



## NORTHWESTERN MICHIGAN COLLEGE FOUNDATION BOARD

### Regular Meeting

Wednesday, October 28, 2020

7:30 a.m.—Meeting

Zoom Webinar ID: 972 2250 7465

<https://nmc.zoom.us/j/97222507465>

Or Telephone: 1-646-558-8656

### AGENDA

#### I. Welcome and Call to Order

- A. Roll Call—Amanda Gower
- B. Review of Agenda—Al Zelinski
- C. Open Meetings Requirements—Al Zelinski & Rebecca Teahen
- D. Approval of Minutes—Al Zelinski

*Action Item:* Recommended approval of August 26, 2020 regular meeting minutes as presented.

#### II. College Updates

- A. President's Report—Nick Nissley
- B. Board of Trustees' Report—Chris Bott
- C. Focus on NMC: Engaging Students in Online Chemistry—Mary Jo Elliott, Chemistry Faculty

#### III. Foundation Initiatives

- A. Finance and Audit Committee Report—Steve Fisher

*Action Item:* Recommended acceptance of the NMC Foundation audit for the fiscal year ending June 30, 2020.

*Action Item:* Recommended establishment of a new quasi endowed fund named the Alvin Eckhardt Fund in honor of his unrestricted bequest.

- B. Board Development Committee Report—Bill Marsh Jr.

*Action Item:* Recommended appointment of Lee Gardner as Honorary Foundation Board member.

- C. Campaign Steering Committee Report—Bruce Byl
- D. [Fiscal Year 2020 Major Giving Report](#)—Paris Morse, Director of Development
- E. Executive Director’s Report—Rebecca Teahen

**IV. Closing Remarks and Public Comment**

- A. What’s Your NMC Story?
- B. Adjournment

***Handouts:***

October 28, 2020 Meeting Agenda  
August 26, 2020 Foundation Meeting Minutes  
August 2020 & September 2020 Contributions  
Memo, quarter ending 9/30/20—Vicki Cook  
Statement of Activity, quarter ending 9/30/20  
IPEX Report, quarter ending 9/30/20  
IPEX Account Update as of 10/19/20  
SB 1055 CC BSN Senate Committee Memo  
CC BSN Legislation Overview Memo  
Audit Letter for fiscal year ending June 30, 2020  
Audit Report for fiscal year ending June 30, 2020

***Upcoming Foundation Events:***

**Executive Committee Meeting**  
Thursday, December 3, 2020, 8:00 a.m.

**Finance & Audit Committee Meeting**  
Wednesday, December 9, 2020, 7:30 a.m.

**Campaign Steering Committee Meeting**  
Thursday, December 10, 2020, 3:00 p.m.

**Foundation Board Regular Meeting**  
Wednesday, December 16, 2020, 7:30 a.m.



## NORTHWESTERN MICHIGAN COLLEGE FOUNDATION BOARD

### Meeting Minutes

Wednesday, August 26, 2020

Virtual Meeting via Zoom

### CALL TO ORDER

Fran Gingras called the meeting to order at 7:31 a.m.

### ROLL CALL

**Members Present**—Nat Adamson, Suzanne Allen, Barb Benson, Cheryl Bloomquist, Chris Bott (Trustee), Chris Branson, Bob Brick, Bruce Byl, Kerm Campbell, Don Coe, Bill Donberg, Debbie Edson, Steve Fisher (Treasurer), Fran Gingras (First Vice Chair), Eleanor Lynn, Chris Millward, Jayne Mohr (Secretary), President Nick Nissley (Second Vice Chair), Susan Sheldon, Dave Shooltz, Rebecca Teahen (Executive Director), Pat Warner, Marty Oleson, Jim Weigand, Timothy Young, Al Zelinski (Chair), Nancy Zimmer

**Staff Present**—Vicki Cook, Lisa Cooper, Bill Czyzyk, Diana Fairbanks, Holly Gorton, Amanda Gower, Roger Heeres, Jennifer Hricik, Mark Liebling, Carly McCall, Cindy Morgan, Paris Morse, Todd Neibauer, Jill Prior, Paul Schoppe, Stephen Siciliano, Katharine Zurek Marvin

**Guests**—Kyle Caldwell, Olivia Henry, Adam Maas

**Members Absent**—Doug Bishop (Trustee), Michael Estes (Trustee), Mark Lundmark, Bill Marsh Jr. (Immediate Past Chair), Paul Maurer, Diana Milock, Steve Rice, Kevin Schlueter, Hannah Witte

Staff determined that a quorum was established.

### REVIEW OF AGENDA

The agenda was accepted as presented.

### APPROVAL OF MINUTES

The minutes of the June 24, 2020 meeting were submitted to the board resulting in the following motion.

*Motion:* That the Foundation Board approve the minutes from the June 24, 2020 regular meeting as presented. Jayne Mohr moved. Nat Admson seconded. The motion passed.

### COLLEGE UPDATES

**President's Report**—Nick Nissley provided a college update focusing on fall semester numbers and experiences. He reported that more than 3,200 students are enrolled this fall which is a 9 percent decrease over last fall. Nissley noted that although this is a large decrease it is still within budget as the college planned for a 15 percent decrease due to coronavirus. Additionally, he noted that community colleges across Michigan are experiencing decreased enrollment with sixteen other colleges reporting greater declines than NMC. Nissley shared that 200 students moved into the dorms and experienced a reimagined move-in day and welcome weekend. He reported that classes

have also been reimagined with the fall schedule seeing a reduction in lecture-based classes, reduced class sizes, and a reduction in the capacity of all classrooms. Nissley emphasized the willingness of faculty, staff, and students to work together and their deep commitment and focus on safety this fall.

**Board of Trustees' Report**—Chris Bott noted that the NMC Board of Trustees met (virtually) three times since the last Foundation Board meeting. On June 29, the Trustees heard a report on the nursing program's historical relationship with Munson Medical Center and adopted the fiscal year 2021 budget with no change in tuition. On July 20, they heard a faculty report on student work related to the opioid crisis, while on August 24, the Trustees approved the presidential evaluation process. Bott noted that the new West Hall Innovation Center has been completed and is open for use. The Trustees next regular meeting will be on September 28.

**Focus on Philanthropy**—Kyle Caldwell, President and CEO of the Council of Michigan Foundations (CMF), shared what this organization does, the types of programming offered, and issues their members are focused on including diversity, equity, and inclusion.

## **REPORTS**

**Finance and Audit Committee Report**—Steve Fisher presented an overview from the Finance and Audit Committee meeting on August 19. During the meeting, the committee reviewed the portfolio with investment consultant IPEX. Fisher reported that for the quarter ending June 30, the final value of the portfolio was \$41,215,929. The rate of return for fiscal year 2020 was 1.6 percent. As of August 18, the portfolio has increased to \$43,972,427. Fisher reported that the group approved changes to the alternative portfolio as recommended by IPEX. He shared that the total liabilities and net assets for the foundation total \$49.9 million.

**Scholarship Open Committee Report**—Adam Maas, Committee Chair, shared that the Scholarship Open was held on Thursday, August 6, at Grand Traverse Resort and Spa. Sponsorships totaled \$110,010 from 116 donors. This included the Friends of Jim Beckett and the Janis Family Foundation as tournament sponsors and Fifth Third Bank as course sponsor. Raffle, mulligan, and day-of donations totaled over \$12,440 and 235 golfers filled the Bear and Wolverine courses. Maas noted that as of this report net revenue couldn't be determined due to a few outstanding invoices, but estimated that over \$125,000 was raised for NMC scholarships.

**Campaign Steering Committee Report**—Bruce Byl shared that the last quarter, from April 1 to June 30, was the second highest quarter in the history of the foundation in terms of number of donors with just over 1,300. This quarter saw lower income than in previous quarters but saw a significant increase in donors as the community stepped forward to help during the pandemic. Byl reported that as of August 17 more than \$30.8 million has been raised for the Be What's Possible campaign towards the goal of \$35 million. In total, the campaign has raised over \$7.4 million for capital projects, \$8.3 million in program support, \$12.3 million in scholarship support, and \$2.6 million for the Fund for NMC. Byl shared that the new fiscal year started off strong due to a significant planned gift from Bill and Phyllis Donberg to support the aviation program. Carly McCall, Campaign Coordinator, shared major gift projections and probability models that are guiding the

work towards campaign close. McCall noted that despite the challenges of the pandemic and concerns about the economy, the committee is optimistic that we remain on course to reach the campaign goal by June 2021.

**Fiscal Year 2020 Report**—Katharine Zurek Marvin, Director of Annual Giving, shared a report on annual giving in fiscal year 2020. Annual giving includes gifts from \$1-\$24,999 to any fund. Zurek Marvin shared that \$1,393,718 was raised from 2,575 donors during the last fiscal year. Due to technical difficulties and time constraints, the report on major giving in fiscal year 2020 was postponed until a future meeting.

**Executive Director's Report**—Rebecca Teahen thanked the Oleson family for their support and leadership of the NMC Barbecue for the past 65 years. The NMC Barbeque engaged the community in supporting the college and now that the barbecue has ended, NMC and the foundation will work to maintain the community's commitment to the college and to keep connecting through alumni relations, other events, volunteer opportunities, and programs like Extended Education, International Affairs Program, and the Dennon Museum Center.

## **ADJOURNMENT**

Zelinski thanked members and staff for their participation in the meeting. The next regular Foundation Board meeting will be held on October 28, 2020. There being no further business, the meeting was adjourned at 9:14 a.m.

Recorded by: Amanda Gower, Executive Assistant

**Northwestern Michigan College Foundation**  
**Gift Summary by Fund**  
**August 2020 Contributions Received**

<b>Fund Description</b>	<b>Gift Count</b>	<b>New Gifts</b>	<b>New Pledges</b>	<b>Total</b>
<b>Fund for NMC</b>	<b>49</b>	<b>\$5,385.00</b>	<b>\$1,000.00</b>	<b>\$6,385.00</b>
2020 NMC Scholarship Golf Open	116	\$22,815.00	\$1,725.00	\$24,540.00
Amical Scholarship	2	\$5,820.00	\$0.00	\$5,820.00
Commitment Scholarships	1	\$3,000.00	\$0.00	\$3,000.00
Culinary Arts Scholarship	1	\$25.00	\$0.00	\$25.00
NMC Scholarship Fund	5	\$4,625.00	\$0.00	\$4,625.00
Mary Lynne Clement Guggemos Endowed Scholarship	1	\$2,500.00	\$0.00	\$2,500.00
Maxine V. Hurley Memorial Endowed Scholarship	7	\$825.00	\$0.00	\$825.00
Lobdell Restaurants Scholarship	1	\$5,000.00	\$0.00	\$5,000.00
Lobdell Teaching Restaurant Scholarship	1	\$10,000.00	\$0.00	\$10,000.00
George & Clara McManus Scholarship Endowment	2	\$130.00	\$0.00	\$130.00
Barbra Griner Mikowski Student Nurse Resource Fund	1	\$50.00	\$0.00	\$50.00
Daniel R. Olson Memorial Art Scholarship	1	\$35.00	\$0.00	\$35.00
<b>Total Scholarships</b>	<b>139</b>	<b>\$54,825.00</b>	<b>\$1,725.00</b>	<b>\$56,550.00</b>
International Affairs Forum 2021 Season	16	\$3,501.50	\$0.00	\$3,501.50
DMC Education Fund	1	\$42.09	\$0.00	\$42.09
Dennos Museum Memberships	42	\$3,660.00	\$0.00	\$3,660.00
Dennos Museum Center	6	\$5,550.00	\$0.00	\$5,550.00
Student Life Program	1	\$100.00	\$0.00	\$100.00
Technical Division Program	2	\$450.00	\$0.00	\$450.00
WNMC Radio	3	\$950.00	\$0.00	\$950.00
<b>Total Program</b>	<b>71</b>	<b>\$14,253.59</b>	<b>\$0.00</b>	<b>\$14,253.59</b>
<b>Total Contributions</b>	<b>259</b>	<b>\$74,463.59</b>	<b>\$2,725.00</b>	<b>\$77,188.59</b>

**Northwestern Michigan College Foundation**  
**Gift Summary by Fund**  
**September 2020 Contributions Received**

<b>Fund Description</b>	<b>Gift Count</b>	<b>New Gifts</b>	<b>New Pledges</b>	<b>Total</b>
<b>Fund for NMC</b>	<b>41</b>	<b>\$30,797.83</b>	<b>\$0.00</b>	<b>\$30,797.83</b>
2020 NMC Scholarship Golf Open	6	\$1,383.00	\$0.00	\$1,383.00
Amical Scholarship	1	\$2,000.00	\$0.00	\$2,000.00
Daniel & Debra Edson Endowed Scholarship	1	\$100.00	\$0.00	\$100.00
NMC Scholarship Fund	11	\$4,023.33	\$0.00	\$4,023.33
Griner Family Scholarships	1	\$1,000.00	\$0.00	\$1,000.00
Lucy House Memorial Scholarship Fund	1	\$200.00	\$0.00	\$200.00
Maxine V. Hurley Memorial Endowed Scholarship	1	\$100.00	\$0.00	\$100.00
Jason Family Scholarship Fund	1	\$2,000.00	\$0.00	\$2,000.00
Sonja Olshove Endowed Memorial Scholarship	1	\$1,000.00	\$0.00	\$1,000.00
<b>Total Scholarships</b>	<b>24</b>	<b>\$11,806.33</b>	<b>\$0.00</b>	<b>\$11,806.33</b>
International Affairs Forum 2021 Season	85	\$9,373.00	\$200.00	\$9,573.00
Art Department Program	1	\$25.00	\$0.00	\$25.00
Communications Program	1	\$100.00	\$0.00	\$100.00
DMC Art Acquisition Fund	2	\$0.00	\$0.00	\$0.00
Denno's Museum Memberships	47	\$4,230.00	\$0.00	\$4,230.00
Denno's Museum Center	48	\$8,773.14	\$0.00	\$8,773.14
Extended Education Services Program	1	\$500.00	\$0.00	\$500.00
GLMA Program	1	\$725.00	\$0.00	\$725.00
Chuck Judson Memorial Fund	1	\$500.00	\$0.00	\$500.00
Music Department Program	12	\$7,900.00	\$0.00	\$7,900.00
Technical Division Program	5	\$5,660.00	\$0.00	\$5,660.00
WNMC Radio	5	\$380.00	\$0.00	\$380.00
<b>Total Program</b>	<b>209</b>	<b>\$38,166.14</b>	<b>\$200.00</b>	<b>\$38,366.14</b>
<b>Total Contributions</b>	<b>274</b>	<b>\$80,770.30</b>	<b>\$200.00</b>	<b>\$80,970.30</b>



Northwestern  
Michigan  
College

## **MEMO**

*Administrative Services*

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**To:** Foundation Finance and Audit Committee

**From:** Vicki Cook, VP Finance and Administration

**Date:** October 16, 2020

**Subject:** September 30, 2020 Quarterly Financial Report for the NMC Foundation

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The attached report summarizes the financial results for the Northwestern Michigan College Foundation as of September 30, 2020. This period represents 25% of our fiscal year.

A) **Investment Activity** through this period includes the following. Investment and management fee includes custodial fees and IPEX consulting fee.

• Interest	\$ 29,322
• Dividends	\$ 187,674
• Realized gain (loss)	\$ (118,755)
• Unrealized gain (loss)	\$ 2,414,267

B) **Contributions** through this period include permanent temporary and unrestricted funds. Also included in this category are new pledges through the September 30, 2020.

• Unrestricted contributions	\$ 22,155
• Temporarily restricted contributions	\$ 72,698
• Permanently restricted contributions	\$ 32,506
• Pledges-Unrestricted	\$ 186,052
• Pledges-Temporarily restricted	\$ 4,125
• Pledges-Permanently restricted	\$ -0-

C) **Special event** activities through this period include the **2020 Golf Scholarship Open revenue** and expenses to date.

D) **Resource Development Operating Activity** includes general management expenses for the Foundation. Insurance contributions and premium costs are donor initiated policies where the Foundation is named as owner and beneficiary.

- E) **Operating activity** includes costs paid by the College for salaries, benefits and departmental expenses, related to the Resource Development office. The net expense is the unrestricted contribution that the Foundation pays towards these expenses.
  
- F) **Campaign Activity** this includes additional employees related to the campaign. General expenses in this category represent the contract with West Wind Consultants, and other campaign related expenses.
  
- G) **Program activity** includes the support paid to NMC for scholarships and programmatic expenses which is detailed in this category. The expenses are paid based on the spending policy for endowments and restrictions by donors. The major activity in other program support includes WNMC, Commitment Program, Innovation Grants and International Affairs Forum.

Northwestern Michigan College Foundation  
Statement of Activity  
September 30, 2020

	Annual Budget 2021	Percentage of Budget Expended	Year to Date Actuals	
(A) <b>Investment Activity</b>				
Interest & Dividends	700,000	31.00%	216,993	
Realized & Unrealized Gain			2,295,512	
Investment & Management fees	(110,000)	10.93%	(12,019)	
<b>Net Investment activity</b>	<b>590,000</b>			<b>2,500,486</b>
(B) <b>Contributions</b>				
Contributions	4,000,000	7.70%	307,818	
In-kind equipment & supply contributions			10,350	
<b>Contributions</b>	<b>4,000,000</b>	<b>7.95%</b>		<b>318,168</b>
(C) <b>Special Event Activity</b>				
Special event income	250,000	73.04%	182,612	
Special event costs	(100,000)	19.90%	(19,898)	
<b>Net Special Event Activity</b>	<b>150,000</b>			<b>162,714</b>
(D) <b>Resource Development Operating Activity</b>				
Contributions toward insurance premium	38,588	25.18%	9,718	
Unrealized pledges	(10,000)	428.50%	(42,850)	
Insurance premium costs	(38,588)	25.18%	(9,718)	
General expenses	(15,000)	12.40%	(1,860)	
<b>Net Operating Activity</b>	<b>(25,000)</b>	<b>178.84%</b>		<b>(44,710)</b>
(E) <b>Operating Activity</b>				
Salaries & Benefits paid by college	(710,000)	25.18%	(178,746)	
Operating expenses paid by college	(315,000)	15.35%	(48,353)	
College contribution	512,500	22.24%	114,000	
<b>Net Costs of operations paid by Foundation</b>	<b>(512,500)</b>	<b>22.07%</b>		<b>(113,099)</b>
(F) <b>Campaign Activity</b>				
Salaries and Benefits	(324,000)	20.49%	(66,402)	
General expenses	(208,000)	2.80%	(5,828)	
College contribution	266,000	13.58%	36,115	
	<b>(266,000)</b>	<b>13.58%</b>		<b>(36,115)</b>
(G) <b>Program Activity</b>				
Scholarship awards	(1,300,000)	36.74%	(477,684)	
Museum support	(350,000)	23.13%	(80,951)	
University Center support	(78,000)	25.18%	(19,641)	
Library support	(50,000)	5.55%	(2,773)	
In-kind equipment & supply transfer to NMC			(10,350)	
Other program support	(1,100,000)	13.18%	(144,966)	
<b>Total Program Activity</b>	<b>(2,878,000)</b>	<b>25.59%</b>		<b>(736,365)</b>
(H) <b>Capital Improvements</b>				
DMC & West Hall	(511,150)			
<b>Net Investment Activity</b>	<b>590,000</b>			<b>2,500,486</b>
<b>Net Operating Activity</b>	<b>(42,650)</b>			<b>(449,407)</b>
<b>Total Net Activity to date</b>	<b>547,350</b>			<b>2,051,080</b>

\*New Planned gifts committed for fiscal year 2021 \$700,000



September 30, 2020

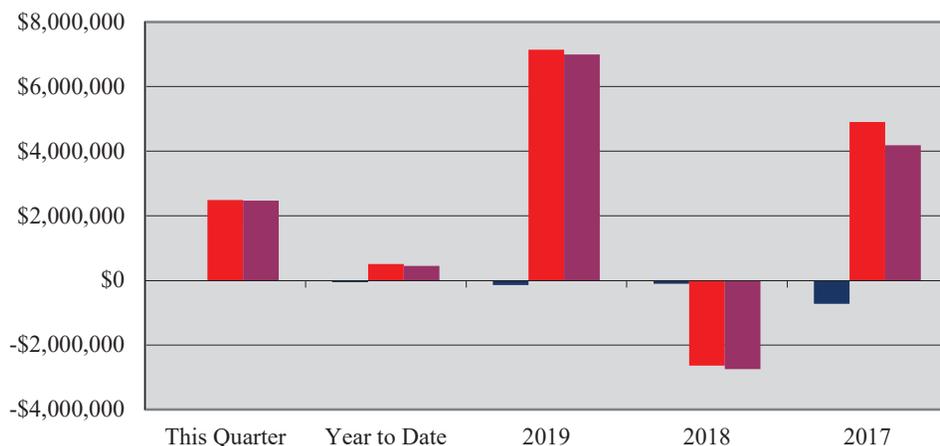
Investment Reports

Northwestern Michigan College Fndn

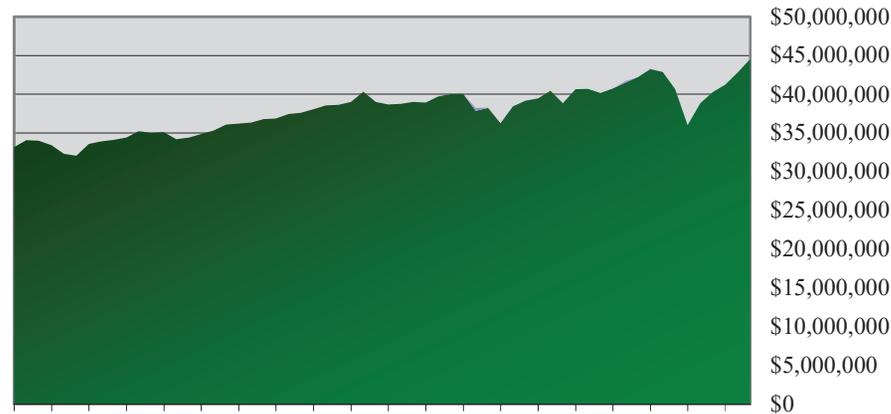


	Current Period		Last 3 Quarters			Last 3 Years			Historical
	This Quarter	Year to Date	2nd Qtr 20	1st Qtr 20	4th Qtr 19	2019	2018	2017	Acct. Inception 3/31/2011
Beginning Market Value (Mgd)	41,215,929	43,240,841	36,002,242	43,240,841	40,714,500	36,251,968	39,000,069	34,824,878	28,146,515
<b>Cash Flow</b>									
Contributions	0	0	0	0	0	0	13,907	636,596	1,617,523
Distributions	0	0	0	0	0	-69,128	-15,775	-1,257,659	-4,872,649
Sub-Account Transfers	0	0	0	0	0	0	0	0	-2,485
Net Taxes	0	0	0	0	0	0	0	0	0
Expenses	-20,585	-60,311	-20,743	-18,983	-19,040	-76,198	-106,912	-104,459	-1,039,449
<b>Total Cash Flow</b>	<b>-20,585</b>	<b>-60,311</b>	<b>-20,743</b>	<b>-18,983</b>	<b>-19,040</b>	<b>-145,326</b>	<b>-108,780</b>	<b>-725,522</b>	<b>-4,297,060</b>
<b>Investment Performance</b>									
Principal Appreciation	2,271,252	-115,116	5,003,030	-7,389,397	2,165,888	6,075,567	-3,468,300	4,164,705	12,202,328
Income Generated	216,123	617,304	231,401	169,781	379,493	1,058,631	828,979	736,008	7,630,935
Change in Accrued Interest	0	0	0	0	0	0	0	0	0
<b>Total Investment Performance</b>	<b>2,487,374</b>	<b>502,188</b>	<b>5,234,431</b>	<b>-7,219,616</b>	<b>2,545,382</b>	<b>7,134,198</b>	<b>-2,639,321</b>	<b>4,900,714</b>	<b>19,833,263</b>
Change in Market Value	2,466,789	441,877	5,213,687	-7,238,599	2,526,341	6,988,872	-2,748,101	4,175,192	15,536,203
Ending Market Value (Mgd)	43,682,718	43,682,718	41,215,929	36,002,242	43,240,841	43,240,841	36,251,968	39,000,069	43,682,718
UnManaged Assets	172	172	5,005	172	6,451	164	3,010	0	172
<b>Total Portfolio</b>	<b>\$43,682,890</b>	<b>\$43,682,890</b>	<b>\$41,220,934</b>	<b>\$36,002,414</b>	<b>\$43,247,292</b>	<b>\$43,247,292</b>	<b>\$36,252,114</b>	<b>\$39,000,069</b>	<b>\$43,682,890</b>

Changes in Market Value



Market Value (Last 5 Years)

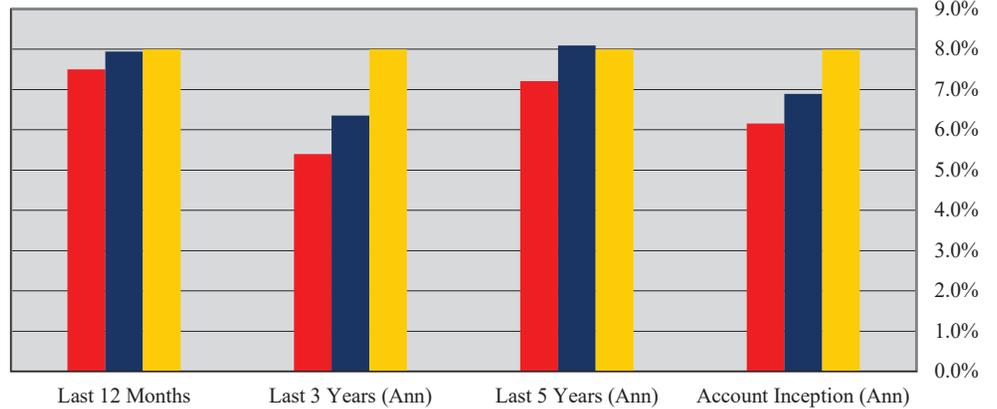




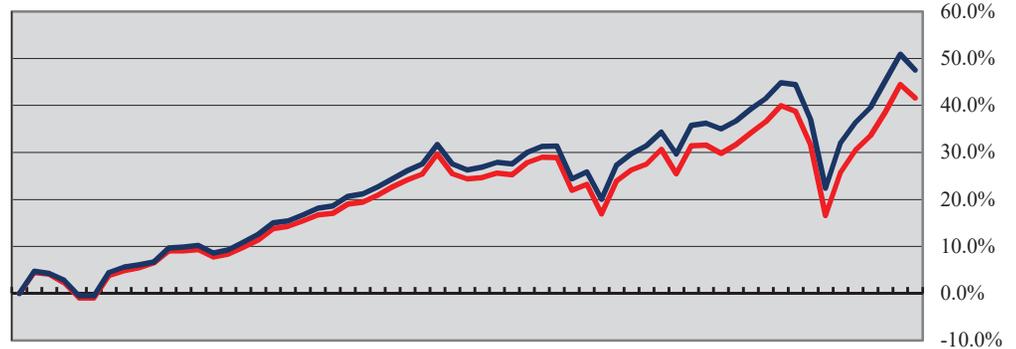


	Total Account	Policy Benchmark	+ / - Variance	R^2
<b>Trailing Periods</b>				
This Quarter	6.04%	5.72%	+0.32%	
Year to Date	1.17%	1.86%	-0.69%	
Last 12 Months	7.50%	7.94%	-0.44%	1.00
Last 2 Years (Ann)	4.78%	6.00%	-1.21%	1.00
Last 3 Years (Ann)	5.40%	6.35%	-0.96%	1.00
Last 5 Years (Ann)	7.20%	8.09%	-0.89%	1.00
Manager Inception (Ann)	6.16%	6.88%	-0.73%	
Manager Inception (Cum)	76.49%	88.36%	-11.87%	
<i>3/31/2011</i>				
Account Inception (Ann)	6.16%	6.88%	-0.73%	
Account Inception (Cum)	76.49%	88.36%	-11.87%	
<i>3/31/2011</i>				
<b>Annual Periods</b>				
2019	19.72%	20.69%	-0.97%	
2018	-6.79%	-5.92%	-0.87%	
2017	14.17%	15.06%	-0.89%	
2016	7.37%	7.83%	-0.46%	
<b>Quarterly / Monthly Periods</b>				
2nd Qtr 20	14.54%	14.01%	+0.53%	
1st Qtr 20	-16.70%	-15.49%	-1.21%	
4th Qtr 19	6.25%	5.97%	+0.29%	
3rd Qtr 19	0.24%	0.71%	-0.47%	
July	3.83%	4.04%	-0.22%	
August	4.20%	3.91%	+0.29%	
September	-1.99%	-2.22%	+0.23%	

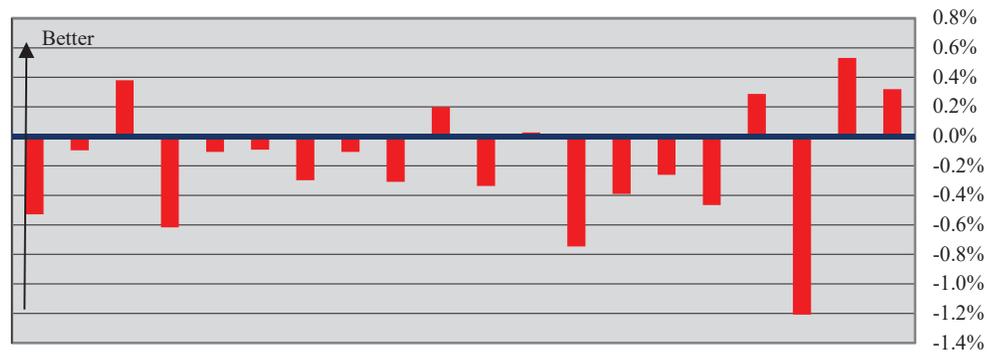
Trailing Periods with Absolute Target



Cumulative Return (Last 5 Years)



Quarterly Policy Benchmark Variance (Last 5 Years)



# Northwestern Michigan College Foundation

Aggregate Account

IPEX, Inc.

October 19, 2020

## Account Update

Account	Market Value	% of Assets	Strategic Allocation			Variance		Compliance
			Minimum	Target	Maximum	%	\$	
<b>Cash</b>	52,571	0.12%	0.00%	0.00%	10.00%	+0.12%	52,571	N / A
<b>Fixed Income</b>								
Huntington	7,242,965	16.08%	13.00%	17.50%	21.00%	-1.42%	-641,136	Yes
Portfolio of Fixed Income Funds	3,170,661	7.04%	6.00%	7.50%	9.00%	-0.46%	-208,240	Yes
<b>Fixed Income Total</b>	<b>10,413,626</b>	<b>23.11%</b>	<b>20.00%</b>	<b>25.00%</b>	<b>30.00%</b>	<b>-1.89%</b>	<b>-849,376</b>	<b>Yes</b>
<b>Domestic Equity</b>								
Vanguard 500 Institutional Index	14,054,448	31.20%	25.00%	30.00%	35.00%	+1.20%	538,846	Yes
Small-Mid Funds	4,286,565	9.51%	8.00%	10.00%	12.00%	-0.49%	-218,636	Yes
<b>Domestic Equity Total</b>	<b>18,341,013</b>	<b>40.71%</b>	<b>35.00%</b>	<b>40.00%</b>	<b>45.00%</b>	<b>+0.71%</b>	<b>320,210</b>	<b>Yes</b>
<b>International Equity</b>								
International Equity Funds	9,998,134	22.19%	16.00%	20.00%	24.00%	+2.19%	987,733	Yes
<b>Alternative Funds</b>								
Alternative Funds	6,246,664	13.87%	12.00%	15.00%	18.00%	-1.13%	-511,137	Yes
<b>Total</b>	<b>\$45,052,008</b>	<b>100.00%</b>		<b>100.00%</b>				

All account information in this report is based upon data obtained directly from the client's custodian(s). To the extent that any data provided by the custodian is incomplete and/or inaccurate, the data contained in this report will also be incomplete and/or inaccurate. IPEX does not guarantee, and shall have no liability for, the accuracy, timeliness or completeness of any information reflected in this report.



MICHIGAN COMMUNITY  
COLLEGE ASSOCIATION

**To:** Members of the Senate Regulatory Reform Committee

**From:** Michigan Community College Association

**Date:** September 15, 2020

**Re:** Support for Senate Bill 1055 (Nesbitt)

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As you may know, in 2019, Governor Gretchen Whitmer set Michigan's first-ever college attainment goal<sup>1</sup>. Sixty by 30 seeks to build a better Michigan in two ways:

- **Close the skills gap** that poses the single greatest threat to the success of our businesses and our state's prosperity. Jobs requiring skilled employees today, as well as jobs on the horizon, demand greater education and training than ever before. Increasingly, the best jobs require more than a high school diploma.
- **Increase opportunity** and greater access to the education and skills that create opportunities for better jobs and bigger paychecks.

Among many other strategies, one approach that 23 states<sup>2</sup>, including Michigan, are using to increase postsecondary attainment levels is to allow community colleges to confer bachelors, or baccalaureate, degrees in industries that demand bachelor's degree. Since 2012, state law has granted community colleges in Michigan the authority to confer baccalaureate degrees in four applied and technical program areas - concrete technology, maritime technology, energy production technology, and culinary arts. Senate Bill 1055 would update existing law for today's needs by including the Bachelor of Science in Nursing (BSN) degree to the existing authority.

**NEED:** According to Michigan's Bureau of Labor Market Information and Strategic Initiatives, nursing is one of Michigan's 50 Hot Jobs, with 6,620 projected job openings each year, an increasing number of which require a Bachelor of Science in Nursing degree<sup>3</sup>. Researchers at the University of Washington have determined that the annual need exceeds current annual degree referrals by 161% in Michigan<sup>4</sup>, a situation that challenges hospitals in Michigan and jeopardizes their ability to qualify for magnet status.

**ACCESS:** In many parts of the state, access to a BSN program can require a several-hour commute for in-person instruction. Although online programs have grown significantly in recent years, much of Michigan lacks adequate broadband connectivity, particularly in these times where existing internet must support multiple

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<sup>1</sup> <https://www.sixtyby30.org/>

<sup>2</sup> <https://www.newamerica.org/education-policy/reports/advocacy-tool-kit-bachelors-degrees-at-the-community-college/>

<sup>3</sup> [https://milmi.org/Portals/198/publications/Hot50\\_Statewide\\_2028.pdf](https://milmi.org/Portals/198/publications/Hot50_Statewide_2028.pdf)

<sup>4</sup> <https://www.washington.edu/ccri/newba-dn9/>

family members working and learning from home simultaneously. Where good broadband access is available, many residents struggle to afford it: studies conducted this year among K-12 students showed that as many as one-third lacked the technology access necessary for quality online learning<sup>5</sup>. Allowing community colleges to confer BSN degrees will provide a much more accessible option for residents to earn this credential and move ahead in the workforce.

**QUALITY:** Allowing community colleges to confer a BSN only changes the institution where the program is offered. This authority does not change the content of the program, the credentials required of qualified faculty, the standards accrediting agencies use, nor the content of the licensing exams. Already, public and private universities and community colleges in Michigan are all accredited by the same agency, the Higher Learning Commission<sup>6</sup>. Beyond that, Senate Bill 1055 would require any community college that offers a BSN to maintain a national professional nursing accreditation<sup>7</sup>, the highest standard of quality for such programs. Regardless of whether nursing students train at a university or a community college, before qualifying for licensure as a registered nurse, all graduates must pass the National Council Licensure Exam (NCLEX). Data consistently demonstrate that community college graduates pass the NCLEX at rates that are comparable to the pass rates of their university counterparts<sup>8</sup>. There is no reason to believe that extending the extensive training Michigan's community colleges already offer to nursing students to include BSNs will impair the quality of those nurses.

**EVOLVING MISSION:** The mission of community colleges has always been to respond to the constantly evolving needs of their communities. Community colleges offer a wide variety of transfer programs, occupational programs, industry-recognized certificates, and other customized training programs for business and industry. Adding the BSN to their offerings is another way in which community colleges can continue to be responsive and relevant as they serve workforce needs in their communities, as well as the state's broader postsecondary attainment goals.

**BOTTOM LINE:** If Michigan hopes to be the kind of state that meets its 21<sup>st</sup> Century workforce needs and attracts innovation and talent, we must be bold. Our state cannot be afraid of new modes of delivery for higher education opportunities. Michigan residents deserve a world-class healthcare system, staffed by residents who live, work, and hopefully have trained right here in our home state. Senate Bill 1055 is one important step toward that vision, and we strongly encourage your support.

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<sup>5</sup> <https://detroit.chalkbeat.org/2020/4/14/21225509/about-500-000-michigan-children-lack-the-internet-access-and-computers-needed-to-learn-at-home>

<sup>6</sup> [https://www.hlcommission.org/component/directory/?Itemid=&form\\_submitted=TRUE&institution=&lang=en&showquery=&siteOrg=&state=MI&submit=Search](https://www.hlcommission.org/component/directory/?Itemid=&form_submitted=TRUE&institution=&lang=en&showquery=&siteOrg=&state=MI&submit=Search)

<sup>7</sup> <https://www.legislature.mi.gov/documents/2019-2020/billintroduced/Senate/pdf/2020-SIB-1055.pdf>

<sup>8</sup> <https://www.ncsbn.org/1237.htm>.

## MEMO

**To:** NMC Board  
**From:** Gabe Schneider, Founder/Principal, Northern Strategies 360  
**Date:** Tuesday, October 6, 2020  
**Re:** **Community College Nursing Baccalaureate Legislation (SB 1055)**

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### Background

Over the last decade or more, there have been several legislative attempts to amend the Community College Act to allow for colleges to award select baccalaureate degrees. Most recently in 2012, the legislature amended the Act to allow colleges to offer baccalaureate degrees in 4 areas: Cement Technology, Culinary Arts, Energy Production and Maritime Technology. A nursing baccalaureate was also considered, but ultimately stripped out late in the legislative process. Since that time community colleges around the state have offered baccalaureate degrees, including Northwestern Michigan College that has offered a bachelor's degree in Maritime Technology since 2013.

### Current Legislation

In August, Senator Aric Nesbitt introduced Senate Bill 1055, which would amend the Community College Act to allow community colleges to offer a bachelor of science in nursing degree. The legislation was referred to the Senate Regulatory Reform Committee and reported out on September 24. The legislation is currently before the Michigan Senate.

### Key Points

#### 1. Need

- a. Now more than ever, healthcare providers need baccalaureate prepared nurses to deliver care in our rural communities.
  - According to the National Academy of Sciences [Future of Nursing Report](#):
    1. By 2020, 80% of nurses should have their BSN
    2. Currently, Munson Healthcare hospitals have between 50% and 60% of their nurses with a BSN

#### 2. Accessibility

- a. There are 28 community colleges around Michigan providing local, accessible options for students seeking a BSN degree.
- b. These colleges are located in our rural communities in Northern Michigan and provide easy access for working students seeking a BSN to further their career, or as a requirement of employment.
  - According to [Google Maps](#):
    1. Distance from Traverse City to nearest 4-year University (Ferris State) is almost 90 miles.

### 3. Outcomes

- a. Clinical research has shown that BSN nurses provide for better patient outcomes.
- b. Research links a higher percentage of BSN prepared nurses to lower patient morbidity and mortality rates.
  - According to the [Center for Health Outcomes and Policy Research at the University of Pennsylvania School of Nursing](#):
    1. A 10% increase in the proportion of nurses with BSNs was associated with a 7% decrease in patient deaths.

### 4. Affordable

- a. Community colleges offer an affordable option for students seeking a nursing baccalaureate degree and are typically half the cost of a university for in-state/in-district tuition.
  - According to each institutions websites the per credit hour tuition is
    1. [West Shore: \\$170](#)
    2. [NMC: \\$227](#)
    3. [Baker College: \\$415](#)
    4. [Ferris State: \\$470](#)
    5. [Lake Superior State University: \\$519](#)

### Opposition

Unfortunately there is significant opposition to this legislation from universities and independent colleges from around the state. They cite an abundance of access to postsecondary education in the state, a negative fiscal impact on Michigan taxpayers if community colleges were allowed to offer baccalaureate degrees, a significant increase in tuition prices and local taxation and an oversupply or excess of registered nurses. They also argue that community colleges are constitutionally constrained to only offer two-year degrees and that if a college decides to offer a BSN, it would necessitate the dissolution of its current governing board and elimination of its local taxing authority.

Specifically related to the constitutional legal argument, universities were successful in lobbying State Senator Jim Stamas (R-Midland) to introduce Senate Bill 1142. This legislation mirrors legislation introduced in previous legislatures and, if passed, would strip a community college of its ability to levy a local millage if they offer any baccalaureate degree. Community colleges typically receive 1/3 of their revenue from their local millage. This is punitive legislation aimed at killing the nursing baccalaureate bill.

### Current Status

This legislation currently awaits action on the Senate floor and we have heard that the Senate Majority Leader anticipates taking it up in early November. We understand that Senator Schmidt is supportive, but Senator Stamas is opposed. We also know that Senator VanderWall voted against this bill in committee and has expressed his support for the Stamas poison pill bill (SB 1142).

### Actions

There are several actions that could be taken now and/or over the next few weeks:

- Email or call our regional State Senators to express your support (see below draft text)
- Pass a resolution of support at your next Board meeting
- Contact our regional State House Members to express your support

With the Michigan Senate poised to vote on this important legislation, now is the time to act. Please reach out to your State Senator listed below to state and use the key points listed above to voice your support for this bill:

State Senator Curt VanderWall

35<sup>th</sup> District: Benzie, Crawford, Kalkaska, Lake, Leelanau, Manistee, Mason, Missaukee, Ogemaw, Osceloa, Roscommon and Wexford Counties

Phone: 517-373-1725

Email: [sencvanderwall@senate.michigan.gov](mailto:sencvanderwall@senate.michigan.gov)

Social: @SenVanderWall

State Senator Jim Stamas

36<sup>th</sup> District: Alcona, Alpena, Arenac, Gladwin, Iosco, Midland, Montmorency, Oscoda, Otsego and Presque Isle Counties

Phone: 517-373-7946

Email: [senjstamas@senate.michigan.gov](mailto:senjstamas@senate.michigan.gov)

Social: @senjstamas

State Senator Wayne Schmidt

37<sup>th</sup> District: Antrim, Charlevoix, Cheboygan, Chippewa, Emmet, Grand Traverse, Luce and Mackinac Counties

Phone: 517-373-2413

Email: [senwschmidt@senate.michigan.gov](mailto:senwschmidt@senate.michigan.gov)

Social: @wayneschmidt

## Sample Email

Dear Senator

I am writing in strong support for the community college nursing baccalaureate legislation (SB 1055).

This legislation is needed now more than ever to address the regional need for nurses with BSNs. Our regional healthcare partner, Munson Healthcare requires that all nurses have a BSN within 5 years of employment, making a local, affordable and accessible option for obtaining a BSN critically important.

Further, community colleges offer per-credit hour rates far below that of universities and four-year private colleges. For example, Northwestern Michigan College charges \$227/credit hour for out-of-district nursing students compared to Lake Superior State University that charges \$519 or Baker College in Cadillac that charges \$415.

Clinical research shows that BSN nurses provide for better patient outcomes with a 7% decrease in patient deaths for every 10% more nurses with BSNs.

As the first college in Michigan to offer a baccalaureate degree, since 2013, NMC has proven that a community college can offer an affordable and accessible bachelors program that is fully accredited and meets the need of our industry partners.

Please vote in favor of allowing NMC to further our role as the community's college and address the significant need for bachelors prepared nurses in northwest Lower Michigan.

Sincerely,