessary financial information in connection with the marketing and sale of the Bonds.

## **ARTICLE VII COVENANTS, REPRESENTATIONS, AND WARRANTIES**

Section 7.1 Representations of the College. The College represents that (i) it is a community college duly organized and validly existing under the Act, (ii) it has full power and authority pursuant to the Act to enter into this Agreement, and to execute, deliver, and perform its obligations under this Agreement, and (iii) it has full power and authority pursuant to the Act to carry out and consummate all actions required to be taken by it in connection with the activities contemplated in this Agreement.

Section 7.2 Representations, Warranties, and Covenants of Employer. Employer represents, warrants, and covenants that:

- (a) The Employer is duly organized and validly existing under the laws of the State of Michigan and is duly qualified, authorized, and licensed to do business in the State of Michigan.
- (b) The Employer it has full power and authority to enter into the Agreement.
- (c) The Employer has duly authorized, by all necessary action, the execution, delivery, and due performance of the Agreement
- (d) There is no action, suit, proceeding, inquiry, or investigation pending before any court or before or by any public board or body, nor, to the knowledge and information of the Employer, threatened against or affecting the Employer, and to the best of the knowledge and information of the undersigned is there any basis therefor, wherein an unfavorable decision, ruling, or finding that would materially adversely affect the activities contemplated by or the validity of this Agreement.
- (e) There is no litigation or proceeding pending, or to the knowledge of Employer threatened, against the Employer or any other person affecting in any manner whatsoever the right of the Employer to execute the Agreement or to otherwise comply with its obligations under the Agreement.
- (f) Each of the jobs covered by this Agreement is a New Job as that term is defined in the Act and each of the employees to be trained under this Agreement will be employed directly by the Employer.



(g) The Employer's projections of the annual gross wages to be paid by the Employer to employees in the New Jobs covered by this Agreement are accurately depicted on Part II, Exhibit C based on current expectations of the Employer.

(h) All training and services provided pursuant to this Agreement constitute the Program Services as that term is defined in the Act and qualify for funding from the New Jobs Credit from Withholding.

(i) Employer knowingly assumes the obligation under this Agreement to pay the Program Costs in the event the sources of payment described in Section 4.6 are not sufficient to satisfy the Program Costs in full, and the Employer shall also pay the Training costs for any Non-Eligible Employees.

(j) Employer agrees to hold the College harmless and to reimburse the College for any Program Costs, Training costs, or other costs or expenses related to this Agreement which are determined to be ineligible to be paid for with New Jobs Credit from Withholding by any order of the State of Michigan, any agency therefor, or a court of competent jurisdiction, including the College's costs and expenses (including, without limitation, reasonable attorneys, and consultant fees) in responding to or defending any claim, demand, audit, action, or suit questioning the use of New Jobs Credit from Withholding.

## ARTICLE VIII EVENTS OF DEFAULT

Section 8.1 Events of Default. Each of the following shall be an "event of default":

(a) The Employer shall fail to pay, advance, or deposit any amount required to be made by the Employer on or prior to the date on which such payment, advancement, or deposit is due and payable and continuing for more than five (5) business days thereafter.

(b) The Employer shall fail to observe and perform any representation, term, or condition contained in this Agreement, if such failure continues for a period of twenty (20) days after notice of such failure is given to the Employer by the College, or for such longer period as the College may agree to in writing; provided, that if the failure is other than the payment of money and is of such nature that it cannot be corrected within the applicable period, such failure shall not constitute an event of default so long as the Employer institutes a curative action plan approved by the College within the applicable period and diligently pursues such action plan to completion and cures such default within sixty (60) days thereafter.

(c) The Employer, any guarantor of the obligations of the Employer to the College pursuant to this Agreement, a Person controlled by the Employer or Person in control of the Employer shall: (i) admit in writing its inability to pay its debts generally as they become due; (ii) have an order for relief entered in any case commenced by or against it under the federal bankruptcy laws, as now or hereafter in effect; (iii) commence a proceeding under any other federal or state bankruptcy, insolvency, reorganization or other similar law, or have such a proceeding commenced against it and either have an order of insolvency or reorganization entered against it or have the proceeding remain undismissed and unstayed for ninety (90) days; (iv) make an assignment for the benefit of creditors; or (v) have a receiver or trustee appointed for it or for the whole or any substantial part of its property.

(d) The Employer shall close or announce that it is closing its operations at the Project Site (unless such operations will be transferred to another facility in the state of Michigan and as a result the College will be entitled to receive the revenue from the sources set forth in Section 4.6 or receives assurance satisfactory to the College of the receipt by the College of payments to satisfy the obligations of the Employer).

(e) The College determines from time to time that, for any reason, including but not limited to a work force reduction at the Project Site, sufficient realized or projected revenue from New Jobs Credit from Withholding will not be generated by the Project to enable the College to satisfy the Obligations.

(f) Any representation or warranty made by the Employer herein or any statement in any report, certificate, financial statement, or other instrument furnished in connection with this Agreement or with the sale of the Bonds shall at any time prove to have been false or misleading in any material respect when made or given.

(g) The Employer acts in a manner contrary to any provision of this Agreement or fails to act in a manner required by any provision of this Agreement and the College determines as a result of such act or failure to act that (1) there are not or will not be sufficient funds generated by the Project to enable the College to satisfy the costs of the Project and/or (2) that the security interest granted to the College pursuant to this Agreement is not perfected or that the College's relative priority as a secured party has changed to the detriment of the College without its written consent.

(h) Any guarantor of the obligations of the Employer under this Agreement shall no longer own or control the Employer, such guarantor shall be dissolved, merged, or consolidated or such guarantor shall notify the College that it rejects or disavows the guarantor's obligations to the College.

The exercise of remedies upon the occurrence of any event of default under subsection (c) above shall be subject to any applicable limitations of federal bankruptcy law affecting or precluding such exercise during the pendency of or immediately following any bankruptcy, liquidation, or reorganization.

Section 8.2 In the event of default by the Employer, the College may, without notice to Employer, withhold, suspend, or terminate the Training and the Program Services, and apply all or a part of any remaining funds budgeted for Training to the satisfaction of the Obligations. In addition, the College may take whatever other action at law or in equity may appear necessary or desirable to collect the payments and other amounts then due and thereafter to become due, or to enforce performance and observance of any other obligation or agreement of the Employer under this Agreement. Notwithstanding the foregoing, the College shall not be obligated to take any step which in its opinion will or might cause it to expend time or money or otherwise incur liability unless and until a satisfactory indemnity bond has been furnished to the College at no cost or expense to the College.

Section 8.3 Immediately upon the occurrence of an event of default, there shall be due from the Employer to the College such amount as will enable the College to presently satisfy the unpaid amount of the Obligations, including Debt Service on the Bonds. No demand or notice of the amount due immediately upon the occurrence of an event of default is or shall be required to fix the liability of Employer or the amount due from Employer. The amount due hereunder from the Employer shall be a debt of Employer to the College and the College may set off against the amount due from the Employer any debt or debts of the College to Employer.

Section 8.4 No remedy conferred upon or reserved to the College by this Agreement is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy now or hereafter existing at law, in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the College to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than such notice as may be expressly required herein, nor shall it be necessary to make any declaration of an event of default other than such declaration as may be expressly required herein.

Section 8.5 In the event any agreement contained in this Agreement should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to be a waiver of any other breach hereunder.

## ARTICLE IX MISCELLANEOUS

Section 9.1 This Agreement may be executed in any number of counterparts, each of which shall be regarded as an original and all of which shall constitute but one and the same instrument.

Section 9.2 If any Section or provision of this Agreement shall be found invalid, that Section or provision shall be severable, and the balance of the Agreement shall remain in full force and effect.

Section 9.3 This Agreement shall be governed under the laws of the State of Michigan.

Section 9.4 Amendments to this Agreement shall not be effective unless approved in writing by both parties.

Section 9.5 All notices, requests, or other communications under this Agreement shall be in writing and deemed given when delivered personally, upon the next business day if deposited with a nationally recognized over-night delivery service, or upon the third following business day, if deposited in the United States Mail with postage prepaid and sent by certified mail, return receipt requested, addressed as set forth in Part I of this Agreement.

Employer and the College may, by notice given hereunder, designate any further or different addresses or persons to which subsequent notices, requests, or other communications shall be sent.

Section 9.6 This Agreement shall inure to the benefit of and shall be binding in accordance with its terms upon the College, the Employer, and their respective permitted successors and assigns provided that this Agreement may not be assigned by Employer without the prior written consent of the College.

Section 9.7 This Agreement, including Part II Exhibits, constitutes the entire agreement between the College and the Employer with respect to the subject matter hereof and as such supersedes all previous negotiations, commitments, and understandings. Captions and the alignment of the Agreement are for convenience only and shall not be construed to modify the rights or obligations of the parties.

Section 9.8 This Agreement consists of Part I, Part II, and Part III and includes all attachments, appendices, and exhibits thereto all of which are hereby approved and incorporated in full by reference.

IN WITNESS WHEREOF the College and Employer have caused this Agreement to be duly executed all as of the Effective Date.

**NORTHWESTERN MICHIGAN COLLEGE**

Name: \_\_\_\_\_  
Nick Nissley

Title: President

Date: October 24, 2022

**CHERRY REPUBLIC**

Name:  \_\_\_\_\_  
Todd Ciolek

Title: Chief Executive Officer

Date: October 24, 2022

## MICHIGAN NEW JOBS TRAINING AGREEMENT NJTP-219; AMENDMENT #2

This amendment between Northwestern Michigan College and Cherry Republic dated October 24, 2022, amends the previous agreement dated June 28, 2021. This Agreement increases the budget from \$240,000 to \$373,498.

### PART I

1. "College" means Northwestern Michigan College of Traverse City, Michigan. Notices, requests, or other communications directed to the College under this Agreement shall be addressed as follows:

**Finance**

Lindsey Lipke, Controller  
Northwestern Michigan College  
1701 East Front Street  
Traverse City, MI 49686  
[llipke@nmc.edu](mailto:llipke@nmc.edu)  
231-995-1943

**Training**

Lisa Rollin, Senior Accountant  
Michigan Manufacturing Technology Center  
1701 East Front Street  
Traverse City, MI 49686  
[lrollin@nmc.edu](mailto:lrollin@nmc.edu)  
231-995-2005

2. "Employer" means Cherry Republic of Glen Arbor, Michigan. Notices, requests, or other communications directed to the Employer under this Agreement shall be addressed as follows:

Lisa Gomez  
Payroll and Benefits Administrator  
Cherry Republic  
PO Box 677  
Glen Arbor, MI 49636  
**Federal ID: 38-2933781**

3. The Employer certifies that the number of jobs on its payroll in Michigan as of July 26, 2018, the date of the Preliminary Agreement, was 75 and that the highest number of jobs on its payroll in Michigan in the last 12 months prior to the date of the Preliminary Agreement was 75.
4. The Employer agrees that the New Jobs Credit from Withholding paid by the Employer to the College for Program Costs will begin as employees are hired.
5. The effective date of this Agreement shall be September 24, 2018 (the "Effective Date").
6. The term of this Agreement shall be five (5) years, expiring September 23, 2023, provided this Agreement shall not terminate and the obligations, representations, warranties, covenants, and agreements of the Employer hereunder shall continue until the Program Costs have been paid in full as provided herein.

The provisions of Part II and Part III of this Agreement are hereby approved and incorporated in full by reference.



**MICHIGAN NEW JOBS TRAINING AGREEMENT  
PART II  
EXHIBIT A**

**Estimated Budget**

1.	Training	\$ 324,781
2.	Training Equipment	\$ 0
3.	Administrative Fee	\$ 48,717
	TOTAL	\$ 373,498

**Final Costs**

1.	Training	\$
2.	Training Equipment	\$
3.	Administrative Fee	\$
	TOTAL	\$

Acknowledged this 24<sup>th</sup> day of October 2022.



Todd Ciolek, Chief Executive Officer  
Cherry Republic

\_\_\_\_\_  
Nick Nissley, President  
Northwestern Michigan College



## **EXHIBIT B**

### **Tentative Training Program**

#### I. Overview

A.	Estimated number of new jobs:	30
B.	Expected date by which new jobs will be filled:	01/01/20
C.	Estimated costs of training:	\$324,781
D.	Expected begin date:	09/24/18
E.	Expected end date:	09/23/23

#### II. Description of Training

- Leadership Skills
- Customer Service
- Alcohol Management
- Safety
- Trailhead Leadership I
- Trailhead Leadership II
- Diversity in the Workplace
- Train-the-Trainer
- Excel
- Get More Done
- Service from the Heart

#### III. Description of Training Equipment

**EXHIBIT C**  
**Employer Projections of Payroll and New Jobs Credit**

Year of Agreement	Estimated Payroll of New Positions	Estimate of Diverted Payroll Taxes	Cumulative Diverted Payroll Taxes
1	\$1,757,638	\$ 74,700	\$ 74,700
2	\$1,757,638	\$ 74,700	\$149,400
3	\$1,757,638	\$ 74,700	\$224,100
4	\$1,757,638	\$ 74,700	\$298,800
5	\$1,757,638	\$ 74,700	\$373,500

Note: Although the term of this Agreement is five (5) years, the amount of payroll taxes diverted hereunder may not exceed the total amount of the budget. The College will work with the Employer and the Michigan Department of Treasury to ensure taxes in excess of the required amounts are not diverted but rather are forwarded directly to the State of Michigan by the Employer.

IN WITNESS WHEREOF the College and Employer have caused this Agreement to be duly executed all as of the Effective Date.

**NORTHWESTERN MICHIGAN COLLEGE**

Name: \_\_\_\_\_  
Nick Nissley

Title: President

Date: October 24, 2022

**CHERRY REPUBLIC**

Name:  \_\_\_\_\_  
Todd Ciolek

Title: Chief Executive Officer

Date: October 24, 2022

## MICHIGAN NEW JOBS TRAINING AGREEMENT NJTP-136; AMENDMENT #5

This amendment between Northwestern Michigan College and RJG, Inc., dated October 24, 2022, amends the previous Agreement dated June 28, 2021. The Agreement increases the budget from \$220,000 to \$300,000.

### PART I

1. "College" means Northwestern Michigan College of Traverse City, Michigan. Notices, requests, or other communications directed to the College under this Agreement shall be addressed as follows:
 

<p><b>Finance</b> Lindsey Lipke, Controller Northwestern Michigan College 1701 East Front Street Traverse City, MI 49686 <a href="mailto:llipke@nmc.edu">llipke@nmc.edu</a> 231-995-1943</p>	<p><b>Training</b> Lisa Rollin, Senior Accountant Michigan Manufacturing Technology Center 1701 East Front Street Traverse City, MI 49686 <a href="mailto:lrollin@nmc.edu">lrollin@nmc.edu</a> 231-995-2005</p>
--	---
  
2. "Employer" means RJG Inc. of Traverse City, Michigan. Notices, requests, or other communications directed to the Employer under this Agreement shall be addressed as follows:
 

Carrie Serrano  
Accounting and HR Assistant  
RJG Inc.  
3111 Park Drive  
Traverse City, MI 49686  
**Federal ID: 38-2888955**
  
3. The Employer certifies that the number of jobs on its payroll in Michigan as of April 11, 2016, the date of the Preliminary Agreement, was 71 and that the highest number of jobs on its payroll in Michigan in the last 12 months prior to the date of the Preliminary Agreement was 71.
  
4. The Employer agrees that the New Jobs Credit from Withholding paid by the Employer to the College for Program Costs will begin as employees are hired.
  
5. The effective date of this Agreement shall be May 23, 2016 (the "Effective Date").
  
6. The term of this Agreement shall be ten (10) years, expiring May 22, 2026, provided this Agreement shall not terminate and the obligations, representations, warranties, covenants, and agreements of the Employer hereunder shall continue until the Program Costs have been paid in full as provided herein.

The provisions of Part II and Part III of this Agreement are hereby approved and incorporated in full by reference.

**MICHIGAN NEW JOBS TRAINING AGREEMENT  
PART II  
EXHIBIT A**

**Estimated Budget**

1.	Training	\$ 260,870
2.	Training Equipment	\$ 0
3.	Administrative Fee	\$ 39,130
	TOTAL	\$ 300,000

**Final Costs**

1.	Training	\$
2.	Training Equipment	\$
3.	Administrative Fee	\$
	TOTAL	\$

Acknowledged this 24<sup>th</sup> day of October 2022.

*Stephanie Primeau*

Stephanie Primeau, Executive Assistant  
RJG Inc.

Nick Nissley, President  
Northwestern Michigan College

## EXHIBIT B Tentative Training Program

### I. Overview

A.	Estimated number of new jobs:	20 @ \$14.88 or higher
B.	Expected date by which new jobs will be filled:	04/11/19
C.	Estimated costs of training:	\$260,870
D.	Expected begin date:	07/01/16
E.	Expected end date:	04/22/26

### II. Description of Training

- Systematic Molding
- Master Molder I
- Master Molder II
- Train-the-Trainer
- Sales Logix
- Database Software
- Inventory, Purchasing, and Order Process Software
- Systematic Injection Molding
- DiSC
- Injection Molding Essentials
- Building Leaders
- Negotiating Skills

### III. Description of Training Equipment



## EXHIBIT C

### Employer Projections of Payroll and New Jobs Credit

Year of Agreement	Estimated Payroll of New Positions	Estimate of Diverted Payroll Taxes	Cumulative Diverted Payroll Taxes
1	\$ 705,882	\$ 30,000	\$ 30,000
2	\$ 705,882	\$ 30,000	\$ 60,000
3	\$ 705,882	\$ 30,000	\$ 90,000
4	\$ 705,882	\$ 30,000	\$ 120,000
5	\$ 705,882	\$ 30,000	\$ 150,000
6	\$ 705,882	\$ 30,000	\$ 180,000
7	\$ 705,882	\$ 30,000	\$ 210,000
8	\$ 705,882	\$ 30,000	\$ 240,000
9	\$ 705,882	\$ 30,000	\$ 270,000
10	\$ 705,882	\$ 30,000	\$ 300,000

Note: Although the term of this Agreement is ten (10) years, the amount of payroll taxes diverted hereunder may not exceed the total amount of the budget. The College will work with the Employer and the Michigan Department of Treasury to ensure taxes in excess of the required amounts are not diverted but rather are forwarded directly to the State of Michigan by the Employer.

IN WITNESS WHEREOF the College and Employer have caused this Agreement to be duly executed all as of the Effective Date.

**NORTHWESTERN MICHIGAN COLLEGE**

Name: \_\_\_\_\_  
Nick Nissley

Title: President

Date: October 24, 2022

**RJG INC.**

Name: Stephanie Primeau  
Stephanie Primeau

Title: Executive Assistant

Date: October 24, 2022

## MICHIGAN NEW JOBS TRAINING AGREEMENT NJTP-055; AMENDMENT #5

This amendment between Northwestern Michigan College and Shoreline Power Services Inc., dated October 24, 2022, amends the previous Agreement dated June 28, 2021. This Agreement increases the budget from \$440,012 to \$550,000.

### PART I

1. "College" means Northwestern Michigan College, Traverse City, Michigan. Notices, requests, or other communications directed to the College under this Agreement shall be addressed as follows:

**Finance:**

Lindsey Lipke, Controller  
Northwestern Michigan College  
1701 East Front Street  
Traverse City, MI 49686  
[llipke@nmc.edu](mailto:llipke@nmc.edu)  
231-995-1943

**Training:**

Lisa Rollin, Senior Accountant  
Michigan Manufacturing Technology Center  
1701 East Front Street  
Traverse City, MI 49686  
[lrollin@nmc.edu](mailto:lrollin@nmc.edu)  
231-995-2005

2. "Employer" means Shoreline Power Services Inc. of Williamsburg, Michigan. Notices, requests, or other communications directed to the Employer under this Agreement shall be addressed as follows:

Amanda Jerrett  
Human Resources Director  
Shoreline Power Services Inc.  
6724 East Railway Commons  
Williamsburg, MI 49690  
**Federal ID: 45-5250321**

3. The Employer certifies that the number of jobs on its payroll in Michigan as of the date of the Agreement of Intent was 20 and that the highest number of jobs on its payroll in Michigan in the last 12 months was 20.
4. The Employer agrees that the New Jobs Credit from Withholding paid by the Employer to the College for Program Costs will begin as employees are hired.
5. The effective date of this Agreement shall be April 22, 2013 (the "Effective Date").
6. The term of this Agreement shall be ten (10) years; provided that this Agreement shall not terminate and the obligations, representations, warranties, covenants and agreements of the Employer hereunder shall continue until the Program Costs have been paid in full as provided herein.

The provisions of Part II and Part III of this Agreement are hereby approved and incorporated in full by reference.

**NEW JOBS TRAINING AGREEMENT  
PART II  
EXHIBIT A—ESTIMATED BUDGET**

1.	Training	\$ 478,261
2.	Administrative Fee	\$ 71,739
	TOTAL	\$ 550,000

The dollar amounts within the line items may fluctuate because of the need to adapt the monies to specific program costs.

**Final Costs**

1.	Training	\$ _____.
2.	Administrative Fee	\$ _____.
	TOTAL	\$ _____.

Acknowledged this 24<sup>th</sup> day of October 2022.

*Amanda Jerrett*  
 Amanda Jerrett  
 Human Resources Director  
 Shoreline Power Services Inc.

\_\_\_\_\_  
 Nick Nissley, President  
 Northwestern Michigan College

## EXHIBIT B Tentative Training Program

### I. Overview

A.	Number of new jobs:	100
B.	Expected date by which new jobs will be filled:	12/31/2013
C.	Estimated costs of training:	\$ 478,261
D.	Expected beginning date of training:	05/01/13
E.	Expected ending date of training:	04/21/23

### II. Description of Training

- CPR, First Aid, and Blood Pathogens
- Infrared Electrical Inspection
- System Platform 1
- System Platform 2
- Construction OSHA Safety
- RSLogix 5000 Controllogix Fundamentals and Troubleshooting
- Arc Flash
- Accubid Electrical Estimating
- Identocard Premisys
- Cognex Vision
- OSHA 500 for Construction
- OSHA 510 for Construction
- Opto 22 – Snap Pac Systems
- Project Management
- Electrical Thermography
- Watchfire Service Networking

**EXHIBIT C****Employer Projections of Sources of Payments of Program Costs**

Year of Agreement	Estimated Payroll of New Positions	Estimate of Diverted Payroll Taxes	Cumulative Diverted Payroll Taxes
1	\$ 1,294,118	\$ 55,000	\$ 55,000
2	\$ 1,294,118	\$ 55,000	\$110,000
3	\$ 1,294,118	\$ 55,000	\$165,000
4	\$ 1,294,118	\$ 55,000	\$220,000
5	\$ 1,294,118	\$ 55,000	\$275,000
6	\$ 1,294,118	\$ 55,000	\$330,000
7	\$ 1,294,118	\$ 55,000	\$385,000
8	\$ 1,294,118	\$ 55,000	\$440,000
9	\$ 1,294,118	\$ 55,000	\$495,000
10	\$ 1,294,118	\$ 55,000	\$550,000

Note: Although the term of this Agreement is ten years, the amount of payroll taxes diverted hereunder may not exceed the total amount of the budget. The College will work with the Employer and the Michigan Department of Treasury to ensure taxes in excess of the required amounts are not diverted but rather are forwarded directly to the State of Michigan by the Employer.



IN WITNESS WHEREOF the College and Employer have caused this Agreement to be duly executed all as of the Effective Date.

**NORTHWESTERN MICHIGAN COLLEGE**

Name: \_\_\_\_\_  
Nick Nissley

Title: President

Date: October 24, 2022

**SHORELINE POWER SERVICES INC.**

Name: Amanda Jerrett  
Amanda Jerrett

Title: Human Resources Director

Date: October 24, 2022

## MICHIGAN NEW JOBS TRAINING AGREEMENT NJTP-146; AMENDMENT #2

This amendment between Northwestern Michigan College and BB&HC, LLC dba Tamarack Holdings dated October 24, 2022, amends the previous Agreement dated April 27, 2020. This agreement increases the budget from \$100,000 to \$120,000.

### PART I

1. "College" means Northwestern Michigan College, Traverse City, Michigan. Notices, requests, or other communications directed to the College under this Agreement shall be addressed as follows:

**Finance**

Lindsey Lipke, Controller  
Northwestern Michigan College  
1701 East Front Street  
Traverse City, MI 49686  
[llipke@nmc.edu](mailto:llipke@nmc.edu)  
231-995-1143

**Training**

Lisa Rollin, Senior Accountant  
Michigan Manufacturing Technology Center  
1701 East Front Street  
Traverse City, MI 49686  
[lrollin@nmc.edu](mailto:lrollin@nmc.edu)  
231-995-2005

2. "Employer" means BB&HC, LLC dba Tamarack Holdings of Traverse City, Michigan. Notices, requests, or other communications directed to the Employer under this Agreement shall be addressed as follows:

Grace O'Malley  
HR Generalist/Payroll Coordinator  
BB&HC, LLC dba Tamarack Holdings  
1610 Barlow Street, Suite 201  
Traverse City, MI 49686  
**Federal ID #: 47-5198070**

3. The Employer certifies that the number of jobs on its payroll in Michigan as of the date of the Agreement of Intent was 12 and that the highest number of jobs on its payroll in Michigan in the last 12 months was 1.
4. The Employer agrees that the New Jobs Credit from Withholding paid by the Employer to the College for Program Costs will begin as employees are hired.
5. The effective date of this Agreement shall be May 23, 2016 (the "Effective Date").
6. The term of this Agreement shall be eight (8) years; provided that this Agreement shall not terminate and the obligations, representations, warranties, covenants and agreements of the Employer hereunder shall continue until the Program Costs have been paid in full as provided herein.

The provisions of Part II and Part III of this Agreement are hereby approved and incorporated in full by reference.

**NEW JOBS TRAINING AGREEMENT  
PART II  
EXHIBIT A—ESTIMATED BUDGET**

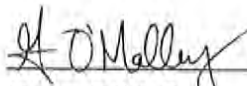
1.	Training	\$ 104,348
2.	Administrative Fee	\$ 15,652
	TOTAL	\$ 120,000

The dollar amounts within the line items may fluctuate because of the need to adapt the monies to specific program costs.

**Final Costs**

1.	Training	\$ _____.
2.	Administrative Fee	\$ _____.
	TOTAL	\$ _____.

Acknowledged this 24<sup>th</sup> day of October 2022.

  
 \_\_\_\_\_  
 Grace O'Malley  
 HR Generalist/Payroll Coordinator  
 BB&HC, LLC dba Tamarack Holdings

\_\_\_\_\_  
 Nick Nissley  
 President  
 Northwestern Michigan College

**EXHIBIT B**  
**Tentative Training Program**

I. Overview

A.	Number of new jobs:	10 @ \$14.88+
B.	Expected date by which new jobs will be filled:	01/01/17
C.	Estimated costs of training:	\$ 104,348
D.	Expected beginning date of training:	07/01/16
E.	Expected ending date of training:	05/01/24

II. Description of Training

- Meeting Facilitation
- Strategic Planning
- Leadership and Coaching
- Lean Management
- Project Management
- ERP
- Excel
- Quick Books
- Fishbowl

## EXHIBIT C

### Employer Projections of Sources of Payments of Program Costs

I. Employer's projections of gross wages for employees in new jobs, new jobs credit from withholding, and fees to be paid for program costs:

12-Month Period Ending	Estimated Gross Wages	Estimate of New Jobs Credit From Withholding	Fees
12/31/2017	\$ 352,941	\$ 15,000	\$ 1,957
12/31/2018	\$ 352,941	\$ 15,000	\$ 1,957
12/31/2019	\$ 352,941	\$ 15,000	\$ 1,957
12/31/2020	\$ 352,941	\$ 15,000	\$ 1,957
12/31/2021	\$ 352,941	\$ 15,000	\$ 1,957
12/31/2022	\$ 352,941	\$ 15,000	\$ 1,957
12/31/2023	\$ 352,941	\$ 15,000	\$ 1,957
12/31/2024	\$ 352,941	\$ 15,000	\$ 1,957

[continue as necessary]

IN WITNESS WHEREOF the College and Employer have caused this Agreement to be duly executed all as of the Effective Date.

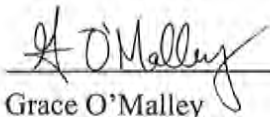
NORTHWESTERN MICHIGAN COLLEGE

Name: \_\_\_\_\_  
Nick Nissley

Title: President

Date: October 24, 2022

BB&HC, LLC dba TAMARACK HOLDINGS

Name:   
Grace O'Malley

Title: HR Generalist/Payroll Coordinator

Date: October 24, 2022



## MICHIGAN NEW JOBS TRAINING AGREEMENT NJTP-152; AMENDMENT #2

This amendment between Northwestern Michigan College and Adaptive Counseling and Case Management, LLC, dated October 24, 2022, amends the previous Agreement dated December 9, 2021. This amendment increases the budget from \$50,000 to \$70,000.

### PART I

1. "College" means Northwestern Michigan College, of Traverse City, Michigan. Notices, requests, or other communications directed to the College under this Agreement shall be addressed as follows:

**Finance**

Lindsey Lipke, Controller  
Northwestern Michigan College  
1701 East Front Street  
Traverse City, MI 49686  
[llipke@nmc.edu](mailto:llipke@nmc.edu)  
231-995-1143

**Training**

Lisa Rollin, Senior Accountant  
Michigan Manufacturing Technology Center  
1701 East Front Street  
Traverse City, MI 49686  
[lrollin@nmc.edu](mailto:lrollin@nmc.edu)  
231-995-2005

2. "Employer" means Adaptive Counseling and Case Management, LLC, of Traverse City, Michigan. Notices, requests, or other communications directed to the Employer under this Agreement shall be addressed as follows:

Kevin DeBruyn, President  
Adaptive Counseling and Case Management, LLC  
3298 Veterans Drive  
Traverse City, MI 49684  
**Federal ID #: 46-2335520**

3. The Employer certifies that the number of jobs on its payroll in Michigan as of May 23, 2016, the date of the Preliminary Agreement, was three (3) and that the highest number of jobs on its payroll in Michigan in the last 12 months prior to the date of the Preliminary Agreement was three (3).
4. The Employer agrees that the New Jobs Credit from Withholding paid by the Employer to the College for Program Costs will begin as employees are hired.
5. The effective date of this Agreement shall be December 19, 2016 (the "Effective Date").
6. The term of this Agreement shall be ten (10) years, expiring December 18, 2026; provided that this Agreement shall not terminate, and the obligations, representations, warranties, covenants, and agreements of the Employer hereunder shall continue until the Program Costs have been paid in full as provided herein.

The provisions of Part II and Part III of this Agreement are hereby approved and incorporated in full by reference.

**MICHIGAN NEW JOBS TRAINING AGREEMENT  
PART II  
EXHIBIT A**


**Estimated Budget**

1.	Training	\$ 60,870
2.	Administrative Fee	\$ 9,130
	TOTAL	\$ 70,000

**Final Costs**

1.	Training	\$ _____.
2.	Administrative Fee	\$ _____.
	TOTAL	\$ _____.

Acknowledged this 24th day of October 2022.

  
 Kevin DeBruyn, President  
 Adaptive Counseling and Case Management, LLC

\_\_\_\_\_  
 Nick Nissley, President  
 Northwestern Michigan College

## **EXHIBIT B Tentative Training Program**

### I. Overview

A.	Estimated number of new jobs:	9
B.	Expected date by which new jobs will be filled:	09/26/16
C.	Estimated costs of training:	\$ 60,870
D.	Expected beginning date of training:	01/01/17
E.	Expected ending date of training:	12/18/26

### II. Description of Training

- Self-Management
- Complex Care Management
- Pain Management
- Love and Logic
- CBT for Depression
- CBT Essentials
- AEDP Immersion
- PST Training and Certification
- Flash Technique
- Complex Trauma Certification
- Ethics of Termination and Referrals
- Ethics in Social Work

**EXHIBIT C**  
**Employer Projections of Payroll and New Jobs Credit**

12-Month Period Ending	Estimated Gross Wages	Estimate of New Jobs Credit From Withholding	Fees
12/31/2017	\$ 329,412	\$ 14,000	\$ 1,826
12/31/2018	\$ 329,412	\$ 14,000	\$ 1,826
12/31/2019	\$ 329,412	\$ 14,000	\$ 1,826
12/31/2020	\$ 329,412	\$ 14,000	\$ 1,826
12/31/2021	\$ 329,412	\$ 14,000	\$ 1,826

Note: Although the term of this Agreement is ten (10) years, the amount of payroll taxes diverted hereunder may not exceed the total amount of the budget. The College will work with the Employer and the Michigan Department of Treasury to ensure taxes in excess of the required amounts are not diverted but rather are forwarded directly to the State of Michigan by the Employer.

IN WITNESS WHEREOF the College and Employer have caused this Agreement to be duly executed all as of the Effective Date.

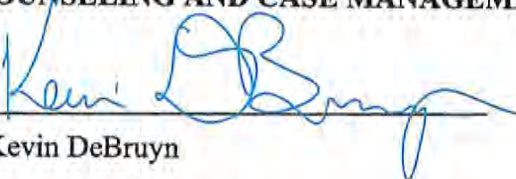
**NORTHWESTERN MICHIGAN COLLEGE**

Name: \_\_\_\_\_  
Nick Nissley

Title: President

Date: October 24, 2022

**ADAPTIVE COUNSELING AND CASE MANAGEMENT, LLC**

Name:  \_\_\_\_\_  
Kevin DeBruyn

Title: President

Date: October 24, 2022



COMPANY NAME			TRAINING	ADMINISTRATION FEE			TOTAL	DATES				NET NEW JOBS CREATED
	GRANT NO.	NMC ACCT #	TRAINING	NMC (14%)	MCCA (1%)	ADMIN TOTAL	AWARD	PRELIM AGREEMENT	AGREEMENT	EXPECTED END	CLOSEOUT	
ACAT GLOBAL	NJTP-050	25808	\$ 26,951	\$ 3,773	\$ 270	\$ 4,043	\$ 30,994	04/03/13	04/22/13	04/30/20	\$2,020	15
ADAPTIVE COUNSELING AND CASE MANAGEMENT, LLC	NJTP-152	25834	\$ 60,870	\$ 8,521	\$ 609	\$ 9,130	\$ 70,000	05/23/16	12/19/16	12/18/26		7
AJD FOREST PRODUCTS	NJTP-051	25809	\$ 27,826	\$ 3,896	\$ 278	\$ 4,174	\$ 32,000	03/12/13	04/22/13	04/30/20		2
ARMOR EXPRESS	NJTP-038	25803	\$ 80,870	\$ 11,321	\$ 809	\$ 12,130	\$ 93,000	11/13/12	12/17/12	12/31/19	CLOSED	29
BRITTEN BANNERS, INC.	NJTP-098	25819	\$ 222,587	\$ 31,162	\$ 2,226	\$ 33,388	\$ 255,975	02/03/14	08/25/14	12/31/19	06/11/19	17
BRITTEN DÉCOR, INC.	NJTP-xxx	258XX	\$ 60,870	\$ 8,522	\$ 608	\$ 9,130	\$ 70,000	12/04/14	04/20/15	05/31/20	07/27/16	0
BRITTEN INC.	NJTP-237	25845	\$ 245,783	\$ 34,410	\$ 2,457	\$ 36,866	\$ 282,650	12/26/18	05/20/19	05/19/24		100
BRITTEN METALWORKS, INC.	NJTP-115	25823	\$ 43,478	\$ 6,087	\$ 435	\$ 6,522	\$ 50,000	12/04/14	04/20/15	05/31/20	CLOSED	0
BRITTEN SERVICES, INC.	NJTP-xxx	258XX	\$ 130,435	\$ 18,261	\$ 1,304	\$ 19,565	\$ 150,000	09/11/14	04/20/15	05/31/20	07/27/16	14
BRITTEN WOODWORKS, INC.	NJTP-xxx	25825	\$ 60,870	\$ 8,522	\$ 608	\$ 9,130	\$ 70,000	02/12/15	04/20/15	05/31/20	2020	19
BULMANN ENTERPRISES	NJTP-195	25837	\$ 65,217	\$ 9,131	\$ 652	\$ 9,783	\$ 75,000	08/23/17	12/18/17	12/17/22		13
CEDAR RUN EYE CENTER	NJTP-193	25838	\$ 17,391	\$ 2,435	\$ 174	\$ 2,609	\$ 20,000	09/13/17	12/18/17	12/17/22		1
CENTURY EXTRUSION	NJTP-032	25804	\$ 26,087	\$ 3,652	\$ 261	\$ 3,913	\$ 30,000	11/08/12	12/17/12	12/17/17	CLOSED	4
CENTURY INC.	NJTP-012	25802	\$ 321,739	\$ 45,043	\$ 3,217	\$ 48,261	\$ 370,000	08/25/10	02/28/11	02/27/24		45
CENTURY INC.	NJTP-220	25842	\$ 108,696	\$ 15,217	\$ 1,087	\$ 16,304	\$ 125,000	07/26/18	09/24/18	09/23/23		0
CHERRY CAPITAL FOODS, LLC	NJTP-128	25826	\$ 160,870	\$ 22,522	\$ 1,608	\$ 24,130	\$ 185,000	07/02/15	08/24/15	08/23/24		26
CHERRY REPUBLIC	NJTP-052	25810	\$ 391,304	\$ 54,783	\$ 3,913	\$ 58,696	\$ 450,000	01/07/13	04/22/13	04/21/26		47
CHERRY REPUBLIC	NJTP-219	25841	\$ 324,781	\$ 45,469	\$ 3,248	\$ 48,717	\$ 373,498	07/26/18	09/24/18	09/23/23		19
EFFULFILLMENT SERVICE	NJTP-161	25835	\$ 46,087	\$ 6,452	\$ 461	\$ 6,913	\$ 53,000	01/12/17	01/23/17	01/22/27		10
ELECTRO-OPTICS TECHNOLOGY INC.	NJTP-010	25801	\$ 434,783	\$ 60,870	\$ 4,348	\$ 65,217	\$ 500,000	03/08/10	12/15/10	12/31/20	08/14/20	44
ELECTRO-OPTICS TECHNOLOGY INC. (2017)	NJTP-192	25839	\$ 65,217	\$ 9,131	\$ 652	\$ 9,783	\$ 75,000	11/09/17	12/18/17	12/14/20	12/14/20	8
ELMER'S CRANE AND DOZER, INC.	NJTP-095	25820	\$ 266,777	\$ 37,350	\$ 2,668	\$ 40,018	\$ 306,795	02/01/14	08/25/14	08/24/26		60
ELMER'S CRANE AND DOZER, INC.	NJTP-250	25847	\$ 260,870	\$ 36,520	\$ 2,609	\$ 39,129	\$ 300,000	09/17/19	10/28/19	10/27/26		11
GRAND TRAVERSE SENIOR LIVING LLC	NJTP-099	25821	\$ 52,174	\$ 7,304	\$ 522	\$ 7,826	\$ 60,000	02/13/14	08/25/14	12/31/19	2020	0
GREAT LAKES STAINLESS	NJTP-053	25811	\$ 73,043	\$ 10,226	\$ 730	\$ 10,956	\$ 83,999	01/16/13	04/22/13	04/21/25		24
GROCER'S DAUGHTER CHOCOLATE	NJTP-319	25XXX	\$ 72,826	\$ 10,196	\$ 728	\$ 10,924	\$ 83,750	04/29/22	06/27/22	06/26/32		8
HAGERTY	NJTP-077	25814	\$ 69,565	\$ 9,739	\$ 696	\$ 10,435	\$ 80,000	10/15/12	12/16/13	12/31/18	01/30/19	0
HAYES MANUFACTURING	NJTP-069	25815	\$ 22,609	\$ 3,165	\$ 226	\$ 3,391	\$ 26,000	11/12/13	12/16/13	12/31/20	2020	7
HAYES MANUFACTURING	NJTP-269	25850	\$ 217,391	\$ 30,435	\$ 2,174	\$ 32,609	\$ 250,000	11/15/19	04/27/20	04/26/28		31
IMAGE 360	NJTP-217	25844	\$ 21,738	\$ 3,043	\$ 217	\$ 3,262	\$ 25,000	01/23/18	09/24/18	09/23/23		0
IMM, INC.	NJTP-135	25828	\$ 8,696	\$ 1,217	\$ 87	\$ 1,304	\$ 10,000	03/01/16	05/23/16	05/22/21	04/12/21	6
INDUSTRIAL ARTS INSTITUTE	NJTP-148	25829	\$ 9,239	\$ 1,293	\$ 92	\$ 1,386	\$ 10,625	06/24/14	05/23/16	04/30/21	03/24/21	1
IRON FISH DISTILLERY LLC	NJTP-307	25853	\$ 156,522	\$ 21,913	\$ 1,565	\$ 23,478	\$ 180,000	09/23/21	12/20/21	12/19/31		25
ISENHART ELECTRIC LLC	NJTP-239	25846	\$ 86,957	\$ 12,173	\$ 870	\$ 13,043	\$ 100,000	11/05/18	05/20/19	05/19/26		8
JANTEC INC.	NJTP-320	25XXX	\$ 173,913	\$ 24,348	\$ 1,739	\$ 26,087	\$ 200,000	04/29/23	06/27/23	06/26/33		25
MATERNE NORTH AMERICA CORP.	NJTP-074	25816	\$ 139,130	\$ 19,478	\$ 1,391	\$ 20,870	\$ 160,000	06/26/13	12/16/13	12/15/26		67
MATERNE NORTH AMERICA CORP.	NJTP-252	25848	\$ 86,957	\$ 12,174	\$ 869	\$ 13,043	\$ 100,000	10/18/19	10/28/19	10/27/26		14
MORAN IRON WORKS	NJTP-039	25805	\$ 21,739	\$ 3,043	\$ 216	\$ 3,260	\$ 25,000	11/26/12	12/17/12	12/17/17	11/22/16	8
NAVEEGO INC./AUNALYTICS INC.	NJTP-232	25843	\$ 395,652	\$ 55,391	\$ 3,957	\$ 59,348	\$ 455,000	07/25/18	09/24/18	09/23/33		7
NORTHWEST MICHIGAN SURGERY CENTER, LLC	NJTP-xxx	28827	\$ 43,478	\$ 6,087	\$ 435	\$ 6,522	\$ 50,000	04/22/15	08/24/15	07/31/20	09/15/20	0
PLASCON INC.	NJTP-054	25812	\$ 60,871	\$ 8,521	\$ 608	\$ 9,129	\$ 70,000	03/14/13	04/22/13	04/30/20	2020	15
PRECISION EDGE SURGICAL PRODUCTS	NJTP-034	25806	\$ 30,435	\$ 4,261	\$ 304	\$ 4,565	\$ 35,000	10/12/12	12/17/12	12/16/17	03/26/18	12
PRESTON FEATHER BUILDING CENTERS	NJTP-145	25830	\$ 69,565	\$ 9,739	\$ 696	\$ 10,435	\$ 80,000	10/23/15	05/23/16	05/22/26		14
RJG INC.	NJTP-136	25831	\$ 260,870	\$ 36,522	\$ 2,608	\$ 39,130	\$ 300,000	04/11/16	05/23/16	05/22/26		21
RJG INC.	NJTP-277	25851	\$ 306,743	\$ 42,944	\$ 3,067	\$ 46,011	\$ 352,755	06/11/20	09/28/20	09/27/30		2
SHORELINE FRUIT	NJTP-035	25807	\$ 104,348	\$ 14,609	\$ 1,043	\$ 15,652	\$ 120,000	04/14/11	12/17/12	12/31/17	05/23/16	29
SHORELINE POWER SERVICES	NJTP-055	25813	\$ 478,261	\$ 66,957	\$ 4,783	\$ 71,739	\$ 550,000	03/18/13	04/22/13	04/21/23		112
SHORELINE POWER SERVICES	NJTP-251	25849	\$ 86,957	\$ 12,174	\$ 869	\$ 13,043	\$ 100,000	10/18/19	10/28/19	10/27/26		3
SKILLED MANUFACTURING INC.	NJTP-072	25817	\$ 139,130	\$ 19,478	\$ 1,390	\$ 20,870	\$ 160,000	10/18/13	12/16/13	12/31/18	10/29/18	38
SPRINGFIELD INC.	NJTP-194	25840	\$ 13,044	\$ 1,826	\$ 130	\$ 1,956	\$ 15,000	10/04/17	12/18/17	12/17/22		0
STRATA DESIGN	NJTP-137	25832	\$ 63,394	\$ 8,875	\$ 634	\$ 9,509	\$ 72,903	10/19/12	05/23/16	05/22/26		7
SUPERIOR PHYSICAL THERAPY	NJTP-292	25852	\$ 60,870	\$ 8,521	\$ 609	\$ 9,130	\$ 70,000	12/15/21	06/28/21	06/27/31		0
TAMARACK HOLDINGS	NJTP-146	25833	\$ 104,348	\$ 14,609	\$ 1,043	\$ 15,652	\$ 120,000	01/01/16	05/23/16	05/23/24		7
TENTCRAFT INC.	NJTP-070	25818	\$ 852,174	\$ 119,304	\$ 8,522	\$ 127,826	\$ 980,000	10/15/13	12/16/13	12/31/22		50
TENTCRAFT INC.	NJTP-171	25836	\$ 304,348	\$ 42,609	\$ 3,043	\$ 45,652	\$ 350,000	05/25/17	06/26/17	06/25/22		0
TOTAL			\$ 8,037,346	\$ 1,125,224	\$ 80,364	\$ 1,205,590	\$ 9,242,940					1,032





Northwestern  
Michigan  
College

MEMO  
*President's Office*

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**To:** Rachel A. Johnson, Chair  
Board of Trustees

**From:** Nick Nissley, President

**Date:** October 10, 2022

**Subject:** Closed Session Request

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Pursuant to the provisions of the Michigan Open Meetings Act (ACT 267, 15.268, Subsection 8[a]), I am hereby requesting that the 2022 Board's evaluation of my performance be conducted in closed session.