



Northwestern
Michigan
College

Board of Trustees

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

1701 East Front Street
Traverse City, MI 49686
(231) 995-1010
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Meeting Agenda

Monday, April 25, 2022

at NMC Hagerty Center, Room C, 715 E. Front Street

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. Program Focus: College for Kids—*Laura Matchett, Director of Extended Education Services, and Kristy Jackson, Program Coordinator*
- G. Faculty Report: Engaging NMC in Traverse City's Startup Community—*Keith Kelly, Business and Technical Instructor*

IV. PUBLIC INPUT

Request forms for public input are available at the meeting location. Any individual of the public may speak for up to (3) minutes. The Board will not receive public input from individuals unless they are present at the meeting. The topic addressed should be related to business within the jurisdiction of the Board. The Board will take public remarks into consideration, but will not comment at the time of input.

V. UPDATES

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



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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:

- K. Minutes of the March 21, 2022 regular meeting
- L. PRMC Report—*Diana Fairbanks, Associate Vice President of Public Relations, Marketing, and Communications*
- M. Foundation Report—*Rebecca Teahen, Associate Vice President for Resource Development and Executive Director of Foundation*
- N. Enrollment Report—*Todd Neibauer, Vice President for Student Services and Technologies*
- O. Financial Report—*Troy Kierczynski, Vice President of Finance and Administration*

VII. ACTION ITEMS

- P. **MACC Grant Application** (Pursuant to Submission Requirements)
Recommend authorization for the Dennon Museum Center at Northwestern Michigan College to submit an application for grant funding in the amount of \$30,000 for project support from the Michigan Arts and Culture Council (MACC) in the current round of FY23 grant applications.
- Q. **Aviation Purchase** (Pursuant to Policy A-106.00 Finance)
Recommend authorization for administration to purchase a Cessna Skyhawk 172S not to exceed \$450,000, funded from the Aviation Capital Equipment Fund.
- R. **East Hall Sprinkler System** (Pursuant to Policy A-106.00 Finance)
Recommend authorization for administration to enter into a contract with Johnson Outdoors the amount of \$54,935 to replace the sprinkler system in East Hall.
- S. **Innovation Center Dewatering Project** (Pursuant to Policy A-106.00 Finance)
Recommend authorization for administration to enter into a contract with Elmer's Crane and Dozer, Inc. in the amount of \$516,280 (plus 10% contingency) to implement a permanent dewatering system for the Timothy J. Nelson Innovation Center.
- T. **Closed Session**
Recommend that the Board convene in closed session as permitted by Section 8(c) of the Michigan Open Meetings Act, MCL 15.268, to discuss strategy connected with the negotiation of collective bargaining agreements between the College and the Michigan Education Association. *(Roll Call Vote)*
- U. **Reconvene Regular Meeting** (Pursuant to Policy A-106.00 Other)
Recommend the closed session adjourn and the open session of the regular meeting be reconvened. *(Roll Call Vote)*



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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.

May 23, 2022

June 27, 2022

July 25, 2022

August 22, 2022

September 26, 2022

October 24, 2022

November 21, 2022

December 12, 2022

NMC NEXT

OUR COMMUNITY. OUR COLLEGE. OUR FUTURE.

To: Dr. Nick Nissley, President
From: Jason Slade, Vice President of Strategic Initiatives
Date: April 14, 2022
Subject: Strategic Initiatives Update: *April 25, 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 on track with 3 of the 5 objectives currently classified as “green.” Two objectives are yellow, one of which is directly related to a new ID system that is being implemented. The other is dependent upon the approval of personnel requests within the FY23 budget.

Highlights and Success:

- New marketing personnel have been hired and are drafting new marketing plans.
- All objectives have begun and action steps are moving forward.

Challenges:

- Objective #4 - Success Coaching requires additional staffing (success coaches, success center specialist) to fully implement. These positions will be prioritized and funding will depend on the approved budget.
- Academic Advising is awaiting programming of a new advisor assignment process (Objective #3 - Completion).

PDCA (Plan Do Check Adjust): This phase of the Strategy 2 objectives are scheduled to be completed by 6/30/23. No current feedback to champions from stakeholders/others.

Background: Year-over-year enrollment data highlights declining enrollment at all Michigan community colleges and NMC is no exception. The State will continue to experience a reduced number of high school graduates and colleges will need to better target adult learners. In addition to attracting students, NMC needs to implement retention strategies to ensure long-term success and completion of our learners.

Benefits: Upon completion of this strategy, NMC will have implemented new enrollment strategies targeted at high school and adult learners. After enrolling at NMC, retention strategies through co-curricular activities and success coaching will provide the support and sense of belonging necessary for students to meet their educational goals. These retention strategies will provide the supports necessary for students to be successful at NMC.

Objectives	Status	Action Timing:	Notes:
Objective 1: 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.	3 of 5 <u>scheduled</u> actions have started & are on schedule 2 actions have not started and are tied to Strategy 1 - Exp Learning tracking (ID scanner) but should still meet completion timing.	Scheduled action items should be completed between 6/30/22 and 2/1/23.	New ID system is anticipated to be online by June 2022 for co-curricular inventory.
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.	7 of 7 <u>scheduled</u> actions have started & are on schedule 1 additional action scheduled to begin 5/1/22	Scheduled action items are on task and should be completed between 8/30/2022 and 6/30/2023	Marketing plan is being developed for this demographic.
Objective 2B: Implement new enrollment marketing plans to increase enrollment in age categories 21+ from 1510 to 1660 (10%) by Spring 2024.	4 of 4 <u>scheduled</u> actions have started & are on schedule 3 additional actions are <u>not</u> scheduled to begin until 5/1/22 or later	Scheduled action items are on task and should be completed between 8/30/2022 and 6/30/2023	Marketing plan is being developed for this demographic.
Objective 3: Enhance student completion supports to increase the three year completion success rate from 38.9% to 40.4% by Spring 2025	5 of 5 <u>scheduled</u> actions have started & are on schedule 2 additional actions are <u>not</u> scheduled to begin until 5/1/22 or later	Scheduled action items are on task and should be completed between 8/30/2022 and 6/30/2023	Programming tasks related to advising system improvements have begun.
Objective 4: 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.	3 of 5 <u>scheduled</u> actions have started & are on schedule 2 actions are behind schedule due to hiring of add'l success coaches (tied to budget)	Scheduled action items are on task and should be completed between 12/30/2022 and 6/30/2023	The student success coaching/specialist positions are part of the Planning and Budget Process and are tied to the FY23 budget.

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

Next Month: Initial Review – Strategy 3: Diversity, Equity, and Inclusion

Other Connections:

- The Faculty Report on Start-up Week ties directly to Strategy #1 - Future Focused Education and Strategy #4 - Community Partnerships
- The Program Focus highlighting College for Kids relates to Strategy #4 - Community Partnerships, enrichment / EES objective.

**NMC Extended Educational Services
College for Kids Report:
Summer 2021 & Summer 2022 Projections
Laura Matchett**

EES Program Manager Kristy Jackson curated an engaging, fun, and safe College for Kids program last summer, 2021.

- a. College for Kids classes were based out of Scholars Hall on main campus to maximize our staffing capacity (*specialized classes took place in other buildings such as, "Electrical Circuits, Controls, Automation: Introduction to Robots (Grades 6-8)" with NMC instructor Bob Chaphalkar in Parsons-Stulen*)
- b. Masks were required for all students and instructors throughout the 8 weeks
- c. Reduced student capacities in each class (most had a max of 10)
- d. NUMBERS:
 - i. 56 classes were offered, 7 canceled (13% cancellation rate, goal <20%)
 - ii. 466 seats sold (49 classes ran, 588 seats available = **90% full**)
- e. Success with safety - no reported COVID exposures

C4K Financials	Summer 2021	Summer 2022 Projections	Summer 2022 Current Figures Updated 4.19.22
GRASP Total Revenue	\$20,130.32	\$20,130.32	\$1,322.00
Full Day Total Revenue	\$33,404.00	\$66,808.00	*\$11,586.00
Partial Day Total Revenue	\$42,751.00	\$85,502.00	\$103,625.00
Black Rocket Net Revenue	\$560.00	\$600.00	\$14,025.00
Total Revenue	\$96,845.32	\$173,040.32	\$130,558.00
Instructor Pay	\$33,844.50	\$59,227.88	**\$53,240.00
Additional Materials	\$7,823.44	\$15,646.88 (doubled)	\$17,427.00
Total Seats Sold	466		898
NET REVENUE	\$55,177.38	\$98,165.56	\$59,891.00

**Full Day Revenue will be determined better after the majority of registrations take place (mid June). Because of the lunch option, there are a variety of "full day options."*

***With flat rate pay for instructors, this number will stay steady or slightly drop if classes cancel.*

What does this mean?

Registration, as of April 19th has been open for two weeks, that's 20% of our 10 week main registration window. Although the majority of registrations happen in the first 3-4 weeks of the

registration window, these are very promising numbers. With a focused marketing effort on the “Mix and Match” options which can lead to full day (9 or 10 a.m. - 3 p.m.) options for families, we expect a steady climb in registrations through the next few weeks.

“It warms my heart to be able to offer face-to-face programming to local and summer residents ages 8-17. Some of our students from 2021 were returning to the classroom setting after being away from in-person learning for 12+ months. The parents we spoke with were thrilled to be able to enroll their children in high-quality enrichment classes knowing that NMC had safety at the forefront of all decisions and planning. Thank you for your support this summer to ensure we can meet the community’s need for youth programming while celebrating the joy of learning in a fantastic setting.” - Kristy Jackson, Program Manager

“Hosting College for Kids this summer was the highlight of the year for NMC Extended Education. We persevered through the pandemic to create safe, fun, and educational packed programming for our area’s youth grades 3 - 12. Greeting new families every week, seeing kids completely engaged in their projects such as painting, tile mosaics, pottery, STEM experiments, robotics, yoga, theatre, outdoor learning, and so much more, was proof that we can and will move forward with success and joy, into the future.” - Laura Matchett, Director of Extended Education

“NMC’s commitment to the human ‘learning span’ is one of our fundamental and enduring values - most happily illustrated in the energy of our youngest learners and the confidence our College for Kids program inspires in their parents and caregivers. EES holds the key for this success by recruiting a teaching team of creative and artful instructors, providing exceptional support and organization, a catalog of vibrant learning opportunities, and wide open doors for access and inclusion. What a way to start a learning journey! My deepest appreciation for Kristy Jackson’s tenacity, Laura Matchett’s unfailing leadership, and the EES team’s commitment to excellence and success!” -Marguerite Cotto, VP Lifelong & Professional Learning

“It’s wonderful to see life returning to campus - learners filling our classrooms and that joyful feeling of growing together. A coach recently shared a definition of community that I hadn’t heard before. She said, ‘Community is a group of people who agree to grow together.’ That’s what you’re helping happen with College for Kids - creating a space for a group of people who agree to grow together.” -Nick Nissley, NMC President

NMC BOT Faculty Presentation Form

This form will be shared with the BOT before the meeting so they know what you will be presenting and a little bit about you. Thank you for sharing your time and expertise with the BOT so they continue to be informed about the high quality educators and programs we have here at NMC.

Name *

Keith E Kelly

Your Title *

NMC Faculty, TCNewTech Board of Directors

Presentation Title *

Engaging NMC in Traverse City's Startup Community

Please provide a description of what you will be presenting to the BOT. *

Traverse City's startup community continues to build momentum, creating new opportunities for business and career growth. Innovation can occur in any NMC program or lab space, but how can we build cross-curricular teams that link our students' ideas, capabilities, and efforts into this broader entrepreneurial community? This presentation will feature a sample NMC Startup student pitch. Keith will provide an update on the associated NMC Startup Seminar course, as well as discuss student presentations and other events scheduled as part of the first annual Northern Michigan Startup Week (<http://nmsw.co>).

Who are you? Please upload or type a bio here. If you do not have one, just tell The BOT a bit about yourself. This info will be given to them before the meeting. *

Keith Kelly has spent his career at the intersection of education and technology, preparing students and professionals for continual success working in advanced technology. He currently serves as faculty member in Engineering at Northwestern Michigan College and serves multiple community initiatives including TCNewTech and Northern Michigan Startup Week.

Keith has been making things his entire life. Throughout his career he has developed electronics and software solutions, innovative learning opportunities for students of all ages, and workforce development programs for tech professionals. Keith's areas of expertise include project-based learning, team building, agile project management, and curriculum development. He created the region's first makerspace which enabled students to develop their own tech startups, served as a subject matter expert for Microsoft and Cisco, and his solution-focused work has been implemented by schools, community colleges, and tech companies.

Most recently, Keith responded to the emerging trends in digital transformation by creating coding, cloud, and electronics curriculum and workshops. As a leader in his field, Keith is working with Michigan's Department of Labor and Economic Opportunity to create talent pipelines that produce new professionals in the high-demand fields of software development and cybersecurity with a focus on rural community development.

Keith is committed to building workforce development systems and opportunities that support Traverse City's emerging tech hub along with the broader Michigan economy. His vision is to create a technical community that both extends and expands learning pathways. He builds experiences that motivate the earliest of learners and at the same time directs professional workshops for the most seasoned professional. He is continually developing innovative learning solutions that can scale to meet the talent demands of local companies.

This form was created inside of Northwestern Michigan College.

Google Forms



MEMO
Office of the President

To: NMC Board of Trustees
From: Nick Nissley, President
Subject: April Mid-Month Update
Date: Wednesday, April 13, 2022

Dear Board of Trustees,

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

- State Budget Update. Recall, the Governor's executive budget recommendation to the joint legislative appropriations committee has been released. It included a number of positive items for community colleges/NMC. But, remember, this is the starting place for negotiating a final state budget. Following hearings in both the House and Senate, the legislature has begun to develop their own budget framework. We anticipate the House Higher Education and Community College Appropriations Subcommittee will vote out its version of the FY23 Budget tomorrow.
- BSN legislation. The bills are still stuck on the House floor. MCCA has begun to advocate with Senate Majority leadership. Realistically, it's not looking likely that the House will take up the bills. We haven't given up. And, in fact, this past Friday I (along with Trustee Oblinger) spent time with Representative Frederick (who serves as the House Majority Floor Leader), touring him around NMC campuses. In addition, that day he met with the Traverse Connect Government Affairs Committee (including BOT Chair Johnson). Realistically, we have probably not moved him from his position regarding the BSN, but he surely left with a much richer understanding of the value of NMC/community colleges.
- Contract Negotiation with the Faculty Association. We began contract negotiations with the Faculty Association this past month. During the contract negotiation process, a closed-session will be scheduled for each of the Board of Trustees meetings, to update trustees on progress being made on the new contract.

- Aviation Growth Plan – Hangar Renovation/Expansion. Following up on last month’s hosting of local legislators for a tour of NMC’s hangar and Aviation Program to position the hangar renovation/expansion for inclusion in the State Transportation Budget, we will be hosting Representative Damoose for a similar tour on Monday, April 18. Later that day, I will also have the opportunity to meet with Representative Damoose at a gathering hosted by the Grand Traverse Regional Community Foundation. Both of these meetings are intended to increase awareness around our aviation growth plan (and how it can support regional workforce/economic development) – with relatively minimal state support.
- Osterlin Renovation/Student Services Hub. We have positioned this project as part of the State Capital Outlay Budget. On April 20, Troy and I are meeting with a handful of legislators in Lansing, to further ‘make the case’ for this project/funding. We are scheduled to meet individually with: Senators Zorn, LaSata, McCann, Horn, Hertel, and Schmidt.
- Strategic Plan. We continue to share NMC’s strategic plan with key community leaders, including meetings with the following groups and individuals over the past month: Community Foundation (Dave Mengebier, CEO), Grand Traverse Band of Ottawa and Chippewa Indians (Mark Wilson, Vice Chair), University Center Partners (CMU, Davenport, Ferris, and GVSU), and Networks Northwest (Matt McCauley, CEO).
- Foundation. The Foundation has begun a planning process to develop a comprehensive and collaborative long range plan that will guide the Foundation's work in support of the NMC strategic plan for the next few years. We are also developing a plan to undertake some organization development work – to further clarify and strengthen the College-Foundation relationship. We are currently awaiting a proposal from CampusWorks, who would help to facilitate the work.
- Discovery Center and Pier Project. This project is being developed in partnership with Northwestern Michigan College, Michigan Technological University, and 20 Fathoms. It is being led/driven by the Discovery Center and Pier. An envisioned Research and Innovation Center would become the hub for the research, development and commercialization of freshwater and marine technologies and their applications affecting the Great Lakes. Phase I is focused on development of the existing pier and concept design for the Research and Innovation Center (approximately \$3 million). Phase II would focus on development of the envisioned 85,000 square foot Research and Innovation Center (approximately \$60 million). Please note, this is only in the concept-phase now, and no financial commitments have been made.
- Points of Pride:
 - Our Nexus Magazine won the top award for print magazine from the National Council for Marketing and Public Relations, a professional organization representing marketing and PR professionals at two-year colleges. The summer

2021 issue received a gold Paragon award at the NCMPR conference in Denver March 25.

- NMC's Phi Theta Kappa honor society just returned from the PTK Annual Awards Event in Denver, having earned recognition as one of the top 50 chapters in the country (out of approximately 1,325 chapters). Chapter President Amber Marsh was recognized as one of the top 30 Distinguished Chapter Officers, and advisor Kari Kahler was recognized with the Continuing Excellence Advisor Award.
- Upcoming Dates of Note:
 - April 25, 2022—Regular Board Meeting, NMC Hagerty Center
 - April 29, 2022—[A Taste of Success](#)
 - May 7, 2022—Commencement
 - May 16, 2022—Innovation Center Renaming & Rededication Celebration
 - May 18, 2022—Employee Recognition Celebration
 - May 23, 2022—Regular Board Meeting, NMC Hagerty Center
 - June 2, 2022—Fellows Celebration, NMC Hagerty Center



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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, April 18, 2022
Re: State/Federal Legislative Update

State

Majority Floor Leader Ben Frederick Tour

On Friday, April 8, we hosted Majority Floor Leader Ben Frederick (R-Owosso) for a tour of both Aero Park and Great Lakes campuses. As you may know, Rep. Frederick is also the Chair of the House Appropriations Subcommittee on Higher Education and Community Colleges. The tour highlighted our use of Skilled Trades Equipment Fund dollars, the need for additional funds to enhance the Aviation hangar and the role that the Great Lakes Maritime Academy plays in the maritime industry. Rep. Frederick was very engaged and appreciated learning more about our ability to pivot to meet workforce needs that contribute to economic development.



FY23 State Budget

On Thursday, April 14, the House Appropriations Subcommittee voted 6-1 to approve Higher Education and Community Colleges budgets. Overall, this represents a good first step in the budget process and we will be interested to see what the Senate Subcommittee puts forth as early as this week. The full text and analysis of the House recommendation may be found [here](#).

Here are some of the highlights:

- \$25.4 million in additional funding for community colleges but distributed via a different formula
 - Individual college increases range from 1% to 10%.
 - This is a net increase of \$22.2 million because it removes the 1% one-time increase from last year.
 - NMC would see a 4% increase
- Full funding for Michigan Reconnect at \$55M, but utilizes school aid fund dollars instead of general fund dollars.
- \$148.5 million in federal funding to expand Michigan Reconnect to cover individuals that are 21-24 for the next three years.

- \$6 million for Michigan Reconnect Short-Term Training Grants – These funds could be used for high-quality, non-degree/non-credit credentials offered by community colleges – more specific language will be introduced in a set of bills in late April.
- \$10 million for grants to community colleges to do “Academic Catch-Up” for recent high school graduates in order to help them avoid remedial education – MCCA would administer the funds.

Michigan New Jobs Training Program:

As you know, the Michigan House has passed [HB 5527](#) (Griffin). HB 5527, which would double the cap on contracts under the Michigan New Jobs Training Program (MNJTP) from \$50 million to \$100 million. On Thursday, April 21, the Senate Economic and Small Business Development Committee will hold a hearing on this legislation and NMC will be supporting the bill in committee.

Community College BSN Legislation

After seeing the community college BSN legislation pass out of Committee, traction has stalled on the House floor. The MCCA along with other statewide associations, including the Michigan Hospital Association and the Michigan Association of State Universities, amongst others, have agreed to meet as a workgroup to see if differences can be worked out, outside of the legislative process. As a result, the legislature has by-and-large deferred to the workgroup to determine progress on this issue and will not likely take up the bill until a lame duck session in December. This means that we should continue to highlight the need but recognize that the fate of the bill is largely out of our regional control.

Federal

Short-Term Pell Legislation

Congress has begun the conference committee process combining [H.R. 4521 – America COMPETES Act of 2022](#) in the House, and [S. 1260 – United States Innovation and Completion Act of 2021](#) in the Senate, into one Bipartisan Innovation Act. These two bills share many common programs but also have several areas of difference that must be resolved. The process of combining the bills will be a formal conference committee. Community colleges should specifically be interested in several programs, including the Telecommunications Workforce Training Grant Program, the reauthorization of the National Apprenticeship Act, the College Transparency Act, and most importantly a federal workforce Pell Grant. This newly named grant is not a new program, but rather would allow for workforce development programs as short as 150 clock hours to be included in Pell Grant eligibility. To learn more about the specifics of these programs, please see the factsheet [here](#).

Northwestern Michigan College
Board of Trustees
Executive Committee Minutes
Tuesday, April 19, 2022
Gray Conference Room 202
University Center
2200 Dendrinos, Traverse City, MI 49686

Committee Chair Rachel Johnson called the meeting to order at 3:32 p.m.

Members Present: Rachel Johnson, Laura Oblinger, Kennard Weaver

Others Present: Nick Nissley, Lynne Moritz

Reimagining Board of Trustees Meeting Agendas

There was discussion regarding potential modifications to board meeting agendas, with the goal of prioritizing strategic conversations. Among the ideas, it was determined to include Executive Reports in the Consent Items section, with a rotation of verbal reports to be included in the Reports and Presentation section. For executive reports, it was noted that along with the frequency adjustments, the content of reports may be modified and simplified. It was also determined to remove the Discussion section, since all items on the agenda are intended to cultivate discussion amongst the Board. The committee expressed desire to hear more student voices and community partners.

Presidential Update

President Nissley provided updates on the state budget, community college bachelor of science nursing, funding for facilities projects, and the NMC Foundation's upcoming governance work and strategic planning.

Public Input—There was no public comment offered.

The meeting was adjourned at 4:34 p.m.

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

**NORTHWESTERN MICHIGAN COLLEGE
BOARD OF TRUSTEES
MINUTES
Monday, March 21, 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: Andrew K. Robitshek, Chris M. Bott, Laura J. Oblinger, Kennard R. Weaver, Rachel A. Johnson

Trustees absent: None

Trustees remote: Douglas S. Bishop—participating remotely from Bonita Springs, Lee County, FL; Kenneth E. Warner—at 5:44pm) from SeaTac, King County, WA

Also present: President Nick Nissley, Lynne Moritz, Jerry Achenbach, Diana Fairbanks, Troy Kierczynski (via Zoom), Mark Liebling, Kyle Morrison, Todd Neibauer, Rebecca Teahen, Becca Richardson, Brie Mills

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, provided an update on the first strategy of Future-Focused Education. Upon completion of this strategy, NMC will be able to provide expedited academic pathways for our learners through the acknowledgement of credit for prior learning and shortened (accelerated) course sequencing. Course options will include face-to-face, hybrid, and online learning which allow the student to customize a schedule that meets their learning style as well as their availability. Each student’s education will be enhanced through meaningful experiential learning opportunities, adding value and unique student experiences.

REPORTS AND PRESENTATIONS

Great Lakes Maritime Academy—Jerry Achenbach, GLMA Superintendent, noted his presentation is brief on the very important topic of Every Mariner Builds a Respectful Climate (EMBARC) and he is available to speak with any trustees who have further questions not addressed today. In 2021, several cadets brought to our attention that they believed cadets were experiencing harassment while on board a commercial vessel, but were reluctant to report it. In response to this concern as well as reports of harassment in the broader maritime industry, the maritime academies The goal of EMBARC is to provide cadets the equivalent level of safety as the MARAD plan while also maintaining their ability to sail onboard commercial vessels.

Faculty Report—Quantitative Literacy (MTH 100)—Becca Richardson and Brie Mills, Math Instructors, presented on the development of course MTH 100, which consists of four units—geometry and numeracy; rates, proportions, and numeracy; linear modeling & statistics; and non-linear models & dimensional analysis. The course utilizes toolkit and mindset activities to expand on students’ prior knowledge and promote a growth mindset. The course also utilizes experiential learning opportunities and the EL learning cycle.

Audit Committee Report—Committee Chair Kennard Weaver directed fellow trustees to the minutes of the Audit Committee meeting from March 16, 2022. It was clarified that there will be a new partner in charge assigned to NMC from Plante Moran, while the manager will be the same as in 2021.

Building and Site Committee Report—Committee Laura Oblinger noted significant projects are underway and that all can be connected to the strategic plan. Oblinger applauded the work of Troy Kierczynski and his team for seeking state and federal funding opportunities.

EXECUTIVE REPORTS—The following written reports were provided in the packet of materials: Enrollment, Financial, Foundation Report, and PRMC.

PUBLIC INPUT—There was no public input offered.

UPDATES

President's Update—President Nick Nissley began his update by sharing that staff, faculty and students are successfully transitioning with the removal of the mask requirement on February 28, 2022. Regarding the legislative report, Nissley noted updates on community college BSN legislation, state budget developments, and college budget development. Vice President of Strategic Initiatives Jason Slade and President Nissley continue to meet with area organizations to discuss the NMC Next Strategic Plan. Traverse Connect's Scale Up North Awards include two finalists having connections with NMC alumni. Lastly, Nissley thanked Board Chair Rachel Johnson for participating in a recent meeting with legislators focused on the NMC aviation program.

Board Chair Update—Chair Rachel Johnson thanked Sen. Schmidt, Sen. VanderWall, Rep. O'Malley, Rep. Roth, Rep. Borton, Rep. Van Singel, and former Rep. Triston Cole for visiting the NMC Aviation Program on March 18. Johnson also highlighted key statistics regarding NMC aviation, including: the program currently has capacity for 125 students and a waitlist of 200 students who will wait 1-2 years for entry. The current hangar was built in 1978 and has had minimal improvements since. Graduates experience nearly 100% job placement, with starting salaries around \$75,000 and a median annual salary of \$248,000. NMC graduates often choose to stay in the region, continuing to support the regional economy. Johnson encouraged fellow trustees to educate themselves on this request and to tour the program if they have not already.

DISCUSSION ITEMS

FY23 Budget Process—Vice President of Finance and Administration Troy Kierczynski began by noting the tremendous challenges the college has overcome over the past two years due to the COVID-19 pandemic. As the pandemic crisis recedes, Kierczynski noted investments in growth opportunities are needed to support the strategic plan. Kierczynski recommends considering a tuition rate increase to accommodate these investments. Each percentage of tuition increase results in approximately \$135,000 in revenue. Kierczynski reviewed comparisons amongst other Michigan community colleges and it was noted that rather than freezing tuition year-over-year and then needing to increase it significantly all at once, it is helpful to make incremental increases. It was requested to provide clarification on the investments that would occur in FY23 Budget Scenarios 2

and 3 and analysis of how the increases impact the average student. Budget discussions will continue in the months leading up to the June Board meeting, at which time the FY23 budget will be presented to the Board for their consideration and approval.

All unanimous votes recorded below refer to those trustees physically present at the meeting. Trustees Doug Bishop and Ken Warner participated remotely for discussion purposes, but did not count toward a quorum, and they did not have the authority to vote on consent or action items.

CONSENT ITEMS—On a motion by Kennard Weaver, seconded by Laura Oblinger, minutes of the February 28, 2022, regular and closed meetings were approved unanimously without discussion.

ACTION ITEMS

Financial Audit Services—On a motion by Kennard Weaver, seconded by Chris Bott, the Board authorized administration to enter into a contract with Plante Moran as Northwestern Michigan College’s auditing firm for the upcoming three-year period, for a three-year total amount of \$240,450, based on satisfactory completion of each fiscal year audit. The motion passed unanimously.

Human Resource Talent Management Software—Laura Oblinger made a motion, seconded by Chris Bott, to authorize administration to enter into a contract with NeoEd for HR Talent Management software for a three-year total amount of \$143,000. The motion passed with unanimous support.

Replacement Visual Communications Computers—On a motion by Laura Oblinger, seconded by Kennard Weaver, the Board authorized for administration to purchase replacement computers for the Visual Communications (VCA) computer lab and faculty at a cost of \$53,200 from CDW. The motion passed with unanimous approval.

Information Technology Audit—Kennard Weaver made a motion, seconded by Laura Oblinger, for administration to enter into a contract with CBI Secure for an Information Technology Audit of NMC’s systems at a cost of \$39,600. Vice President for Student Services and Technologies Todd Neibauer described the comprehensive testing. The motion passed with unanimous approval.

Sabbatical Requests—On a motion by Laura Oblinger, seconded by Chris Bott, the Board approved the sabbatical applications for Jerry Dobek, Nancy Gray, and Mark Liebling. Chair Rachel Johnson explained that sabbatical requests have historically come to the Board of Trustees due to a MPSERS requirement that has changed, the Board Policy Committee will review Policy A-105.00 Consent Agenda Items to match. The motion passed with unanimous approval.

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 7:13 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

MEMO

*Public Relations, Marketing,
and Communications*

To: Nick Nissley, President

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

Date: 4-19-22

Subject: March 2022 Monthly Report

March is a strong month for all media categories, especially earned media. For the second month in a row we have 100% positive or neutral earned media sentiment. This is in part due to increased proactive public relations capacity thanks to the BOT support of expanding the PRMC team. PRMC is actively involved with delivering on the college's new strategic plan with responsibilities in all 5 of the strategies and 15+ objectives. While we await the approval of the FY23 budget in June, the new Marketing and Creative Directors are developing paid and shared media campaigns to advance enrollment marketing goals identified in the strategic plan. The following is an overview of the work of Public Relations, Marketing and Communication for March 2022.

Paid Media ↑

Outcomes:

March continues a planned decrease in our paid traditional and paid social media efforts to align with the admissions cycle. In our digital efforts, we saw an overall increase in total conversions for display, search and remarketing campaigns for the traditional and adult learners. We will soon start the search for a new digital marketing support vendor to increase leads, conversions and reporting capacity.

Earned Media ↑

NMC was featured in 92 media mentions with an estimated publicity value of \$44,500. Media sentiment was 100% positive or neutral. Stories that resulted in the most attention include:

- [20 Top Things to Do in Michigan](#) U.S. News & World Report, March 23
- [Northwestern Michigan College Receives Grant for Native American Student Support](#) 9&10 News, March 28
- [Senate Passes Peters Bill To Help Kids Attend Maritime Academies](#) Michigan Business Network, March 9

Owned Media ↑

PRMC published two NMC Now e-newsletters with an average open rate of 48.8%. The featured article "[Success story: Degree in sights for mom of two](#)" was the most popular link clicked. Other popular links include:

- [Donors want to help community college students with basic](#) Capital News Service, March 4
- ['Lightheaded' documentary connects Gordon Lightfoot to Traverse City](#) Record-Eagle, March 18
- [Drones, Land Surveying, And Micro-Credentials: How NMC Is Looking Beyond Traditional Community College Programs To Broaden Its Reach](#) TheTicker, March 18
- [Taking It Higher: NMC Plots Aviation Program Expansion](#) The Ticker, March 26

Planning is underway for the Summer 2022 issue of Nexus.

Shared Media

Monthly progress report on NMC's Main social media channels

Shared media saw MOM growth across all organic categories including followers, impressions and engagements. Highest performing posts include GLMA cadet training, Police Academy training, new DEI Assistant to the President Marcus Bennett, career fair and aviation.



MEMO: Resource Development

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

From: Rebecca Teahen, CFRE
Assoc. Vice President, Resource Development
Executive Director, NMC Foundation

Date: April 18, 2022

Subj: Foundation Update

Fund Raising – a “check” on FY22 goals

- The foundation continues its active fundraising efforts to support NMC students, programs, and the Fund for NMC. We continue to ask you and our community to make gifts of all sizes to help students because every gift makes a difference for a student in need and to advance critical NMC programs.
- Thanks to generous donors committed to supporting the college and our students, the number of gifts received to date this year (3,147 as of 4/18/22) is ahead of last year (3,105 as of 4/25/21).
- To date, donors have given:

\$2,932,605	Total received (including Annual Fund, pledges, and <i>documented planned gift intentions</i>) raised toward goal
<u>+ \$214,287</u>	Gross event revenue
\$3,146,892	Total raised through new gifts, commitments, & events (Goal: \$3,550,000)
+ \$529,008	from previously documented planned gifts

Foundation Initiatives

- The Foundation board is pursuing organizational development and strategic planning processes to help ensure the foundation is well positioned to meet the needs of our students and the college now and into the future.
- A Taste of Success culinary fundraising event will take place in a to-go format on April 29. Please sign up to purchase a to-go box and/or sponsor this great event at nmc.edu/tasteofsuccess



**Northwestern
Michigan
College**

**MEMO
Enrollment Services**

To: Dr. Nick Nissley, President
 From: Todd Neibauer, VP for Student Services & Technologies
 Date: April 19, 2022
 Subject: Enrollment Services Update –Summer/Fall Semester 2022

Summer 2022

Orientation for new students starting in the summer semester started on April 22. Contact hours are currently down 10.8% over last year. This decline was expected due to an increase last year due to the beginning of the Reconnect program in summer semester of 2021.

	2019	2020	2021	2022
Admission Applications	610	571	638	528
Admits	403	391	446	344
Admits Registered	137	122	168	100
Prior Admits Registered	10	3	8	6
Retained from Spring	729	678	751	723
Re-Admitted Students	78	70	88	85
Average Contact Hours	5.88	5.99	6.06	6.00
Total Headcount	954	873	1,015	914
Total Contact Hours	5,610	5,232	6,153	5,488
Tuition	1,092,374	1,036,515	1,198,204	1,196,027

(Resources: Digital Dashboard – Same Date Comparison SU2019-2022)

Fall 2022

Fall 2022 registration began in March for continuing NMC students. The first new student orientation was on April 22 in a face to face format. New student orientations began on April 12 last year.

	2019	2020	2021	2022
Admission Applications	2,560	2,211	2,230	1,981
Admits	1,624	1,505	1,527	1,376
Admits Registered	330	170	324	186
Prior Admits Registered	19	2	25	2
Retained from Spring	1,293	1,052	1,000	959
Re-Admitted Students	102	52	102	60
Average Contact Hours	11.76	11.9	11.23	11.16
Total Headcount	1,743	1,276	1,450	1,207
Total Contact Hours	20,495	15,185	16,284	13,467
Tuition	3,963,633	3,100,517	3,182,805	2,777,339

(Resources: Digital Dashboard – Same Date Comparison FA2019-2022)



Northwestern
Michigan
College

MEMO
Administrative Services

To: Dr. Nick Nissley, President

From: Troy Kierczynski, Vice President of Finance and Administration

Date: April 18, 2022

Subject: Summary Report for the General Fund as of March 31, 2022

The attached reports summarize the financial results for the General Fund as of March 31, 2022. The ninth month represents 75% of the year.

Month End Results

The month end reports are interim and not a reflection of actual year-end results.

The timing of revenue and expenses fluctuates throughout the year and will affect year end results.

The general fund ended the month with revenue over expenses of \$7,491,824. Revenue increased by 4% when comparing March 2022 to March 2021. Expenses decreased 5% in comparison to March 2021.

Revenue (letters refer to the attached General Fund summary)

- A. Tuition and fees improved from March 2021. For Spring 2022, the budget was set at 30,305 contact hours for a total budgeted revenue of \$5,877,611. Actual spring contact hours are projected at 30,590 with actual revenue of \$5,903,147. Spring revenue is trending over budget by \$25,536.
- B. Property Taxes: Tax revenue is recorded as payments are received. The overall increase for the fiscal year is expected to be 4% over the previous fiscal year.
- C. State Sources include budget appropriations, personal property tax payments and MPSERS retirement offset payments. State appropriations payments are paid over 11 months (Oct to Aug).
- D. Federal Sources are generally restricted and are no longer accounted for in the General Fund.
- E. Actual year-to-date investment income recorded for fiscal year 2022 reflects interest income only. Interest income is comparable to prior year due to a lingering low interest rate environment.
- F. Both Private Sources and Other Sources are timing and event dependent.

Expenses

- G. Salaries and benefits are slightly below but expected to finish at or near the FY22 budget.
- H. Overall expenses are under budget at this time.
- 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 2022, Period 09

Funds	Accounts	2021-2022 Adjusted Budget	YTD Activity	% of Annual Budget	
TOTAL GENERAL FUND					
50	Revenues				
	Tuition and Fees	19,916,110	17,467,726	87.71%	A
	Property Taxes	12,030,623	11,572,997	96.20%	B
	Other Local	<u>0</u>	<u>0</u>	*	
	Local Sources	31,946,733	29,040,723	90.90%	
	State Sources	10,730,000	7,299,388	68.03%	C
	Federal Sources	1,075,000	12,600	1.17%	D
	Private Sources	868,897	764,307	87.96%	F
	Investment Income	172,000	124,804	72.56%	E
	Other Sources	<u>392,600</u>	<u>317,985</u>	80.99%	F
	Total Revenues	45,185,230	37,559,807	83.12%	
60	Labor				
	Salaries & Wages	22,282,506	15,832,973	71.06%	G
	Benefits	<u>9,332,244</u>	<u>7,007,004</u>	75.08%	G
	Total Labor	31,614,750	22,839,978	72.24%	
70	Expenses				
	Purchased Services	2,311,193	1,575,550	68.17%	H
	Supplies & Materials	3,318,742	1,673,161	50.42%	H
	Internal Services	99,220	-320	-0.32%	H
	Other Expenses	1,670,689	935,808	56.01%	H
	Institutional Expenses	1,737,924	1,157,972	66.63%	H
	Maintenance & Renovation	1,828,864	1,126,702	61.61%	H
	Prof Develop, Travel & Events	362,070	284,620	78.61%	H
	Capital Outlay	<u>177,852</u>	<u>125,596</u>	70.62%	I
	Total Expenses	11,506,554	6,879,090	59.78%	
	Total Expenditures	43,121,304	29,719,066	68.92%	
80	Transfers				
	Transfers	2,063,926	348,917	16.91%	
	Total Transfers	<u>2,063,926</u>	<u>348,917</u>	16.91%	
	Total Expenditures and Transfers	45,185,230	30,067,983	66.54%	
	Net Revenues over (under) Expenditures	0	7,491,824		



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

INTERIM
This statement does not
reflect year-end results.

	YTD 3/31/2022	YTD 3/31/2021	\$ Diff	% Diff	Comments
Revenue					
Local Sources:					
Tuition & Fees	\$ 17,467,726	\$ 16,973,157	\$ 494,569	3%	Primarily due to increases in tuition from summer and fall enrollment (partially offset by elimination of online fees), GLMA cruise fees (cruises offered through the fall in FY22), and increases in EES offerings and registrations compared to FY21
Property Taxes	11,572,997	11,141,027	431,970	4%	Timing of property tax payments received from townships and overall increases in taxable values
Total Local Sources	29,040,723	28,114,184	926,539	3%	
State Sources					
State PPT Reimbursement	7,221,149	6,796,024	425,125	6%	Primarily due to State's 201e One-Time Operational Support payment received in October 2021
	78,239	87,747	(9,508)	-11%	State funding formula resulted in slightly lower PPT reimbursement for FY22
Federal Sources					
	12,600	206,977	(194,377)	-94%	Primarily due to the change in recognition of GLMA federal grant activity with the federal grant funds instead of the general fund (changes made in late FY21 and will remain in place going forward)
Private Sources					
Investment Income	764,307	673,554	90,753	13%	Timing of Foundation gifts
Other Sources	124,804	93,206	31,598	34%	Higher interest/dividends recognized in FY22 than in FY21
	317,985	215,206	102,779	48%	Primarily due to higher Lobdell sales and EES revenue from their summer bridge program (GRASP) in FY22
Total Revenue	37,559,807	36,186,898	1,372,909	4%	
Expenses					
Salaries and Wages	15,832,973	15,267,744	565,229	4%	In line with budget and prior year
Benefits	7,007,004	6,877,100	129,904	2%	In line with budget and prior year
Purchased Services	1,575,550	1,330,267	245,283	18%	Primarily due to food services for GLMA cruises (higher cruise activity in summer/fall 2021 than summer 2020)
Supplies & Materials	1,673,161	1,599,769	73,392	5%	Primarily due to increased expenses related to international study abroad trips in FY22 (cancelled in FY22) and timing of aviation fuel purchases
Internal Services	(320)	(11,112)	10,792	-97%	Timing of internal events/charges in FY22 including NMC Fellows Dinner and Student Life events offset by semi-annual fitness fee transfer
Other Expenses	935,808	825,651	110,157	13%	Primarily related to higher recruiting/promotional expenses and higher non-professional development event expenses in FY22
Institutional Expenses	1,157,972	1,037,384	120,588	12%	Primarily due to the timing of invoices for utilities and higher snow removal costs in FY22
Maintenance & Renovation	1,126,702	1,093,701	33,001	3%	Consistent with prior year
Professional Development	284,620	167,987	116,633	69%	Increase in professional development expenses as professional development has been added back into the budget in FY22
Capital Outlay	125,596	24,123	101,473	421%	Timing of COAT purchases
Total Expenses	29,719,066	28,212,614	1,506,452	5%	
Transfers					
	348,917	128,922	219,995	171%	Aviation flight hours transfer (offset in FY21 by transfer of admin expenses from general fund to CARES Act [CRF] fund)
Total Expenses & Transfers	30,067,983	28,341,536	1,726,447	6%	
Net Revenue Over (Under) Expenses	\$ 7,491,824	\$ 7,845,362	\$ (353,538)	-5%	



**Northwestern Michigan College
Comparison - Month Over Month
General Fund
Mar 2022 vs. Feb 2022**

INTERIM
This statement does not
reflect year-end results.

	YTD 3/31/2022	YTD 2/28/2022	Mar 22 Activity	Feb 22 Activity	Comments
Revenue					
Local Sources:					
Tuition & Fees	\$ 17,467,726	\$ 15,359,364	\$ 2,108,362	\$ 1,708,603	Higher tuition allocation in March than in February (5 weeks in March vs. 4 weeks in February)
Property Taxes	11,572,997	10,197,150	1,375,847	1,418,691	Timing of tax collections received
Total Local Sources	29,040,723	25,556,514	3,484,209	3,127,294	
State Sources	7,221,149	6,092,691	1,128,458	1,165,540	Consistent with prior month
State PPT Reimbursement	78,239	78,239	-	-	- Consistent with prior month
Federal Sources	12,600	500	12,100	-	- Receipt of Partners in Americas grant payment in March (for international study abroad experience in Colombia)
Private Sources	764,307	340,954	423,353	-	- Timing of Foundation gifts (quarterly)
Investment Income	124,804	108,124	16,680	11,982	Consistent with prior month
Other Sources	317,985	265,885	52,100	24,211	Primarily due to lower Lobdell's sales in March (impacted by spring break)
Total Revenue	37,559,807	32,442,907	5,116,900	4,329,027	
Expenses					
Salaries and Wages	15,832,973	14,001,850	1,831,123	1,784,094	Consistent with prior month
Benefits	7,007,004	6,219,440	787,564	768,778	Consistent with prior month
Purchased Services	1,575,550	1,411,380	164,170	148,483	Primarily driven by timing of security services invoices
Supplies & Materials	1,673,161	1,401,809	271,352	167,114	Primarily due to timing of international study abroad experience payments and timing of aviation fuel purchases made in March; partially offset by lower postage expenses in March
Internal Services	(320)	(2,204)	1,884	2,806	Primarily due to timing of internal events and transfers
Other Expenses	935,808	821,676	114,132	111,701	Consistent with prior month
Institutional Expenses	1,157,972	1,014,088	143,884	193,879	Primarily due to timing of invoices and lower snow removal expenses in March
Maintenance & Renovation	1,126,702	1,002,344	124,358	120,847	Consistent with prior month
Professional Development	284,620	251,511	33,109	47,196	Primarily due to timing of membership renewals
Capital Outlay	125,596	123,027	2,569	-	\$1,917 Gerotech Inc (engineering tech relay board), \$651 (exchange of pottery kiln \$3,750 for new kiln and refund of \$3,309 for original)
Total Expenses	29,719,066	26,244,921	3,474,145	3,344,898	
Transfers	348,917	250,262	98,655	-	- Aviation flight hours transfer
Total Expenses & Transfers	30,067,983	26,495,183	3,572,800	3,344,898	
Net Revenue Over (Under) Expenses	\$ 7,491,824	\$ 5,947,724	\$ 1,544,100	\$ 984,129	



Northwestern Michigan College
Income Statement Projections - General Fund
For the Year Ended June 30, 2022
As of 4/18/22

INTERIM
This statement does not
reflect year-end results.

	FY21 Actual	FY 22 Budget	YTD 4/18/2022	FY 22 Projected	Difference vs. Budget	Comments
Revenue						
Local Sources:						
Tuition & Fees	\$ 19,730,147	\$ 19,916,110	\$ 17,674,098	\$ 21,093,052	1,176,942	Enrollment increasing in FY22; summer and fall 2021 recognized tuition above budgeted amounts. Additionally, revenue in areas including EES and aviation are increasing in FY22 as compared to FY21
Property Taxes	11,569,141	12,030,623	11,956,468	12,061,942	31,319	In line with budget
Total Local Sources	31,299,288	31,946,733	29,630,566	33,154,995	1,208,262	
State Sources	12,494,296	10,570,000	6,901,675	10,706,900	136,900	In line with budget
State Property Tax Reimbursement	183,427	160,000	78,239	156,477	(3,523)	In line with budget
Federal Sources	8,500	1,075,000	12,600	12,600	(1,062,400)	GLMA direct funding is now recognized in restricted funds instead of the general fund; FY22 budget does not account for this
Private Sources	1,006,602	868,897	764,307	889,307	20,410	In line with budget
Dividend and Interest Income	183,806	172,000	124,804	144,804	(27,196)	Near zero federal funds rate is minimizing returns; hoping to begin seeing changes in spring 2022
Unrealized Gain (Loss) on Investments	(525,507)	-	-	-	-	
Other Sources	323,305	392,600	314,463	436,370	43,770	Increase in extra sales including Lodbell's sales in FY22
Total Revenue	44,973,717	45,185,230	37,826,653	45,501,453	316,223	
Expenses						
Salaries and Wages	21,060,380	22,282,506	16,713,305	22,619,421	336,915	In line with budget
Benefits	11,234,226	9,332,244	7,388,830	9,424,662	92,418	In line with budget
Purchased Services	2,049,405	2,311,193	1,708,422	2,327,046	15,853	In line with budget
Supplies & Materials	2,264,808	3,318,742	1,824,613	2,742,432	(576,310)	Slower consumption of supplies due to continued remote work and instruction
Internal Services	10,642	99,220	(363)	6,248	(92,972)	Lower internal event activity as a lot of events remain remote
Other Expenses	1,131,852	1,670,689	951,576	1,442,425	(228,264)	Continued savings in non-PD events and travel
Institutional Expenses	1,388,583	1,737,924	1,246,417	1,648,017	(89,907)	Budgeted for increases in utilities but expenses are currently trending below budget
Maintenance & Renovation	1,588,584	1,828,864	1,145,139	1,649,198	(179,666)	Maintenance of software and equipment trending below budget
Professional Development	226,041	362,070	294,243	405,269	43,199	Increase in professional development expenses
Capital Outlay	56,368	177,852	125,627	177,852	-	
Total Expenses	41,010,889	43,121,304	31,397,810	42,442,569	(678,735)	
Transfers Out (In)						
Plant Fund - General Maintenance	2,700,000	1,233,926	-	1,233,926	-	Budgeted transfer for maintenance of capital
Plant Fund - Technology Maintenance	500,000	500,000	-	500,000	-	Budgeted transfer for maintenance of technology
Plant Fund - Facility Fee for Maintenance	-	40,000	-	40,000	-	Budgeted transfer for facility fee for maintenance
Plant Fund - Aviation Capital Fund	358,680	340,000	348,917	340,000	-	Budgeted transfer for Aviation equipment fund; based on revenue, calculated using tach hours
Plant Fund - EES Transfer for Elevate	24,550	-	-	24,550	24,550	Transfer for EES purchase of Elevate software (year 5 of 5)
Bd Designated - Strategic Projects	450,000	250,000	-	250,000	-	Budgeted transfer for strategic projects
Bd Designated - Funds for Transformation	150,000	50,000	-	50,000	-	Budgeted transfer for funds for transformation
Restricted Fund - CARES Act Funding	(2,597,885)	-	(58,900)	-	-	Transfer CARES Act funding items to restricted fund
Restricted Fund - GLMA Direct Support	-	(350,000)	-	(600,000)	-	Transfer MARAD restricted funds to the general fund to support academy operations
Restricted Fund - GLMA Heritage Act	936,841	-	-	-	-	One-Time transfer of Heritage Act fund balance to restricted fund
Program Specific	(3,342)	-	-	-	-	
Total Transfers	2,518,844	2,063,926	290,017	1,838,476	(225,450)	
Total Expenses & Transfers	43,529,733	45,185,230	31,687,826	44,281,045	(904,185)	
Net Revenue Over (Under) Expenses	\$ 1,443,984	\$ -	\$ 6,138,826	\$ 1,220,407	\$ 1,220,407	

Northwestern Michigan College
Statement of Net Position
General Fund
March 31, 2022



	As of March 31,	
	2022	2021
Assets		
Current assets		
Cash and cash equivalents	\$ 10,378,553	\$ 6,898,886 ^A
Accounts receivable, net	6,088,155	5,420,950
Prepaid expenses and other current assets	2,196,909	1,654,232
Total current assets	18,663,617	13,974,068
Noncurrent assets		
Long-term investments	21,827,086	23,103,177 ^A
Due to other funds	(16,420,333)	(14,686,843)
Total noncurrent assets	5,406,753	8,416,334
Total assets	\$ 24,070,370	\$ 22,390,402
Liabilities		
Current liabilities		
Accounts payable	\$ 114,792	\$ 75,306
Accrued payroll	2,048,572	1,822,034
Unearned revenue	3,367,339	2,994,944
Total current liabilities	5,530,703	4,892,284
Noncurrent liabilities		
Voluntary separation plan	\$ 52,000	\$ 114,400
Total noncurrent liabilities	52,000	114,400
Total liabilities	\$ 5,582,703	\$ 5,006,684
Net position		
Net position, beginning of year	\$ 10,978,421	\$ 9,534,442
Change in net position	7,509,246	7,849,276
Total net position	18,487,667	17,383,718
Total liabilities and net position	\$ 24,070,370	\$ 22,390,402

Notes:

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



Northwestern
Michigan
College

MEMO
Administrative Services

To: Troy Kierczynski, VP Finance and Administration
From: Lindsey Lipke, Controller
Date: April 18, 2022
Subject: Realized and Unrealized Investment Gains & Losses for the Quarter Ended March 31, 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, 2020	June 30, 2021	March 31, 2022
Realized gains (losses)	\$ 3,600	\$ -	\$ -
Unrealized gains (losses)	43,746	(525,507)	(1,284,169)
Dividends and interest	420,687	148,546	124,804
Investment income, net	468,033	(376,961)	(1,159,365)

The College had no realized gains in fiscal years 2021 and 2022 (year to date). The realized gain in fiscal year 2020 is the result of an issuer calling a bond in September 2019.

The unrealized gains in fiscal year 2020 reflects a period of declining interest rates based on rate cuts by the Federal Reserve. The unrealized losses in fiscal year 2021 and 2022 (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 currently anticipating eight additional rate hikes for the remainder for 2022, which could result in a more positive impact on future returns.

Northwestern Michigan College
Investments Held
March 31, 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 5/27/22
Huntington Bank	3136G45G4	Federal National Mortgage Association	FNMA	U.S. Agency Bond	10/27/2028	0.750%	Semi-Annual	\$ 5,000,000	callable on 4/27/22
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 5/27/22
Huntington Bank	29366GEL1	Entergy Corp Disc Commercial Paper	CNPC	Corporate Bond	5/20/2022	1.000%	Maturity	\$ 4,400,000	matures 5/20/22
Total Investments Held								\$ 23,300,000	



EXHIBITIONS | PERFORMANCES | MUSEUM STORE

To: President Nick Nissley
From: Craig Hadley
Re: 2022 MACC Grant Application Authorization
Date: April 25, 2022

Dear President Nissley,

Greetings. This memo is to notify you that the Denmos Museum Center at Northwestern Michigan College intends to submit an application to the Michigan Arts and Culture Council (MACC, formerly MCACA) for a Project Support Grant in the amount of \$30,000. MACC funding has generously supported exhibition and concert-related expenses at the Denmos Museum Center for many years.

Per MACC grant application requirements, we formally request that the NMC Board of Trustees approve the following statement at its regularly scheduled April 2022 meeting as follows:

The Denmos Museum Center at Northwestern Michigan College is authorized to submit an application for grant funding in the amount of \$30,000 for project support to the Michigan Arts and Culture Council (MACC) in the current round of FY23 grant applications.

We would greatly appreciate having this request placed on the board agenda for approval. Please let me know if you have any questions about this funding opportunity.

Sincerely,

A handwritten signature in black ink, appearing to read "Craig R. Hadley". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Craig R. Hadley
Executive Director and Chief Curator

Northwestern Michigan College
1701 East Front Street
Traverse City, MI 49686

Phone 231.995.1055
Fax 231.995.1597



Northwestern
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College

MEMO

Lifelong and Professional Learning

To: Stephen N. Siciliano, Ph.D., Vice President for Educational Services
Cc: Troy Kierczynski, VP of Finance & Administration
From: Alex Bloye, Director of Aviation
Date: March 10, 2022
Subject: Fleet Expansion – **Phase B of Strategy 5, Objective 1**

Background

There is a global shortage of professional pilots and aircraft mechanics. This shortage is the result of regulatory changes, retiring workforces, and ever growing demand for timely connectivity across borders.

This shortage has created a great deal of opportunities for high-paying careers in aviation, and in turn, an every growing demand for our professional pilot programs.

Current Environment

Today, the Aviation program is managing a waitlist that extends into 2024, and utilization of the primary training fleet (Cessna Skyhawks) has exceeded operational targets. As industry salaries grow exponentially, so too does student motivation, and as a result, the pressure on our training assets.

The institution has called on leadership to identify strategic projects of innovation and new revenue. In response, the Aviation Division has received permission to proceed with a multi-year, multi-phase plan to grow the program by 25%. This plan is noted as Strategy 5, Objective 1 in the NMC 2022-2025 Strategic Plan Action Plan.

Recommendation / Request

In alignment with Phase B of Strategy 5, Objective 1, the Aviation Division is requesting authorization to procure one additional Cessna Skyhawk 172S, 2008 or newer to ensure consistency and standardization across the fleet, increase capacity, and meet current and trending demands for flight hours. This will be purchased on the used market, and our research indicates it is a highly sought after aircraft at this time. Purchase not to exceed \$450,000, funded from the Aviation Capital Equipment Fund that has a current balance of \$847,201.86

Please note that while Aviation leadership are still working through Phase A of their strategic plan, they are recommending that Phase B be launched concurrently. This is driven by a severe shortage in the global fleet of training aircraft, and the expectation that the procurement process will take several months.

Thank you.



Northwestern
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MEMO

Administrative Services

To: Dr. Nick Nissley, President
From: Troy Kierczynski, Vice President of Finance and Administration
 Jim White, Director of Grounds/Security
Date: April 14, 2022
Subject: Replace/Repair East Hall Sprinkler system.

This document is intended to provide an overview and recommendation for the selection of a provider for repair, replacing the current sprinkler system at East Hall.

Recommendation

Authorize the administration to enter into a contract with Johnson Outdoors the amount of \$54,935 to complete the work mentioned in paragraph one. Johnson Outdoors is the lowest bidder.

Background / Scope of Work

The scope of this project is to remove and replace the current hydraulic system. Johnson Outdoors will remove the old hydraulic system and replace with a new electric system. They will install new zone valves, controls and head replacements.

Bid Analysis

Company	Location	Amount
Johnson Outdoors	Interlochen, MI	\$54,935
Lautner Irrigation.	Traverse City, MI	\$55,483
Traverse Outdoor	Traverse City, MI	Did not respond to Proposal Invitation

Funding Source

The funding source is the Fiscal Year 2022 Plant Fund budget.



Northwestern
Michigan
College

MEMO
Administrative Services

To: Dr. Nick Nissley, President

From: Troy Kierczynski, Vice President of Finance and Administration

Date: April 18, 2022

Subject: Timothy J. Nelson Innovation Center – Dewatering Project

Recommendation

Authorize the administration to enter into a contract with Elmer's Crane and Dozer, Inc. in the amount of \$516,280 (plus 10% contingency) to implement a permanent dewatering system for the Timothy J. Nelson Innovation Center.

Background

The Timothy J. Nelson Innovation Center experienced the impact of high groundwater levels in the region. The building was designed with an access floor to allow for flexible learning spaces in its lower level. The access floor contains electrical and conduit for technology. Both the foundation and lower level concrete slab were constructed with a waterproof membrane along with two continuous water stops, one between the grade beam and the foundation wall and one between the grade beam and the concrete slab. These were designed to protect the building and infrastructure from water damage. The waterproof membrane is designed to keep water that's flowing down the foundation out of the building, not to "waterproof" the building when it's submerged in water. The access floor area has a leak detection with an alarm, which alerts the Maintenance Department of any water infiltration. While the alarm system is helpful in preventing surface water infiltration, it does not solve the long-term risk of water infiltration due to fluctuations in groundwater levels.

During the construction phase of the building, groundwater levels increased over 6 feet from the original soil borings. This substantial increase was seen across the region and is not specific to just NMC property. During the spring, summer and fall of 2020 NMC experienced several incidents that caused water to infiltrate the access floor area. This required flood recovery clean up and relocation for some period of time for WNMC.

NMC Administration asked Gosling Czubak to provide recommendations to divert groundwater away from the building. The long-term goal of water diversion is to mitigate damage to the lower level due to continuous high groundwater levels. Water infiltration could also require extended building closure and disrupt student access to its flexible learning spaces.

Project Description

The proposed project includes installing a dewatering well system around the Timothy J. Nelson Innovation Center. When groundwater levels rise to a predetermined level, the system would turn on and pump water to the discharge area located on NMC property on the north side of Eastern Avenue. The water would be pumped through a 4" pipe between the West Hall Innovation Center and discharge area. This pipe will be installed by directionally drilling methods and involve minimal disturbance to campus. The discharge area is proposed to be an underground stone drain field which blends into the landscape. The discharge area is located in an area where soils have been identified to have suitable infiltration capacity.

The attached drawing from Cornerstone Architects shows the discharge area also avoids impacts to future building options planned for the property. Gosling Czubak has also evaluated the area for any impacts to neighboring properties. The closest neighbors are west of the discharge area where topographic data shows them above the discharge area. Neighbors to the east are outside any localized water table mounding that would be experienced at the discharge site.

The dewatering project is moving ground water and not storm water runoff. An electrical outage should not have a significant impact. A generator can be added to the project if there is a concern on continuous power.

Project Funding

This project will be funded through the College's Plant Fund.

Attachment:

- Cornerstone conceptual master plan drawing

