



Northwestern
Michigan
College

Board of Trustees

www.nmc.edu/trustees

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

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

Meeting Agenda

Monday, January 27, 2025

at Timothy J. Nelson Innovation Center, Room 106/107
1701 E. Front Street

5:30 p.m. Regular Meeting

I. GENERAL BUSINESS

- A. Call to Order
- B. Oath of Office for Trustee Pamela T. Horne
- C. Oath of Office for Trustee Mark B. Keely
- D. Oath of Office for Trustee Kennard R. Weaver
- E. Roll Call
- F. Pledge of Allegiance
- G. Review of Agenda and Approval of Additions, Deletions, or Rearrangements
- H. Annual Meeting Business
 - i. Reading of Notice and Proof of Service
 - ii. Report of Secretary—*Chris M. Bott Secretary*
 - iii. Report of Treasurer—*Kenneth E. Warner, Treasurer*
 - iv. Verification of Residential Address
 - v. Conflict of Interest Disclosure Statement
 - vi. **Action Item:** Election of Officers
Nomination and election of officers by approved process.
 - vii. Regular Board Meeting Dates
Review proposed regular meeting dates and locations through June 2026 as presented.

II. STRATEGIC FOCUS

- I. Mission & Values—“A Microplastics Study in Northern Michigan” (video)
- J. Institutional Distinction and Sustainability—*Jason Slade, Vice President of Strategic Initiatives, and Troy Kierczynski, Vice President of Finance and Administration*

III. REPORTS AND PRESENTATIONS

- K. Faculty Report: Advanced Science Research Program—*Nick Roster, Biology Instructor*

IV. PUBLIC INPUT

Each person wishing to address the Board during public comment must be present and shall provide their name, address, city, phone, and issue to be addressed on a form provided prior to



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the meeting. The topic addressed should be related to business within the jurisdiction of the Board. Forms will be collected and given to the Board Chair prior to the call for order. Comments will be limited to (3) three minutes in length per speaker. The Board will take public remarks into consideration, but will not comment at time of input.

V. UPDATES

- L. President's Update—*President Nick Nissley*
- M. Board Chair Update—*Laura Oblinger, Chair*
- N. Audit Committee—*Kennard Weaver, Committee Chair*

VI. CONSENT ITEMS (Pursuant to Policy A-105.00 Consent Agenda Items)

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

Recommend that the following items be approved:

- O. Minutes of the December 16, 2024, regular meeting
- P. Enrollment Report—*Todd Neibauer, Vice President for Student Services and Technologies*
- Q. Financial Report—*Troy Kierczynski, Vice President of Finance and Administration*
- R. Investment Gains and Losses Quarterly Report—*Troy Kierczynski, Vice President of Finance and Administration*
- S. PRMC—*Diana Fairbanks, Associate Vice President of Public Relations, Marketing, and Communications*
- T. Foundation Report—*Dino Hernandez, Vice President of College Advancement and Executive Director, NMC Foundation*
- U. Fellows Nominating Committee—*Andy Robitshek, Committee Chair*
- V. Building and Site Committee—*Ken Warner, Committee Chair*

VII. ACTION ITEMS

- W. **Appointment of Fellows** (Pursuant to Policy A-106.00 Other)
Recommend that Mark Lundmark and Jayne Mohr be appointed 2025 Fellows of Northwestern Michigan College with all honors and privileges pertaining hereto.
- X. **Acceptance of FY24 Single Audit** (Pursuant to Policy A-106.00 Finance)
Recommend acceptance of the financial audit of federal awards for Northwestern Michigan College year ended June 30, 2024, as presented.
- Y. **Board Policy** (Pursuant to Policy A-106.00 Other)
Recommend adoption of the following Board Policy on a second reading basis:
 - Policy A-109.00 Trustee Vacancy (new policy)



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Z. Aircraft Purchase: Seminole (Policy A-106.00 Finance)

Recommend authorization for administration to enter into an aircraft purchase agreement with Piper Aircraft, Inc. for the purchase of a new 2026/27 Piper Seminole at an amount up to \$1,122,000 for delivery between Q2 - Q3 2026. Purchase will be funded from the 2024 Aviation bond proceeds.

AA. Aircraft Purchase: Cessna Skyhawks (Policy A-106.00 Finance)

Recommend authorization for administration to purchase up to four (4) Cessna Skyhawks through the used aircraft market, in an amount not to exceed \$2,500,000 total through December 31, 2027. Purchases will be funded from the 2024 Aviation bond proceeds.

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.

February 6-7, 2025 – Board Retreat, Lakemore Resort

February 24, 2025 – Timothy J Nelson Innovation Center, Room 106/107

March 17, 2025 – Timothy J Nelson Innovation Center, Room 106/107 ***Third Monday*

April 28, 2025 – Timothy J Nelson Innovation Center, Room 106/107

May 19, 2025 – Timothy J Nelson Innovation Center, Room 106/107 ***Third Monday*

June 23, 2025 – Timothy J Nelson Innovation Center, Room 106/107



Lynne Moritz <lmoritz@nmc.edu>

Notice of 2025 Annual Meeting

Lynne Moritz <lmoritz@nmc.edu>
To: Board of Trustees <boardoftrustees@nmc.edu>

Thu, Jan 9, 2025 at 1:11 PM

Per [Board Policy A-100.00 Board of Trustees Bylaws](#) section 1.c.ii., this email is notification of the 2025 annual meeting of the Northwestern Michigan College Board of Trustees to be held each year during the first meeting held in January. The logistics of the meeting follow:

- Date: Monday, January 27, 2025**
- Time: 5:30 p.m.**
- Location: Timothy J. Nelson Innovation Center, Room 106/107**
1701 E. Front Street
Traverse City, MI 49686
- Purpose: Annual Meeting, Regular Monthly Meeting**

Please also note that we are scheduled to take an updated Board photo prior to the start of the meeting. The photo will be taken in the lobby of the TJNIC. **We ask that you please arrive promptly at 5:00pm to ensure adequate time for the photo and getting prepared for the meeting start.**

Lynne

Lynne Moritz (She/Her)
Executive Director of the President's Office & Board Operations
FOIA Officer
(231) 995-1900



BOARD MEMBER ALERT: This email is not for interactive discussion purposes. The recipient should not forward it to any other individual or copy a reply to other board members.

Northwestern Michigan College
Board of Trustees
Annual Meeting
January 27, 2025
at Timothy J. Nelson Innovation Center
Room 106/107
1701 E. Front Street

Report of Secretary

The 2024 Northwestern Michigan College Board of Trustees Annual Meeting minutes were approved on February 26, 2024, and are available online at the [2024 Trustee Meeting Materials and Minutes website](#) along with all other regular meeting minutes.

Northwestern Michigan College
Board of Trustees
Annual Meeting
January 27, 2025
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Report of Treasurer

The annual financial audit for Northwestern Michigan College for the fiscal year ending June 30, 2024, was accepted by the NMC Board of Trustees on October 21, 2024, and is available online at the NMC Audit Reports website (<https://www.nmc.edu/departments/finance-administration/audits/files/audit-nmc-2024.pdf>).

NORTHWESTERN MICHIGAN COLLEGE
 Board Meeting Dates January 2025 through June 2026
(Fourth Monday of each except where noted)

2025

January 27, 2025 – Timothy J Nelson Innovation Center, Room 106/107
February 24, 2025 – Timothy J Nelson Innovation Center, Room 106/107
March 17, 2025 – Timothy J Nelson Innovation Center, Room 106/107 ***Third Monday*
April 28, 2025 – Timothy J Nelson Innovation Center, Room 106/107
May 19, 2025 – Timothy J Nelson Innovation Center, Room 106/107 ***Third Monday*
June 23, 2025 – Timothy J Nelson Innovation Center, Room 106/107
July 21, 2025 – Aeropark Campus, Parsons-Stulen Room 222/224 ***Third Monday*
August 18, 2025 - Timothy J Nelson Innovation Center, Room 106/107 ***Third Monday*
September 22, 2025 - Timothy J Nelson Innovation Center, Room 106/107
October 20, 2025 - Timothy J Nelson Innovation Center, Room 106/107 ***Third Monday*
November 24, 2025 - Timothy J Nelson Innovation Center, Room 106/107
December 15, 2025 - Timothy J Nelson Innovation Center, Room 106/107 ***Third Monday*

2026

January 26, 2026 - Timothy J Nelson Innovation Center, Room 106/107
February 23, 2026 - Timothy J Nelson Innovation Center, Room 106/107
March 23, 2026 - NMC Hagerty Center, Room C
April 27, 2026 - Timothy J Nelson Innovation Center, Room 106/107
May 18, 2026 - Timothy J Nelson Innovation Center, Room 106/107 ***Third Monday*
June 22, 2026 - Timothy J Nelson Innovation Center, Room 106/107

NMC NEXT

OUR COMMUNITY. OUR COLLEGE. OUR FUTURE.

To: Dr. Nick Nissley, President

From: Jason Slade, Vice President of Strategic Initiatives

Date: January 20, 2025

Subject: Strategic Initiatives Update: *January 27, 2025 Board of Trustees Meeting*
Topic: ***Strategy 5 - Institutional Distinction and Sustainability***

Strategy 5 - Institutional Distinction and Sustainability: Leverage distinctive programs that strengthen institutional sustainability and expand global connections for our learners and communities. (*Champion: Troy Kierczynski*)

Summary: Strategy 5 focuses on NMC’s distinctive programs with objectives centered around their long-term sustainability and growth. Activities in this strategy include:

- expansion of the Aviation program including an increasing fleet, expanding hangar, and adding key staffing to accommodate more students
- positioning of the Great Lakes Water Studies Institute (GLWSI) as a leader for marine and geospatial programs and professional training including the Freshwater Research and Innovation Center
- execution of the Great Lakes Culinary Institutes’s (GLCI) “reimagining” plan, and the strategic plans for the International Affairs Forum (IAF), Dennis Museum Center (DMC), and WNMC radio station
- deployment of a unique maritime/culinary certificate leveraging existing expertise

Highlights and Successes:

- Objective 1 (Aviation to execute its expansion plan to increase enrollment and annual net revenue):
 - Hangar expansion is in progress after a groundbreaking ceremony in October 2024. The buildout and remodeling of the hangar will be finished by the end of August 2025.
 - FY24 was Aviation’s highest year ever for both flight hours and gross revenue, surpassing the records set in FY23.
- Objective 2 (GLWSI will leverage its assets and location to become a leading marine center):
 - The Freshwater Research and Innovation Center continues to move forward. The design has been finalized, lab spaces continue optimization, the board of directors has been formed, and tenant attraction efforts have begun. Construction is planned for Fall 2025 with projected completion by early 2027.
 - NMC will be launching a “BlueTech Innovation Challenge” as a subrecipient of NOAA’s Great Lakes Resilience Accelerator grant in partnership with gener8tor, a Chicago-based accelerator. NMC’s sub-award will result in \$70,000 per year for four years. FRIC partners including 20Fathoms and Traverse Connect, as well as potential new collaborators, will support the program with a finale planned for October 2025, to coincide with the OCEANS25 conference in Chicago. This effort continues our work in creating a “blue” technology pipeline to the new center and the region.
 - Contact and student registrations continue to increase for GLWSI-based programs under successful PRMC marketing campaigns, support from admissions, and outreach activities. Outreach has been led by John Lutchko, the new Director of the Great Lakes Water Studies Institute. Enrollment comparisons for the GLWSI programs were:
 - Marine Technology
 - 26 registered students and 383 contact hours in 2022
 - 34 registered students and 433 contact hours in 2024 (plus 16 AAS taking advantage of community college guarantee / Reconnect w/assistance from financial aid)
 - Water Quality & Environmental Technology
 - 0 students in 2022 (program launched in 2023)

- 9 students registered and 106 contact hours in 2024
 - The 2024 Lakebed conference was very successful, generating \$37,000 in sponsorships, \$56,100 in total revenue, and boasting 177 attendees. The keynote speaker was esteemed expert Dr. Rick Spinrad, Under Secretary of Commerce for NOAA. Students were able to participate in an industry roundtable with companies and agencies from across the country.
 - GLWSI will continue to pursue and expand revenue-generating professional training opportunities in 2025. This will include another delivery of the week-long co-sponsored Marine Technology Society Summer Workshop in June, a week-long training for the Office of Naval Intelligence in May or June, and further ADCI ROV training courses.
- Objective 3 (GLCI will update curriculum, increase enrollment, and maximize space utilization to decrease deficit):
 - Contact hours and enrollment continue to increase.
 - 64 registered students and 1,126 contact hours in 2022
 - 79 registered students and 1,380 contact hours in 2024
 - GLCI continues their financial turnaround as FY24 had a net gain of over \$85K compared with \$376K deficit at baseline (FY21).
 - A reservation model has been implemented with the Hagerty Center allowing for the rental of the Lobdell's space for events and activities.
 - GLCI is investigating a redesign of physical kitchen space to enhance the efficiency of the kitchen labs and improve overall delivery of curriculum resulting in reduced dependency on limited lecture space within GLCI.
- Objective 4 (DMC will execute the key financial stewardship initiatives from their Strategic Plan):
 - Attendance:
 - YTD program attendance is 5,394 individuals. This number increased from 5,800 individuals in FY23 to 9,500 in FY24 due to new campus and community program efforts. Program efforts from FY17 through FY22 averaged just 1,000 participants each FY.
 - Gate revenue is on track to match last FY's figures, with just under \$30,000 received to date (compared with \$33,400 for the entire FY23 and \$52,700 total for FY24).
 - YTD 557 memberships processed; on track to reach 1,000+ memberships by end of FY25. 1,038 memberships as of 6/25/24; compared with 895 memberships same time last year.
 - Revenue:
 - Gross concert series revenue is up \$18,000 over last year's at this time.
 - Gross store revenue is up \$12,000 over last year's at this time.
 - Gross rental revenue is up \$17,000 over last year's at this time.
 - 1,066 volunteer hours YTD valued at \$35,700.
 - Collections and accessibility:
 - New archival painting bin storage installed in collections, thanks to a \$15,000 IMLS grant.
 - Phase III window tinting completed in the promenade wing, thanks to a \$10,000 NEH grant.
 - A pending \$25,000 IMLS grant application, if awarded, will partially fund the museum's first professional conservation treatment of an outdoor sculpture (Hanna Stiebel's *Equilibrium*) since they were first installed in the late 1990s.
 - Marketing and national presence:
 - DMC was featured in the [BBC News](#) for its recent Certified Autism Center designation.
 - Craig Hadley, co-organized and moderated a convening of community college art museums in October. A broadcast of the event is available on YouTube.
- Objective 4 (IAF will execute its Business Plan to create a sustainable business operation by 6/30/25):
 - Programming, attendance, and partnership:
 - The 31st season (YTD) includes 11 community events: 5 speaker events at NMC's Dennis Museum Center & Leland's Old Art Building (↑2 compared with fall FY24). Six additional events, including NMC student sessions, 4 student-produced White Pine Press speaker interviews and articles, and 1 high school visit by Dr. Fiona Hill to 173 students at TC Central, and 2 business community sessions.

- Total attendance across all events offered FY25 YTD: 1,775 (↑28% from fall FY24)
 - Partnership continues with Leland’s Old Art Building. 101 livestream “satellite” attendees gathered in Leland fall FY24. IAF partnered for an in-person special event at the Old Art Building on October 3.
 - Academic WorldQuest Program
 - Anticipated record participation February 2025: 100+ students from 8 high schools
 - Membership, sponsorship, and fundraising:
 - Memberships at a record high: 304 memberships (↑15%), representing 436 individuals
 - Season sponsorship: \$10,000 September 2024 - June 2025 Mercantile Bank
 - Giving Tuesday, supported by NMC Foundation team, raised \$18,325 for FY 25 (↑58% from FY24)
- Objective 5 (GLMA & GLCI will leverage expertise/resources to offer a maritime culinary certificate):
 - Culinary Maritime program promoted at the ProStart national conference in Baltimore and other national conferences in collaboration with GLMA. In addition, career tech center outreach in Michigan has been a focus in combination with the traditional culinary pathway.
 - Curriculum continues to be revised based on industry, student, and faculty feedback to better prepare stewards for life aboard a ship.

Challenges:

- Objective 1 (Aviation) - Staffing needs will become the focus for aviation to ensure safety and flight standards with a larger program. Focus is on assistant chief, dispatcher, technicians, faculty, and flight instructors. Aviation will be working closely with HR on this.
- Objective 2 (GLWSI) - Funds tied to ARPA put pressure on the bid and construction contract timing. Discovery Center & Pier continues to lead fundraising efforts to close the financial gap.
- Objective 2 (GLWSI) & Objective 4 (DMC) - Both GLWSI and the Denny's are undergoing analysis via the college's Program Enhancement and Sustainability Review process. Expenses and potential revenue sources are being examined with the output shared with the President's Office in March to align with the budget process.
- Objective 3 (GLCI) - Staffing continues to be an issue as GLCI looks to support classes and events. Difficult to find adjunct instructors as many are working in full-time culinary positions.
- Objective 4 (DMC) - Building relationships with NMC Foundation, Chief Advancement Officer, and the President's Office to cultivate mid-tier and major donors for long-term endowment growth.
- Objective 4 (IAF) - Continuing to execute their Strategic Plan with the goal of increasing memberships, sponsorships, and revenue to sustain and grow the program.

Strategy 5 - Institutional Distinction and Sustainability							
Objective 1: Aviation will execute its multi-phase expansion plan in an effort to increase enrollment by 25% and annual net revenues by 33% from June 30, 2021 to June 30, 2024.							
Status of Action Steps	Baseline	FY22	FY23	FY24	FY25 (current)	Target	Notes
5 On Schedule	June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024	As of 12/31/24:	June 30, 2024	Aviation headcount and revenue continues to be high. Expansion of the hangar began in Oct '24 with expected completion in summer '25.
1 Behind Schedule	Headcount: F140, S118	Headcount: F143, S145	Headcount: F164, S147	Headcount: F173, S154	Headcount: F171, S154	Headcount: F175, S175	
3 Not Yet Started	Contact hrs: 1,818	Contact hrs: 2,093	Contact hrs: 2,298	Contact hrs: 2,337	Contact hrs: 2,299	Contact hrs: 2,300	
	Net Rev: +\$248,167	Net Rev: +\$189,155	Net Rev: +\$517,352	Net Rev: +\$454,714	Net Rev: +\$597,797	Net Rev: +\$330,062	

Objective 2: The Great Lakes Water Studies Institute (GLWSI) will leverage its assets and geographical position on the Great Lakes to become a leading center for marine and geospatial programs, providing academic pathways, training and professional development, and other innovative technical services which generate positive net revenue by June 30, 2025.

Status of Action Steps	Baseline	FY22	FY23	FY24	FY25 (current)	Target	Notes
14 On Schedule	June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024	As of 12/31/24	June 30, 2025	The Office of Naval Intelligence training Summer '24 was successful.
1 Completed	Headcount: F57, S53	Headcount: F53, S49	Headcount: F49, S50	Headcount: F59, S50	Headcount: F50, S48	Headcount: F75, S75	
2 Behind Schedule	Contact hrs: 460	Contact hrs: 468	Contact hrs: 426	Contact hrs: 593	Contact hrs: 573	Contact hrs: 600	ADCI ROV Pilot Training program being planned again for Spring '25
	Net Loss: (-\$340,080)	Net Loss: (-\$303,698)	Net Loss: (-\$344,708)	Net Loss: (-\$339,308)	Net Loss: (-\$171,362)	Net Rev: \$1	Marine Technology Society Summer '24 Workshop was successful with 11 participants and will be held again next June 16-20.
							Yellow River cohort completed Fall '24 virtual component for over 70 students. In-person scheduled for April '25. 100 students will take part in the '25/'26 delivery.
							Lakebed sponsorship set an all-time high for sponsorships.

Objective 3: The Great Lakes Culinary Institute will execute its "Reimagining" plan, which is to modernize curriculum, increase enrollment, and maximize utilization of the current Lobdell's space to achieve a net deficit no greater than \$150,000 by June 30, 2023.

Status of Action Steps	Baseline	FY22	FY23	FY24	FY25 (current)	Target	Notes
5 On Schedule	June 30, 2021:	June 30, 2022:	June 30, 2023:	June 30, 2024:	As of 12/31/24:	June 30, 2023:	GLCI continues to meet the objectives. Will continue to monitor.
1 Deferred	Headcount: F76, S62	Headcount: F79, S63	Headcount: F74, S75	Headcount: F91, S76	Headcount: F99, S94	Headcount: F90, S80	
	Contact Hrs: 1,904	Contact Hrs: 2,563	Contact Hrs: 2,270	Contact Hrs: 2,637	Contact hrs: 3,051	Contact Hrs: 2,750	
	Net Loss: (-\$375,967)	Net Loss: (-\$362,698)	Net Loss: (-\$27,659)	Net Rev: +\$85,220	Net Rev: +\$53,842	Net Loss: (-\$150,000)	

Objective 4A: The Dennis Museum Center will execute the key financial stewardship initiatives from the DMC Strategic Plan 2020–2025 by June 30, 2025. *Note: The full dashboard of actions are captured in the DMC Strategic Plan. The metrics below are key performance indicators and takeaways from their comprehensive plan.*

Status of Action Steps: 5 Completed, 6 On Schedule, 2 Not Yet Started, 2 Deferred/Discontinued

Action Steps	Baseline	FY22	FY23	FY24	FY25 (to date)	Target	Notes
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Increase external grant funding	FY20 federal and state grant funding: 1 state grant @ \$15-20k avg.	FY22 federal and state grant funding: 4 grants @ \$88,700	Grants secured since FY20: 22 grants @ \$382,000 total	FY24 federal, private, state grant funding: 4 grants @ \$58,599	FY25: 8 @ \$82,489	Secure at least two federal or state grants each FY to support collections and accreditation progress	Additional grants pending for upcoming FY
Increase Annual Fund performance	FY20 Annual Giving (gifts <\$25,000) # donors: 237 Revenue: \$83,049 Appeal Perform: # appeals: 4 # donors: 153 Revenue: \$26,660	FY22 Annual Giving (gifts <\$25,000) # donors: 403 (↑70%) Revenue: \$137,210 (↑65%) Appeal Perform: # appeals: 6 (↑50%) # donors: 301 (↑97%) Revenue: \$72,973 (↑173%)	FY23 Annual Giving (gifts <\$25,000) # donors: 398 (↑68%) Revenue: \$143,037 (↑72%) Appeal Perform: # appeals: 5 (↑25%) # donors: 140 (↓8%) Revenue: \$68,193 (↑156%)	FY24 Annual Giving (gifts <\$25,000) # donors: 311 (↑31%) Revenue: \$120,557 (↑45%) Appeal Perform: # appeals: 5 (↑25%) # donors: 81 (↓53%) Revenue: \$52,100 (↑195%)	FY25 Annual Giving (gifts <\$25,000) # donors: 172 Revenue: \$73,295 Appeal Perform: # appeals: 2 # donors: 130 Revenue: \$37,220	Increase Annual Fund performance 25% over baseline	Annual Giving activity has been generated by a successful fall appeal letter (110 donors gave \$19,470) and a successful #GivingTuesday campaign (20 donors gave \$17,750). Seeing as we are only halfway through the fiscal year, we are on track to meet or exceed last year's annual giving totals.
Stabilize/increase memberships	FY20: Members: 857 Revenue: \$73,968	FY22: Members: 875 Revenue: \$81,955	FY23: Members: 896 Revenue: \$84,980	FY24: Members: 1,063 Revenue: \$90,430	FY25: Members: 475 Revenue: \$41,011 YTD	Encourage more members to join at higher levels to ↑ revenue, we have succeeded in this, with continued growth projected for FY25	Increased the number of members at the \$100+ levels, as well as increased memberships in general.
Increase Holiday Artist Market revenue / attendance	Baseline: average \$7,500 net revenue from previous FYs	FY22: Net: \$12,102 Attendance: 1,915	FY23: Net: \$17,875 Attendance: 2,226	FY24: Net: \$19,670 Attendance: 2,688	FY25: Net: \$21,427 Attendance: 2,733	↑Artist Market performance 25% over baseline	Increase in net revenue for DMC's flagship annual event
Objective 4B: The International Affairs Forum will execute the IAF Business Plan for Strategic Growth to create a sustainable business operation by June 30, 2025.							
Status of Action Steps	Baseline	FY22	FY23	FY24	FY25 YTD	Target	Notes

7 On Schedule	FY20:	June 30, 2022	June 30, 2023	June 30, 2024	Dec. 2024	FY25:	Total Attendance FY25 YTD is 1,775 (↑28% from fall FY24)
2 Completed	Members: 203	Members: 218	Members: 238	Members: 265	Members: 304	Members: 300	Memberships FY25 = 304 (↑15% from FY24)
2 Not Yet Started	Net Loss: (\$2,979)	Avg attendance: 76 in-person 111 virtual Net rev: +\$24,462	Avg attendance: 167 in-person, 81 virtual Net rev: -\$21,229	Avg. attendance: 181 in-person, 75 virtual Net rev: \$115,091 (includes \$70k gift)	Avg. attendance: 265 in-person, 109 virtual Net rev: TBD	Net rev: \$50,000	Sponsorships for FY25 YTD \$10,000 secured

Objective 4C: WNMC will execute the action steps defined in the report “Refocusing WNMC: A 5-Year Plan” to increase engagement/listenership and sustain WNMC's operations by June 30, 2025.

Status of Action Steps	Baseline	FY22	FY23	FY24	FY25	Target	Notes
1 On Schedule	June 30, 2021: Net Loss: (\$5,679) Spots Filled: 28%	June 30, 2022: Net Loss: (\$35,028) Spots Filled: 72%	June 30, 2023: Net Revenue: +\$30,925 Spots Filled: 75%	June 30, 2024: Net Rev: +\$11,567 Spots Filled: 80%	Dec 31, 2024: Net Rev: +\$16,729 Spots Filled: on target	June 30, 2025: Net Loss: \$0 Spots Filled: 85%	Underwriting fill rate continues at 80%, well on target. WNMC working with Foundation under new CAO model has resulted in more leads including a new underwriter)

Objective 5: The GLMA and GLCI will leverage existing expertise and resources to develop and offer a maritime culinary certificate by Fall 2023, which will expand opportunities for students in this niche, high-demand area.

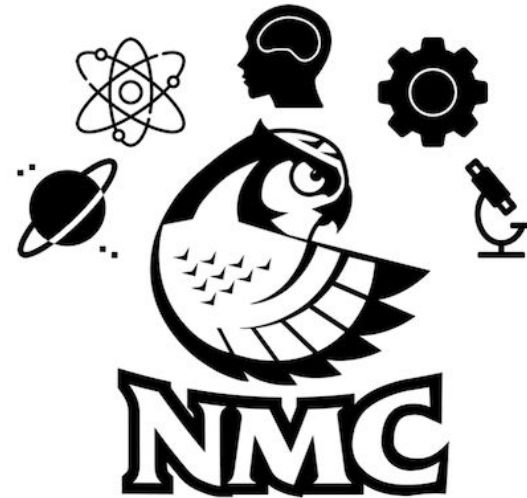
Status of Action Steps	Baseline	Current Percent Complete	Target	KPI (# of enrollees):	Notes
2 On Schedule	N/A - new program	100%	100%	F25 (upcoming academic year): 5 students currently admitted	Continue active recruiting at Michigan career tech centers and national conferences.
1 Behind Schedule				F24: 12 enrolled: 4 for the standalone certificate, 8 combining certificate with secondary culinary program (several orientations pending)	
				F23: 11 enrolled: 4 for the standalone, 7 combined certificate with secondary culinary program	

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: Summary of the strategic plan process as we hit the halfway point of Year 3.

New Opportunity
High School
NMC Students



ADVANCED SCIENTIFIC RESEARCH





- Animal Sciences
- Biochemistry
- Environmental
- Engineering
- Materials Science
- Mathematics
- Plant Science
- Physics & Astronomy
- Translational
- Medical Science
- Computational
- Biology &
- Bioinformatics

22 Categories at ISEF





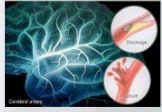
Northwestern Michigan College



Teacher Training in February

First Annual NMC Science Symposium in April

Full Launch of Program in Fall 2025



Predicting Risk of Stroke using Artificial Neural Network and Logistic Regression in Big Health Data

Abstract

This study aims to 1) examine the predictors of stroke 2) build a predictive model for risk of stroke using artificial neural network and compare its performance to logistic regression model. All the participants who were eligible were randomly assigned into 2 groups: training sample and testing sample. Two models were built using training sample: artificial neural network and logistic regression. These two models are used to predict the risk of stroke in the testing sample. Receiver operating characteristic (ROC) were calculated and compared for these two models for their discrimination capability and a curve using predicted probability versus observed probability were plotted to demonstrate the calibration measure for these two models.

Introduction

A stroke is when poor blood flow to the brain results in cell death. Stroke is the fifth leading cause of death in the United States and is a major cause of serious disability for adults. About 795,000 people in the United States have a stroke each year. The main risk factor for stroke is high blood pressure. Other risk factors include tobacco smoking, obesity, high blood cholesterol, diabetes mellitus, previous TIA, and atrial fibrillation. An ischemic stroke is typically caused by blockage of a blood vessel, though there are also less common causes. A hemorrhagic stroke is caused by either bleeding directly into the brain or into the space between the brain's membranes.

Materials & Methods

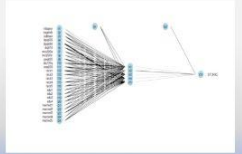
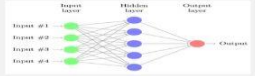
National Health and Nutrition Examination Survey
NHANES is a series of stratified, multistage probability surveys designed to obtain information on the health and nutritional status of the civilian, US population. The data are collected by the National Center for Health Statistics, CDC, via household interviews and physical examinations and are intended to provide estimates that are representative of the US population.

National Health and Nutrition Examination Survey (NHANES) 2013-2014 data was used in this study.

Artificial neural networks

Artificial neural network consists of an interconnected group of artificial neurons and processes information using a connectionist approach to computation. In most cases an ANN is an adaptive system that changes its structure based on external or internal information that flows through the network during the learning phase.

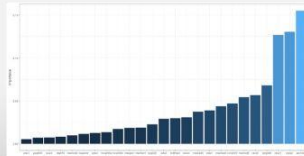
In more practical terms neural networks are non-linear statistical data modeling tools. They can be used to model complex relationships between inputs and outputs or to find patterns in data.



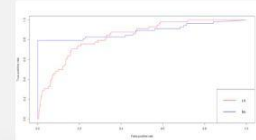
Results

About 4.55% of 2437 participants experienced stroke, about 5.01% among the female and 4.12% among the male. According to the logistic regression, the likelihood of being a victim of stroke increased when the participants aged. The risk of stroke decreased as the household income increased. High blood pressure diagnosis and diabetes diagnosis were associated with higher risk for stroke. Patients with close relative had heart attack had increased risk for stroke. Non-smoker had lower risk for stroke.

According to this neural network, the top 5 most important predictors were alq120q (How often drink alcohol over past 12 mos), race, bpq080 (Doctor told you - high cholesterol level), marriage status, and smq020 (Smoked at least 100 cigarettes in life).



For training sample, the ROC was 0.84 for the Logistic regression and 0.87 for the artificial neural network. Artificial neural network performed better clearly. Meanwhile in testing sample, the ROC was 0.74 for the Logistic regression and 0.72 for the artificial neural network. Artificial neural network had worse performance.



As to calibration measure, predictions made by the neural network are (in general) less concentrated around the 45-degree line (a perfect alignment with the line would indicate an ideal perfect calibration) than those made by the Logistic model

The baseball pitch and how spin rate affects vertical movement and velocity

SR-PSE-023
Physics and Astronomy
Senior

Abstract

Baseball is a sport in which a pitcher throws a five ounce ball and the batter tries to hit the ball prior to running the bases and scoring. This project was focused on the pitching side of baseball. The spin rate of a baseball was recorded as well as the velocity and vertical movement over multiple pitching sessions using a Rapsodo machine. There were over 30 pitches thrown for five trials. The research proved that the more the baseball spins, the higher the vertical movement is as well as the velocity.

Introduction

Spin rate is a huge factor in both the movement and velocity of a baseball. Spin rate is measured in revolutions per minute. The amount of spin on a pitch can change the ball's trajectory. If a fastball had a high spin rate, it would rise from the time it left the pitcher's hand to the time it hit the catcher's glove. If that same fastball had a lower spin rate, it would stay on the same plane from the pitcher's hand to the catcher's glove. On the other hand, a changeup thrown with a low spin rate would create more movement. This is due to the way the pitch is thrown.

Spin that contributes to the movement of a baseball is considered active spin. Not all spin contributes to movement. The spin of a bullet or a football does not affect the movement of those objects. This would be considered inactive spin. In baseball, when the ball is thrown with only topspin or backspin then 100% of that spin will contribute to the ball's movement. Pitches can also be thrown with some side spin so that the spin direction would contribute to both vertical and horizontal movement. This is all considered active spin.

Spin rate can also affect the velocity of a baseball. Velocity is one of the most commonly used methods for evaluating pitchers. The velocity of a baseball represents the maximum speed of any given pitch from the time it is released to the time it crosses home plate. Velocity is defined as the rate and direction of an object's movement, and is measured in mph (miles per hour). Due to physics, the maximum velocity of any pitch will be at the release point, so that is where the speed of the ball is measured. Speed is slightly different from velocity, as it measures the time rate an object is moving along a path, and does not include the direction of an object.

Pitch movement is measured in inches and displayed separately for both horizontal break and vertical drop. Some statistics within pitching remove gravity, but movement is one that is displayed with gravity. Movement is measured and compared to other pitchers with very similar mechanics and speed. For example, if a four seam fastball has better vertical movement compared to the average among several pitchers fastballs, it is generating more rise. The ball does not actually rise, but the backspin and velocity make the ball stay on the same plane for longer than the hitter would normally anticipate. However, if an offspeed pitch is thrown with better vertical movement compared to the average between several pitchers, it is generating more drop. For example, when two pitchers throw curveballs with 60 inches of drop each, and one is 7mph faster, the faster pitch would have a higher drop vs. average. This means that when compared to pitchers who throw the same speed, the ball moves more. This is due to gravity.

The slower the ball is thrown, the more time there is for the ball to drop. Therefore, it is common for a slower curveball to drop more than a faster curveball. Since both pitchers in this scenario have the same amount of drop, the fastest thrown pitch is better compared to the average of the two pitchers.

This research will attempt to prove that a correlation exists between spin rate and velocity or spin rate and vertical break (Gielen, 2022). Five trials of over 30 pitches per trial were conducted. Data was collected using a Rapsodo® Pitching 2.0 machine and a mobile application. Data was analyzed and the coefficient of determination was used to identify the strength of any correlations.

Hypothesis/Variables

Hypothesis: If the spin rate of a thrown baseball is increased, then the vertical movement and velocity of the ball will increase.

Variables:

Independent: Spin Rate
Dependent: Vertical Movement, Velocity
Control: Rapsodo® Machine and App, Myself

Rapsodo® Pitching 2.0

Rapsodo® uses camera and radar technology to provide real-time video and immediate data feedback for pitching analysis. High quality video and instantaneous metrics allows pitchers to interpret their skills, make a personal development plan, and quickly identify strengths and weaknesses.



Methodology

The first step was to gather data from five separate pitching trials containing over thirty pitches each. Next, a literature search was conducted. The Magnus effect and the physics of baseball were researched. The Rapsodo® Pitching 2.0 machine used during the trials recorded the spin rate, velocity, release angle, spin direction and vertical movement for each pitch.

The last step was to graph velocity compared to spin rate and vertical movement compared to spin rate. Finally, the R2 of each graph was compared to determine how each tested variable correlates to spin rate.

The Magnus Effect

The Magnus effect is described as the effect that takes place when a spinning object is moving through a gas or a liquid. The deflection that takes place is caused by the difference in pressure on opposite sides of the object in motion. In order for the effect to be at its fullest, the object must be spherical or cylindrical. The Magnus effect is greatly impacted by the speed of the rotation of the object. The Magnus effect impacts soccer, bowling and baseball.

In baseball, when the pitcher throws a ball there is a whirlpool of air around the spinning object due to its rotation. The ball then experiences a force normal(perpendicular) to the direction of motion. This is due to the high pressure and low pressure zones created on opposite sides of the ball.



There are four forces that act upon a baseball as it travels from the pitcher's hand to the catcher's glove.

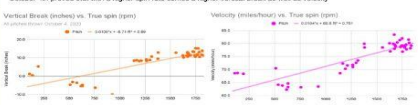
- Velocity is pointed in the direction the ball is moving.
- It is a measure of how hard the ball is thrown.
- Gravity pulls the ball in a downward direction. As the ball travels forward, it is pulled to the earth and drops due to gravity.
- The drag force resists velocity, pointing in the opposing direction to the flight of the ball.
- The last force is the Magnus force. This force correlates to the angular velocity (spin rate) of the baseball, as well as to the velocity of the ball.

Air density also plays a part in the Magnus effect due to the amount of air molecules traveling around the spinning ball.

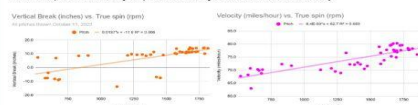
The Magnus force makes the ball move in the direction that the front of the ball is moving. For a fastball with backspin, the ball would resist gravity and "rise". For a curveball with forward spin, the Magnus effect would help gravity, resulting in the ball moving down towards the direction of the spin. The same goes for sliders with sidespin.

Results

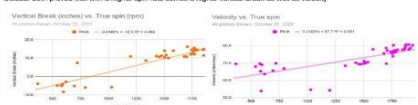
October 4th proved that with a higher spin rate comes a higher vertical break as well as velocity



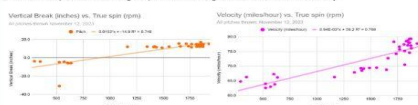
October 11th proved that with a higher spin rate comes a higher vertical break as well as velocity



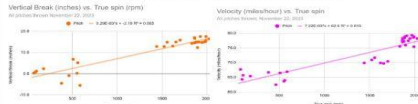
October 25th proved that with a higher spin rate comes a higher vertical break as well as velocity



November 12th proved that with a higher spin rate comes a higher vertical break as well as velocity



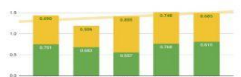
November 27th proved that with a higher spin rate comes a higher vertical break as well as velocity



Date	Velocity (mph) vs True spin (rpm)	Vertical Break (inches) vs True spin (rpm)	R2	Spin of ball
Oct 4th	$y = 0.0001x + 0.0001$	$y = 0.0001x + 0.0001$	0.815	Fastball
Oct 11th	$y = 0.0001x + 0.0001$	$y = 0.0001x + 0.0001$	0.865	Fastball
Oct 25th	$y = 0.0001x + 0.0001$	$y = 0.0001x + 0.0001$	0.815	Fastball
Nov 12th	$y = 0.0001x + 0.0001$	$y = 0.0001x + 0.0001$	0.815	Fastball
Nov 27th	$y = 0.0001x + 0.0001$	$y = 0.0001x + 0.0001$	0.815	Fastball

The coefficient of determination, R2, for each of these graphs represents the consistency of the trials. It shows how accurate the line of best fit is for each graph. As noted in the bar chart to the right, the pitches during trial 5 (Nov. 27) had a higher R2 value than trial 1 (Oct. 4th).

This shows that the end trial had a higher consistency than the besting trial.



Conclusion

The goal of this research was to find the correlation between spin rate and vertical movement as well as velocity. The purposes of this study is to help pitchers with consistency and knowledge behind the spin of the pitch.

The five dates of data showed that as more practice pitches thrown, the correlation between the variables studied became stronger. The coefficient of determination was higher on the fifth day of pitching versus the first day of pitching :

Coefficient of determination

VELOCITY (miles per hour) vs True spin (rpm)

Day One: 0.751
Day Five: 0.815

VERTICAL BREAK (inches) vs True spin (rpm)

Day One: 0.690
Day Five: 0.865

Additional results were noted. A changeup pitch with less spin has more downward vertical movement. This pitch is meant to drop, so the less Magnus Force there is working against the pitched ball the greater the drop is for certain pitchers.

The results support the hypothesis. The pitched baseball spin rate is positively correlated to both velocity and vertical break.

Pitchers can use this data in order to better understand the movement of the baseball. It shows how important spin is to being consistent and gives a correlation to that and velocity. With that in mind, pitchers can work on increasing their spin in order to increase movement and velocity.

Future Research

The Rapsodo Machine gathers many other sets of data from each pitch thrown. Other data that would be beneficial for a pitcher to understand include

- Spin Direction: the direction of the spin will impact the direction the ball moves as it travels towards home plate
- Gyro Degree: measures how much the pitcher stays behind the ball at release, relates to spin direction
- Spin Efficiency: how well the pitcher uses spin rate in relation to movement

While any of these topics could be a subject for further research, the choice that make the greatest impact on a high school pitcher would probably be velocity. Suggested next step research for velocity could include post leg impact, hip and shoulder separation, and back leg drive.

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Genetic Variant of Unknown Significance in PKD2 Gene and Its Effects

Introduction

Polycystic Kidney Disease

Polycystic kidney disease is a disorder that affects the kidneys, causing the development of many fluid-filled sacs, or cysts, to develop within the kidneys and other organs. (See Fig. 7.) This causes enlargement of the kidneys and decreased functionality. There are two forms of the disease, one presenting in adulthood, and the autosomal dominant form, known as ADPKD, with signs present at birth or early infancy. Most cases of polycystic kidney disease have an autosomal dominant pattern of inheritance.¹

Autosomal dominant polycystic kidney disease (ADPKD) is caused due to inheritance of one mutated copy of either the PKD1 or PKD2 gene (See Fig. 1). In 90% of cases the affected individual has one parent with ADPKD. While inheritance of one copy of a mutated PKD1 or PKD2 gene is enough to cause disease, a second mutation can increase severity of the disease.¹

PKD2 Gene and Polycystin-2

Mutations, including deletions, insertions, and missense in the PKD2 gene on chromosome 4 are responsible for about 15 percent of all cases of ADPKD. Most mutations are predicted to result in a nonfunctional version of the polycystin-2 protein for which the gene encodes.³ Polycystin-2 belongs to a family of transient receptor potential (TRP) channels, and functions as a Ca²⁺ permeable cation channel. It also acts as a mechanotransducer, involved in the cilia of the renal tubules, which sense the movement of fluid through the tubules.⁴ The interaction of polycystin-1 and polycystin-2 in the renal tubules are responsible for the normal development and function of the kidneys. A mutation in the PKD2 gene resulting in a nonfunctional polycystin-2 protein likely disrupts its interaction with polycystin-1, altering signaling within the primary cilia. This may result in cells lining the renal tubules to grow and divide abnormally, causing the growth of numerous cysts.⁵

Missense Variants

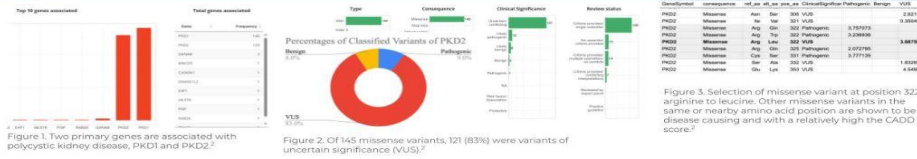
A missense variant is a genetic alteration in one nucleotide base is substituted in for the original. This change in the codon may result in the production of a different amino acid, sometimes with pathogenic effects. While some missense variants are known to be pathogenic, many are still of uncertain variance. There is still much work to be done in the determination of pathogenicity of various mutations.

Methods

In the PKD2 gene, 83% of missense variants are of uncertain significance.² (See Fig. 2.) Pathogenic, benign, and missense variant data was downloaded from Simple ClinVar and subjected to statistical analysis, with CADD score plotted against amino acid position.³ This allowed for the selection of a missense variant with a relatively high CADD score in proximity to other pathogenic variants. The selected missense variant was arginine to leucine at position 322. (See Fig. 3, Fig. 4, & Fig. 5.)

The Arg322Leu variant was then subjected to analysis through PolyPhen-2 to statistically predict the impact of this variant on the protein's function.⁵ Additional data was collected including CADD, GERP, SIFT, and RVIS scores.⁶ Multiple sequence alignment was performed to determine the conservation of the gene across multiple species with orthologs data⁷ processed and analyzed using MEGA11.⁸

Figures





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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: January 19, 2025
Re: **State/Federal Legislative Update**

State

Lame Duck Recap

What was anticipated to be a hectic lame duck session quickly devolved into partisan and internal party fighting that derailed the agenda and led to many bills not making it to the Governor's desk. This was especially true in the House where Republicans walked out of session and Democrats were not able to pass bills due to members refusing to participate. As a result, many of the bills that we were watching died at the end of the year and will have to be reintroduced again this session including the Michigan Reconnect expansion legislation. Further, due to the chaos, there was no supplemental appropriations bill nor any bill passed that would have included a capital outlay authorization.

103rd Legislature

On January 8th, the 103rd Legislature convened. As a result of the 2024 election, Republican's now control the Michigan House and have elected Rep. Matt Hall as Speaker. Speaker Hall is in the process of creating a new committee structure and making committee assignments. So far, the only public announcements have been about the Appropriations Committee, which will be chaired by Rep. Ann Bollin (R- Brighton). We are also hearing that Speaker Hall will establish new oversight subcommittees, combine the Higher Education Committee into the Education and Workforce Committee and eliminate member earmarks in the upcoming budget.

2025 Priorities

As we look to our key priorities in 2025, we continue to advocate for capital outlay planning authorization for the Integrated Student Services Hub. We will also be advocating for additional funding for the Freshwater Research and Innovation Center along with funding for investments in the Advanced Air Mobility Innovation and Remote Pilot Training Center in Yuba. We, along with the MCCA will be supporting funding for ITEMS in the State Budget along with sustaining funding for the community college guarantee. Additional priorities include:

- Reduce community college capital outlay matching requirements from 50% to 25% to match that of universities.
- Increase community college operations funding
- Extend Michigan Reconnect to adults ages 21-24
- Strengthen dual enrollment opportunities
- Support the continuation and adoption of student success efforts

Federal

119th Congress

With a new Congress, there are both new members and committee assignments. This includes Senator Slotkin who was named to the Homeland Security Committee, Armed Services Committee, Veterans Affairs Committee and Agriculture Committee. She has also named her Regional Manager, Tom Bratton who will be based in Traverse City.

Tim Walberg (R-MI-5) was also elected to serve as the House Education and Workforce Committee Chair. While it remains to be seen what Chair Walberg's agenda will be for the Committee, we are optimistic that he will bring up subjects such as short-term Pell and workforce training. On the Democratic side, Representative Bobby Scott (VA) was selected as the Ranking Member for the minority, his sixth stint as democratic leader of the committee.

FY25 Government Funding

Last month, Congress passed a short-term continuing resolution (CR) that funds the federal government at existing levels through March 14, 2025. At that time, Congress will have to either pass another CR or a full year appropriations bill.

Department of Education

With President-elect Trump vowing to “get rid” of the Education Department, it is most likely that reforms and/or restructuring will come out of the so-called Department of Government Efficiency (DOGE). While no specifics have been released yet, the general perspective held by both Elon Musk and Vivek Ramaswamy who are spearheading the DOGE efforts, is that education should be funded by state and local governments.

Divisions on Reconciliation

Even with Republican majorities in both the House and Senate, the recently sworn in 119th Congress is facing disagreement in how to best fund their and President-elect Trump's priorities. It is clear that the Republicans in both chambers will pursue reconciliation, a filibuster-proof funding mechanism; yet, House Speaker Mike Johnson (LA-04) is in favor of passing one funding package that includes Trump's border, energy, and tax priorities. Meanwhile, Senate Majority Leader John Thune (SD) prefers a two-bill outcome where tax priorities are in a separate package. Meanwhile, President-elect Trump had initially given favor for a one-bill strategy but has now said he is open to a two-bill plan. We will be watching to see if the proposed package includes any increase in the endowment tax, which we have heard may be a consideration to off-set other tax cuts.



Northwestern
Michigan
College

MEMO
Office of the President

To: NMC Board of Trustees
From: Nick Nissley, President
Subject: January Mid-Month Update
Date: Wednesday, January 15, 2025

Dear Board of Trustees,

Since our December Board meeting the following are key updates.

January NMC Employee Conference

One of three annual employee conferences, last week's January Conference kicked off the spring semester. This year's conference included updates on 'Where We're At' and 'What Lies Ahead' (i.e., our 'Five-Year Focus'). The Advancement and Community Engagement (ACE) Division, led by Vice President Dino Hernandez, was a large focus of the program.

New Employee Orientation

January 10 was our New Employee Orientation Day. Our two new College trustees, Pam Horne and Mark Keely, along with two new Foundation Board members, Jeff Caviston and Mike Lipp, chose to attend/participate in the orientation to help deepen their understanding of the College. A special thanks to our HR Team for the thoughtfully designed and expertly executed New Employee Orientation Day. This is one of the most important things we do - helping to shape our culture, and position our new employees to be fully engaged in the College's mission. The HR team and all of the day's presenters clearly help our new employees understand the importance of our values-grounded and results-driven culture. Best of all, the HR Team brings in the voices of so many folks from around the College - passionate voices that excite and inspire these new employees.

75th Anniversary Steering Committee Kickoff

Last Thursday, the 75th Anniversary Steering Committee convened for the first time. With 19 people in attendance, it was an energized meeting to review the committee charge and begin brainstorming how we will celebrate our past and build excitement for the future. The committee, led by CAO Dino Hernandez, will plan and execute events in 2026 to raise

awareness of our history and community contributions, build upon the sense of ownership as *the community's college*, recognize those that have shaped NMC into what it is today, celebrate our achievements, and connect with supporters.

Aviation Expansion Project

Construction Update: Construction and renovation work remains on schedule. Demolition of the exterior classroom and office wing is complete. During the week of 1/6/25, excavation and foundation work began for the expansion area. The pre-engineered metal building steel delivery will arrive in phases starting the week of 1/13/25.

Fleet Update: In December 2024, upon receiving Board's authorization, administration entered into an agreement to purchase two (2) new C-172 Skyhawks for delivery no later than Q1 2028. Due to Textron's significant manufacturing backlog, administration will be requesting authorization to procure the remaining Skyhawks in our expansion plan (up to 4) via the used market through a broker(s). Further, we will be requesting authorization to purchase a 2nd new twin engine Piper Seminole for delivery in mid-2026. NMC ordered the first Piper Seminole in May 2024 for delivery this Spring 2025. The new Piper Seminoles will replace our aging Piper Aztecs that have become inefficient, disruptive, and costly to maintain and repair. The Aztecs will be sold, with proceeds used to support the program.

The Freshwater Research and Innovation Center

The first board of directors meeting is planned for February 5. This meeting will consist of officially launching the new nonprofit focused on the Freshwater Research and Innovation Center. In tandem with this meeting, the tax exempt status recognition work continues. Tenant attraction and closing the funding gap continue to be the top priorities for NMC and DCP. The "BlueTech Challenge" timeline is under development with the funding from NOAA/The Great Lakes Resilience Accelerator. Tentative planning shows a March launch with a finale in October.

Great Lakes Maritime Academy

The National Defense Authorization Act (NDAA) was signed by President Biden last month. Included in the bill is specific language authorizing state maritime academies to offer a less than three-year program, for veterans who hold a bachelor's degree (current law requires a state maritime academy program to be not less than three years). This will afford GLMA to begin development of a 2.5 year long engine officer program for veterans. It's forecasted to have a positive \$300,000 net budget impact (through enrollment growth into the new program).

Grant Activity

NMC has been informed by the State's Sixty by 30 Office that our grant application for a MILEAP Office of Sixty by 30 Reconnect Community Action Grant has received conditional approval (for the amount of \$1,190,418). This will be formally announced after the State finalizes the award. This grant application was led by Laura Matchett who has developed the NoMI Attainment Collaborative, a super-partner infrastructure (including: Networks Northwest, Northwest Michigan Works, many business partners and education institutions) designed to

make real and significant improvements in support of the State's *Sixty by 30* goal, boosting skill certificate and college attainment throughout the State's Prosperity Region 2.

Innovating Foundation Support of the College

Based on our initial proven success, a foundation has agreed to renew their support/funding of the College's Surveying and Geospatial Technologies Industry Recruiter position. This position plays a significant role in our projected enrollment growth in the geospatial programs over the next few years. The foundation's \$300,000+ support (for the next three years) is significant, and a unique model for supporting College enrollment growth through industry partnerships.

Hosting the Coast Guard's Air Station Traverse City Commander Ryan Hawn

On January 13, NMC hosted the Coast Guard's Air Station Traverse City Commander Ryan Hawn for a campus tour and conversation about partnering possibilities. NMC's VP Strategic Initiatives Jason Slade built on previous program-specific conversations/explorations to further develop the partnership and possibilities.

Foundation Highlights

As of December 31, 2025, the Foundation has raised \$2.2 million of its \$2.4 million goal for the fiscal year, putting us at 91% of goal just 50% of the way through the year. This includes cash, pledges, and new planned gifts to any fund at NMC.

Since the last report to the Board of Trustees, the NMC Foundation secured more than \$230,000 for *Next Level: The Campaign for NMC Aviation*. This brings the Foundation fundraising total to \$621,378 of its \$1 million goal. \$150,000 of the recent \$230,000 in gifts came from the new Office of Grants, headed by the new Director of Corporate and Foundation Relations.

Application review and interviews are scheduled for both the Director of Annual Giving & Special Events and Major Gift Officer. The Manager of Alumni Relations position is posted and accepting applications.

The Request for Proposals (RFP) was launched for a Comprehensive Campaign Feasibility Study on January 6, 2025. Campaign consulting firms are asked to bid for services for a planned \$50M - \$75M NMCF Campaign goal with potential \$100M stretch goal before the deadline of February 7, 2025.

Brand Assessment and Strategy Development

PRMC completed the college's most comprehensive brand assessment and strategy development project in December. We are now in the process of trademark protection with legal counsel. The team is beginning implementation planning for short, medium and long term aspects of the work including incorporation into the next strategic plan. First steps will include confirming updated brand architecture with college leadership, then developing cross campus brand ambassador committees to ensure the college fully embraces and lives into the refreshed NMC brand identity. The year-long, research driven initiative was funded by a Lumina Foundation grant.

Key Legislative Updates

- **Reconnect Age Expansion.** Unfortunately, SB 406 & 407 did not get passed in the final lame duck session of the Michigan Senate. These would have lowered the Reconnect eligibility age to 21 through September 30, 2032.
- **Publicly Funded Health Insurance Contribution Act.** House Bill 6058/PA 152 will amend the Publicly Funded Health Insurance Contribution Act to increase the amount that public employers may pay toward employees' medical benefit plans. This legislation has not been sent to the Governor, yet. But, it's anticipated that she will sign it. The rationale for the legislation is that, public employees typically accept a lower salary in comparison to the private sector in exchange for better benefits. However, the cost of health care premiums has far outpaced the act's hard cap provisions, even when adjusted for inflation, and public employees are spending a large portion of their salary on health care as a result. Reportedly, when public sector wages and benefits cannot keep up with these costs, employees will leave their jobs to join the private sector. Supporters of House Bill 6058 argued that reform to the Publicly Funded Health Insurance Contribution Act is necessary to better support public employers and to address staffing shortages. Gallagher, the College's benefits advisor will be advising us and helping us to navigate this. The bottom line is that the legislation will increase NMC's health benefits costs immediately, and long term. Our initial estimates are that it will be an order of magnitude of \$250,000 per year. Additionally, the legislation now subjects health benefit costs to negotiation, thus impacting our contracts with the MEA and SEIU.
- **MCCA Legislative Priorities for 2025.** The following are the seven legislative priorities approved at last week's MCCA Board of Directors meeting:
 1. Invest in infrastructure, technology, equipment, maintenance, safety & housing (ITEMS)
 2. Sustain the Community College Guarantee
 3. Support the continuation and adoption of student success efforts
 4. Strengthen dual enrollment opportunities and improve access
 5. Adopt a uniform capital outlay match for community colleges and universities
 6. Contribute to community college operations to drive Michigan's economic growth
 7. Extend Michigan Reconnect to adults ages 21 to 24

Points of Pride

While there's always many things to be proud about, given accomplishments on campus, the following are highlights:

- **Fred Goldenberg's Record Eagle article, last week, spoke very favorably about the Great Lakes Culinary Institute.** He extended an invitation to Record Eagle readers to - *join me for dinner at NMC!* It speaks to the power of our partnerships with community businesses - e.g., the Boathouse. We are deeply grateful for Doug and Erin Kosch for the amazing partnership and generous support of making this annual fundraiser happen - literally enabling the life-changing travel/learning opportunity for our GLCI students. They also afford an opportunity for our students to gain experience working in the

Boathouse kitchen. And, for our community to experience both - GLCI and the Boathouse - in the same night! Goldenberg's point: Traverse City's culinary scene thrives with difficult-to-secure reservations at renowned spots like Lobdell's and The Boathouse, highlighting the culinary journey from education to excellence and community support through scholarships for our culinary students. See:

https://www.record-eagle.com/news/the_biz/fred-goldenberg-join-me-for-dinner-at-nmc/article_47db7b72-cd30-11ef-a961-97d1cda99aaf.html

- **The Traverse City Business News's "What to Watch 2025" edition called out the Freshwater Research and Innovation Center.** Also, NMC's on-campus support of Vernon LaLone's Wave Lumina startup was mentioned. See: <https://www.traverseticker.com/news/what-to-watch-around-northern-michigan-in-2025/>
- **Biology instructor, Dr. Nick Roster's work with students doing microplastics field sampling/research in the Boardman River Watershed continues to gain positive attention.** I believe it's an extraordinary story. Fueled by the passion of instructor, Nick Roster, the support of Willard Kitchen and the College's Office of Possibilities (to turn entrepreneurial mindedness into innovative action), and some great video storytelling by the College's video expert, Chris Hanna. The result, as you've already heard, is a one-of-a-kind student learning experience, a hands-on, community college-based student research experience - that's training students to 'do science' and make a difference in our northern Michigan communities. I believe that's not just an extraordinary story, that's the kind of extraordinary learning that transforms our students' lives and enriches our communities. That's our Northwestern Michigan College mission in action! See: <https://m.youtube.com/watch?v=Jlg4uDiDEyA>.

Additionally, Nick and his colleague, instructor Nicole Speelman, are developing a dual-enrolled independent research opportunity for high school students to experience scientific research (and, contribute to growth of the College's dual enrolled students). Both the microplastics field sampling and research opportunity will be featured at the regular Board meeting on January 27, 2025.

- **NMC's Chief Advancement Officer gathered College supporters and previous supporters of the Scholarship Open on January 14th to formally announce that the Foundation was 'bringing back the Scholarship Open'.** The summer 2025 date has already been scheduled for August 6th at the Grand Traverse Resort. Special thanks to Dino and the Foundation Team for listening to the wider community and the strong desire to continue supporting the NMC Golf Outing, and taking action to make it happen!

Trends in Higher Education Articles

As promised, I'm sharing relevant articles (that I and President's Council have been reading) that speak to trends, risks, challenges, and opportunities in community colleges, to help keep us informed and to invite conversation about how NMC is addressing such issues. This month, I'm sharing:

- [“How will Trump impact higher ed? Report urges focus on civic engagement”](#) – *University Business*
- “How colleges can be more entrepreneurial” – *Community College Journal* (attached)

Upcoming Dates of Note

- **January 18, 2025**–NMC Campus Life Ice Skating (7-10pm at Howe Ice Arena, open to all students and employees)
- **January 27, 2025**–Regular Monthly Meeting (TJNIC)
- **January 31, 2025**–Traverse Connect Policy Conference & Annual Gala (Grand Traverse Resort)
- **February 6-7, 2025**–Board Retreat (Lakemore)
- **February 22, 2024**–GLMA Alumni Association Celebration (Great Wolf Lodge)
- **February 24, 2025**–Regular Monthly Meeting (TJNIC)

Northwestern Michigan College
Board of Trustees
Audit Committee Minutes
December 19, 2024
President's Office Conference Room
Tanis Building
1701 E. Front Street, Traverse City, MI 49686

Committee Chair Kennard Weaver called the meeting to order at 11:00 a.m.

Members Present: Kennard Weaver, Bill Marsh

Members Remote: Andy Robitshek

Others Present: Nick Nissley, Lynne Moritz, Troy Kierczynski, Lindsey Lipke, Katie Thornton (via Zoom until 11:18), Alyssa Lawrence (via Zoom until 11:18)

Single Audit–Katie Thornton provided an update on the single audit on student financial assistance and other federal awards. A manual adjustment was made to remove unallowable costs for adjunct faculty compensation that was incorrectly attributed to the ADN to BSN Completion Grant. The opinion for this program will need to be restated as a qualified opinion. Vice President Kierczynski explained that nursing instructor wages were mistakenly allocated to grant funding and shared the details related to grant specifications of which instructor wages could be paid by grant funding. A corrective action plan, developed by the Business Office, includes steps to have additional review of line items at a particular threshold for federal grant funding. The State of Michigan is aware of the finding and Thornton explained the impact of the restated qualified opinion, noting that the corrective action plan will be audited. Plante Moran is finalizing the single audit report and recommends the committee share out to the full Board of Trustees.

Committee Chair Weaver requested future audit cycles include a meeting time between auditors and the trustees, without college staff present, to discuss evaluation of internal controls. There was further discussion regarding inclusion of evaluating internal controls in the next request for proposals (RFP) for an auditing firm. Thornton explained that while a formal opinion is not stated, auditors do need to gain understanding to develop the risk assessment and perform the audit. It was determined that a review and evaluation on internal controls will be included in the scope of the next RFP. Chair Weaver shared a list of “The 6 steps to evaluate your internal control system” to define what trustees are requesting to occur in the next audit cycle. Chair Weaver also emphasized a resource shared with the committee regarding the role of an Audit Committee in higher education.

Request for Proposals–Vice President of Finance and Administration Troy Kierczynski reminded the committee that the current contract with Plante Moran has concluded. A request for proposals (RFP) and scoring matrix has been developed for the next engagement term. Chair Weaver recommended sending the RFP to a broader list of potential audit firms and

reemphasized the request to evaluate the internal control system. The RFP also includes a statement seeking full transparency on pricing including potential ancillary fees.

Public Input—There was no public comment offered.

Other Discussion—The RFP will be distributed January 6, 2025, with bids due January 27, 2025. A recommendation will be brought forth by the committee in February, for their review and recommendation onto the full Board at their regular meeting on February 24, 2025.

The meeting was adjourned at 11:32 a.m.

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



Northwestern
Michigan
College

MEMO
Office of the
President

To: NMC Board of Trustees
From: Nick Nissley, President
President's Council
Subject: January 2025 Executive Summary

Financial Report—Troy Kierczynski, Vice President of Finance and Administration

- The Business Office was unable to produce our customary monthly financial comparison report, year-over-year comparison report, and the related memo due to a transition of our reporting software from Banner to Argos. We anticipate sharing January comparative reports at the February Board meeting.
- Early FY25 projections anticipate an operating surplus of approximately \$2 million. The surplus is driven largely by the following:
 - **PA127 of 2024:** NMC received an unexpected payment of \$835,000 from the Office of Retirement Services due to the reduction of the MPSERS UAAL cap from 20.96% to 15.21% that took effect 10/1/24. This payment is legislatively intended to support student mental health, school safety, the educator workforce, and academic intervention.
 - Higher than anticipated enrollment and flight fees
 - Favorable interest rate environment
- Included in this board packet are two separate requests that, together, will allow administration to secure all remaining aircraft needed to support Aviation's strategic growth plan:
 - A new Piper Seminole (#2), a multi-engine trainer to be delivered in 2026. Our first new Piper Seminole will be delivered this Spring.
 - A blanket authorization of \$2,500,000 to acquire up to (4) additional Cessna C172 Skyhawks from the used market over the next 3 years

Enrollment Report—Todd Neibauer, Vice President for Student Services and Technologies

- Contact hours are up 8.3% over last spring.
- There is an overall increase in headcount of 192 students over this time last year.

PRMC—Diana Fairbanks, Associate Vice President of Public Relations, Marketing, and Communications

Paid Media - ↑

- Applications: 159
- Accounts: 164
- The digital version of the new community report has had 1,898 views and 44 downloads. We will continue to share the content across all media.
- The brand assessment and strategy development work has been completed with trademark protection filed. We are now working on implementation planning which includes a phased approach and incorporation into the new strategic plan.

Strategic Plan (NMC Next) –Jason Slade, Vice President for Strategic Initiatives

- Strategy 5- Institutional Distinction and Sustainability: Leverage distinctive programs that strengthen institutional sustainability and expand global connections for our learners and communities will be reviewed this month. This strategy is robust and is often referred to as a “plan within a plan”. The objectives related to the expansion of aviation, The Dennis Museum Center’s financial stewardship initiative, and the International Affairs Forum’s financial performance are on track. The objectives related to the reimagining of the Great Lakes Culinary Institute, WNMC’s sustainability plan, and the development of a maritime culinary certification program are completed and being monitored to ensure continued effectiveness. The Great Lakes Water Studies Institute and Dennis Museum are now part of the college’s Program Enhancement and Sustainability Review (PESR) process. PESR is providing a deep dive into the operations of both areas and will provide recommendations for the upcoming fiscal years, providing additional accountability once this strategic plan sunsets.

**NORTHWESTERN MICHIGAN COLLEGE
BOARD OF TRUSTEES
MINUTES
Monday, December 16, 2024
TJNIC 106/107**

CALL TO ORDER—Chair Laura J. Oblinger called the regular meeting to order at 5:30 p.m.

ROLL CALL

Trustees present: Laura J. Oblinger, Bill F. Marsh, Kennard R. Weaver, Chris M. Bott, Douglas S. Bishop, Kenneth E. Warner, Andrew K. Robitshek

Trustees absent: None

Also present: President Nick Nissley, Lynne Moritz, Diana Fairbanks, Troy Kierczynski, Lindsey Lipke, Kyle Morrison, Todd Neibauer, Stephen Siciliano, Jason Slade, Becca Richardson, Kathryn DePauw, Pam Horne, Jim Peress, Marcus Bennett, Hollie DeWalt, Jim Bensley, Shirl Martin, Laura Matchett, Robert Atkins, Shannah Vergote, Danielle Quinlan, Molly Norville, Dino Hernandez, Elizabeth Sonnabend

REVIEW OF AGENDA—The agenda was accepted as presented.

STRATEGIC FOCUS—Jason Slade, Vice President of Strategic Initiatives, presented on Community Partnerships and Engagement. President Nissley highlighted that \$2.6 million dollars of fundraising since 2020 is attributed to EES students and 12% of academic students started in College for Kids.

REPORTS AND PRESENTATIONS

Extended Education Annual Report—Laura Stevens Matchett, Director of Extended Education, reviewed the Extend Education Services (EES) Annual Report, highlighting that EES has three components: Life Enrichment, College for Kids, and Work & Career. Over \$75,000 in revenue has been passed on to academic areas when for-credit courses are open to community members for life enrichment. Stevens Matchett explained the transition to a tier 3 business plan for EES tuition. Campus Day will return on May 9, 2025.

Program Focus: Workforce Development—Elizabeth Sonnabend, Extended Educational Services Program Coordinator, presented on Work & Career training services offered through EES. Shirl Martin, student in business development, now works for Networks Northwest, Highlighting a community partner, Sonnabend introduced Robert Atkins, Senior Occupational Safety Consultant for the northern lower peninsula. Atkins applauded an increase in attendance since moving MIOSHA training from Cadillac to Traverse City.

Faculty Report: Passages Refugee Simulation Game—Jim Bensley, Director of International Services & Service Learning, explained the United Nations refugee simulation which coincided with two of the IAF speakers on the topic of global migration and the southern U.S. border. The simulation was held in the fall with thirty students going through various refugee scenarios.

PUBLIC INPUT—There was no public input offered.

UPDATES

President's Update—President Nick Nissley highlighted Jason Slade and the work being done related to the Freshwater Research and Innovation Center and Aquahacking. The new GLMA tug boat *Robinson Bay* is now in dry dock in Cleveland before it will be delivered to Traverse City in the spring of 2025. National Defense Authorization Act. This past month, the Foundation's Finance and Audit Committee recommended increasing the Foundation's endowment spending/contribution to NMC from 4.25% to 4.50%, resulting in an annual increase to NMC of \$60,000. The unanimous vote continues to signal the Foundation's strong support for the College's needs.

Board Chair Update—Chair Laura Oblinger reflected on the past year and her second year as chair, recognizing contributions of each trustee and the executive staff.

CONSENT ITEMS—On a motion by Kennard Weaver, seconded by Ken Warner, the following items were approved by a unanimous vote as a group without discussion:

- Minutes of the November 25, 2024, regular meeting and closed session
- Enrollment Report
- PRMC
- Foundation Report
- Building and Site Committee minutes of December 10, 2024
- Policy Committee minutes of December 10, 2024

ACTION ITEMS

Resolutions of Appreciation—On a motion by Chris Bott, seconded by Ken Warner, the Board adopted resolutions of appreciation for Douglas S. Bishop and Bill F. Marsh in recognition of their dedicated services and significant contributions to Northwestern Michigan College. The motion passed unanimously.

New Jobs Training Act—Kennard Weaver made a motion, seconded by Doug Bishop, to authorize administration to enter into amended agreements under the Michigan New Jobs Training Program (MNJTP) for Cherry Republic and Strata Design. The motion passed unanimously.

Board Policy A-106.00 Trustee Vacancy—Chris Bott made a motion, seconded by Bill Marsh, recommending adoption of Board Policy A-109.00 Trustee Vacancy on a first reading basis. The motion passed unanimously.

Board Policy A-103.00 Committees—On a motion by Bill Marsh, seconded by Chris Bott, recommending adoption of Policy A-103.00 Committees on a second reading basis. The motion passed unanimously.

Tribal Council 2% Funds Application—Kennard Weaver made a motion, seconded by Doug Bishop, to authorize administration to submit an application for the 2% grant from the Grand

Traverse Band of Ottawa and Chippewa Indians video gaming revenue as presented. The motion passed unanimously.

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.

- **Financial analysis data to be included with program reviews**
- **Confirmation whether MPSERS liability can be decreased and spending requirements with MPSERS contribution savings**

ADJOURNMENT—The meeting adjourned at 6:50 p.m.

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

SIGNED _____
Laura J. Oblinger, Chair

ATTESTED _____
Chris M. Bott, Secretary



Northwestern
Michigan
College

MEMO Enrollment Services

To: Dr. Nick Nissley, President
 From: Todd Neibauer, VP for Student Services and Technologies
 Date: January 20, 2025
 Subject: Spring 2025 Enrollment Update

Spring 2025

Currently, contact hours are up 8.3%. Contributing factors include a 7.5% increase in admits registered and a 2.5 percentage point increase in the rate of retained students. There is an overall increase in headcount of 192 students over this time last year.

The full spring report will be submitted for the February 2025 board meeting.

	Spring 2022	Spring 2023	Spring 2024	Spring 2025	△
Inquiries	1,839	1,430	1,665	1,805	8.4%
Applicants	1,443	1,411	1,628	1,777	9.2%
% Applied	78.5%	98.7%	97.8%	98.4%	0.7%
Admits	1,170	1,062	1,175	1,340	14.0%
% Admitted	81.1%	75.3%	72.2%	75.4%	3.2%
Admits Registered	785	691	798	858	7.5%
% Admits Registered	67.1%	65.1%	67.9%	64.0%	-3.9%
Prior Admits Registered	8	0	1	0	-100.0%
Retained Students	2,174	2,082	2,045	2,196	7.4%
% Retained	65.9%	67.2%	65.0%	67.5%	2.5%
Return Students	144	117	117	98	-16.2%
Average Contact Hours	10.69	10.38	10.42	10.59	1.6%
Total Headcount	3,111	2,888	2,960	3,152	6.5%
Total Contact Hours	33,247	29,974	30,832	33,389	8.3%
Tuition	6,741,669	6,080,844	6,673,748	7,146,766	7.1%

(Resources: Digital Dashboard – Same Date Comparison SP2022-2025)



**Northwestern Michigan College
Income Statement Projections - General Fund
For the Year Ended June 30, 2025
As of 1/16/2025**

INTERIM
This statement does not reflect
year-end results.

	FY24 Actual	FY 25 Budget	YTD 1/16/2025	FY 25 Projected	Difference vs. Budget	Comments
Revenue						
Local Sources:						
Tuition & Fees	\$ 23,655,079	\$ 23,905,070	\$ 13,947,547	\$ 24,811,426	906,356	Enrollment was higher than expected in both Fall / Spring. Also, aviation flight fees are trending higher than budgeted.
Property Taxes	13,771,898	14,933,023	7,898,771	14,933,023	-	In line with budget
Total Local Sources	37,426,977	38,838,093	21,846,318	39,744,449	906,356	
State Sources						
State Property Tax Reimbursement	14,282,807	11,005,934	5,158,296	12,734,496	1,728,562	Currently trending slightly above budget due to one time payment from the State and one time payment from MPERS which will be offset by MPERS expenses
Federal Sources	207,430	150,000	71,206	142,413	(7,587)	In line with budget
Private Sources	9,200	-	-	-	-	GLMA direct funding is now recognized in restricted funds instead of the general fund
Dividend and Interest Income	1,347,572	1,346,370	287,486	1,346,370	-	In line with budget
Unrealized Gain (Loss) on Investments	1,132,582	450,000	444,400	900,000	450,000	The College continues to take advantage of a favorable interest rate environment
Other Sources	414,160	-	-	-	-	Not projected due to volatility of unreal. losses; see quarterly investments memo (Jan/Apr/Jul/Oct)
Total Revenue	55,436,108	52,407,397	28,109,748	55,515,655	3,108,258	
Expenses						
Salaries and Wages	24,235,147	24,638,366	11,795,985	24,415,241	(223,125)	Trending below budget; partially due to openings in higher level positions for a large portion of the fiscal year
Benefits	13,360,946	10,588,846	5,552,195	11,272,203	683,357	Trending above budget primarily due to increasing health benefit costs and MPERS expenses
Purchased Services	4,111,289	4,281,886	2,586,521	4,518,528	236,642	Trending above budget due to impacts of EduStaff transition and other purchased services
Supplies & Materials	3,163,600	3,384,460	1,582,117	3,549,775	165,315	Trending above budget for international trip expenses and fuel expenses
Internal Services	144,823	143,940	71,859	135,604	(8,336)	In line with budget
Other Expenses	1,437,647	1,634,903	739,366	1,807,099	172,196	Trending above budget for student assistance expenses (offset by Foundation gifts), recruiting expenses, and Native tuition waivers
Institutional Expenses	1,925,883	1,954,864	1,018,658	2,054,022	99,158	Budgeted for increases in utilities; electric, water, and sewer expenses are currently each trending slightly above budget
Maintenance & Renovation	1,834,669	2,317,272	1,179,107	2,402,722	85,450	Maintenance of equipment and maintenance of grounds trending above budget; partially due to outsourced services in FY25 for ground services; offset by below budget trends for maintenance of software expenses
Professional Development	674,403	662,860	310,032	721,483	58,623	Increased activity in PD events and travel
Capital Outlay	437,258	150,000	108,559	150,000	-	In line with budget
Total Expenses	51,325,665	49,757,397	24,944,399	51,026,679	1,269,282	
Transfers Out (In)						
Plant Fund - General Maintenance	2,770,000	1,400,000	-	1,400,000	-	Budgeted transfer for maintenance of capital
Plant Fund - Technology Maintenance	500,000	600,000	-	600,000	-	Budgeted transfer for maintenance of technology
Plant Fund - Facility Fee for Maintenance	-	-	-	-	-	Budgeted transfer for facility fee for maintenance
Plant Fund - Aviation Capital Fund	542,285	600,000	289,378	578,756	(21,244)	Budgeted transfer for Aviation equipment fund; based on revenue, calculated using tach hours
Plant Fund - Aviation Debt Services	-	250,000	-	250,000	-	
Plant Fund - New Capital Projects	-	500,000	-	1,250,000	750,000	Transfer current year surplus towards new projects
Bd Designated - Strategic Projects	275,000	350,000	-	350,000	-	Budgeted transfer for strategic projects, plus \$150k in additional surplus
Bd Designated - Funds for Transformation	50,000	50,000	-	50,000	-	Budgeted transfer for funds for transformation
Restricted Fund - GLMA Direct Support	(896,078)	(1,100,000)	-	(1,100,000)	-	Transfer MARAD restricted funds to the general fund to support academy operations
Restricted Fund - GLMA Heritage Act	-	-	-	-	-	One-Time transfer of Heritage Act fund balance to restricted fund
Program Specific	(161,815)	-	(150,239)	(200,000)	(200,000)	
Total Transfers	3,079,392	2,650,000	139,139	3,178,756	528,756	
Total Expenses & Transfers	54,405,057	52,407,397	25,083,538	54,205,435	1,798,038	
Net Revenue Over (Under) Expenses	\$ 1,031,051	\$ -	\$ 3,026,210	\$ 1,310,220	\$ 1,310,220	



Northwestern
Michigan
College

MEMO
Administrative Services

To: Troy Kierczynski, VP Finance and Administration
From: Lindsey Lipke, Controller
Date: January 20, 2025
Subject: Realized and Unrealized Investment Gains & Losses for the Quarter Ended December 31, 2024

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 2023	June 30 2024	31-Dec 2024
Realized gains (losses)	\$ -	\$ -	\$ -
Unrealized gains (losses)	(501,288)	411,665	346,002
Dividends and interest	543,467	1,149,323	444,405
Investment income, net	42,179	1,560,988	790,407

The College had no realized gains in fiscal years 2023, 2024, or 2025 (year to date) related to investments.

The unrealized losses in fiscal year 2023 represents a rebound in bond market rates after bottoming out in June 2020. In fiscal years 2024 and 2025 (year to date), we began recognizing unrealized gains again.

In March 2020, the Fed enacted emergency rate cuts, slashing the federal funds rate to near zero in response to the economic impact of the Coronavirus pandemic. In response to inflation concerns, the Fed began rate increases in March 2022. In fall 2024, the Fed began a rate cutting cycle with a 52% chance of further cuts in late spring 2025.

An increase in dividends and interest beginning in 2024 are partially due to more favorable market conditions and partially due to the College’s short-term investment strategy which is taking advantage of prevailing rates in liquid money market and commercial paper. While not as high as 2024, the College is continuing to see favorable conditions.

Northwestern Michigan College
Investments Held
December 31, 2024

Financial Institution	CUSIP	Security Issuer	Abbr.	Security Type	Maturity	Coupon or Interest Rate	Interest Frequency	Cost	NMC Notes
Huntington Bank	313OB1P43	Federal Home Loan BKS	FHLB	U.S. Agency Bond	6/27/2034	5.860%	Semi-Annual	\$ 1,500,000	callable 6/27/25
Huntington Bank	3133EP4Z5	Federal Farm CR BKS	FFCB	U.S. Agency Bond	3/12/2029	5.340%	Semi-Annual	\$ 2,750,000	callable 3/12/25
Huntington Bank	3134GWNX0	Federal Home Loan Mortgage Corporation	FHLM	U.S. Agency Bond	8/27/2030	1.100%	Semi-Annual	\$ 3,900,000	callable on 11/27/24
Huntington Bank	3135GA3L3	Federal National Mortgage Association	FNMA	U.S. Agency Bond	11/23/2029	1.070%	Semi-Annual	\$ 5,000,000	callable on 11/23/24
Huntington Bank	3136G4N33	Federal National Mortgage Association	FNMA	U.S. Agency Bond	8/27/2025	0.500%	Semi-Annual	\$ 5,000,000	callable on 11/27/24
Huntington Bank	3136G45G4	Federal National Mortgage Association	FNMA	U.S. Agency Bond	10/27/2028	0.750%	Semi-Annual	\$ 5,000,000	callable on 10/27/24
Huntington Bank	53943FP41	Lloyds Bank PLC Disc Commercial Paper		Commercial Paper	2/4/2024	4.630%	Maturity	\$ 875,000	matures 2/4/2025
Huntington Bank	57787LN73	MayBank Singapore Ltd Disc Commercial Paper		Commercial Paper	1/7/2025	5.050%	Maturity	\$ 800,000	matures 1/7/2025
Huntington Bank	O6945LSF6	Barton Cap Disc Commercial Paper		Commercial Paper	5/15/2025	4.500%	Maturity	\$ 1,335,000	matures 5/15/2025
Huntington Bank	12710GQE3	Cabot Trail FDG LLC Disc Commercial Paper		Commercial Paper	3/14/2025	4.820%	Maturity	\$ 1,300,000	matures 3/14/2025
Huntington Bank	6117P4RE2	Mont Blanc Cap Corp Disc Commercial Paper		Commercial Paper	4/14/2025	4.480%	Maturity	\$ 1,375,000	matures 4/14/2025
Total Investments Held								\$ 28,835,000	

Northwestern Michigan College
Statement of Net Position
General Fund
December 31, 2024



	As of December 31,		
Assets	2024	2023	2022
Current assets			
Cash and cash equivalents	\$ 12,871,403	\$ 7,988,824	\$ 10,212,278 A
Accounts receivable, net	10,860,147	10,335,491	9,638,158 B
Prepaid expenses and other current assets	2,858,067	2,242,163	1,803,852
Total current assets	26,589,617	20,566,478	21,654,288
Noncurrent assets			
Long-term investments	21,186,969	25,865,650	24,608,898 A
Due to other funds	(19,743,703)	(23,273,133)	(25,286,177)
Total noncurrent assets	1,443,265	2,592,517	(677,279)
Total assets	\$ 28,032,883	\$ 23,158,995	\$ 20,977,009
Liabilities			
Current liabilities			
Accounts payable	\$ 281,061	\$ 103,277	\$ 214,113 C
Accrued payroll	2,570,910	2,027,130	2,035,158
Unearned revenue	9,020,296	8,535,219	7,447,812
Total current liabilities	11,872,267	10,665,626	9,697,083
Noncurrent liabilities			
Voluntary separation plan	\$ 120,356	\$ 20,800	\$ 52,000
Total noncurrent liabilities	120,356	20,800	52,000
Total liabilities	\$ 11,992,623	\$ 10,686,426	\$ 9,749,083
Net position			
Net position, beginning of year	\$ 11,591,780	\$ 10,504,396	\$ 10,327,835
Change in net position	4,448,480	1,968,173	900,091
Total net position	16,040,260	12,472,569	11,227,926
Total liabilities and net position	\$ 28,032,883	\$ 23,158,995	\$ 20,977,009

Notes:

- A** - Cash and investments balances fluctuate due to timing of investment purchases, sales, and payroll.
B - Accounts Receivable impacted by timing of recognition of quarterly Foundation support
C - Accounts Payable balances fluctuate due to timing of accounts payable processes



MEMO

*Public Relations, Marketing,
and Communications*

To: Nick Nissley, President

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

Date: 1-17-25

Subject: December 2024 Monthly Report

December is a slower month on campus with the holiday season and end of the semester. Media activity is also slower, but we still saw good results especially in paid media. Our digital campaigns were up MOM and YOY with the highest number of applications received in December since launching these campaigns. This is likely due to a decrease in digital traffic volume post-election season. Earned media performance was good including stories on a donation to aviation, the new GLMA tugboat and GLCI alumni. NMC Now featured [scientific research for dual enrolled students](#) and [Michigan Reconnect](#). In addition to the printed community report mailed in November to all Grand Traverse County taxpayers and key NMC stakeholders, the digital version has also gotten a lot of traffic including the links for more information on the articles included. Shared media was up MOM and YOY. December's highest performing posts highlighted snow day activities. The brand assessment and strategy development work has been completed with trademark protection filed. We are now working on implementation planning which includes a phased approach and incorporation into the new strategic plan. NMC Public Relations, Marketing and Communication key performance indicators for December 2024 include:

Paid Media - ↑

- Applications: 159
- Accounts: 164

Earned Media - ↑

- Media mentions: 58
- Positive/neutral sentiment: 100%
- Publicity value: \$84,000

Owned Media - ↑

- NMC Now:
 - Subscribers: 928
 - Open Rate: 52%
- Community report
 - 1,898 views
 - 44 downloads

Shared Media ↑

- Facebook followers: +3% YOY
- Total followers: 14,050
- Instagram followers: +9% YOY
- Total followers: 3,958



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

From: Dino M. Hernandez, Chief Advancement Officer
Vice President of College Advancement, Executive Director, NMC Foundation

Date: January 27, 2025

Subject: Foundation Update

Update on Philanthropic Activity

As of December 31, 2024, the fiscal year is 50% completed. 88% of the budgeted goal of \$2,575,000 in new cash gifts and pledges has been received, with 2,618 gifts and pledges recorded.

FY25 Total Dollars Raised Through the NMC Foundation

\$2,199,085	Total cash gifts and pledges received to date (including The Fund for NMC)
\$58,271	Gross event revenue
+ \$100,000	Additional cash received from previously documented planned gifts
\$2,357,356	Total raised through donations, event revenue, and realized planned gifts
+ \$0	New documentation of planned gift intentions
\$2,357,356	Total raised, including new planned gift intentions

Of the total raised (cash, pledges, and planned gifts), donors are impacting the following areas of the college as of December 31, 2024:

- Unrestricted gifts to the Fund for NMC - \$172,040 (7% of total giving)
- Scholarships, both restricted and endowed funds - \$715,355 (31% of total giving)
- Program support and capital projects at NMC - \$1,411,689 (61% of total giving)

Foundation Initiatives

- As of December 31, 2025, the Foundation has raised \$2.2 million of its \$2.4 million goal for the fiscal year, putting us at 91% of goal just 50% of the way through the year. This includes cash, pledges, and new planned gifts to any fund at NMC.
- Since the last report to the Board of Trustees, the NMC Foundation secured more than \$230,000 for *Next Level: The Campaign for NMC Aviation*. This brings the Foundation fundraising total to \$621,378 of its \$1 million goal. \$150,000 of the recent \$230,000 in gifts came from the new Office of Grants, headed by the new Director of Corporate and Foundation Relations.
- Application review and interviews are scheduled for both the Director of Annual Giving & Special Events and Major Gift Officer. The Manager of Alumni Relations position is posted and accepting applications.
- The Request for Proposals (RFP) was launched for a Comprehensive Campaign Feasibility Study on January 6, 2025. Campaign consulting firms are asked to bid for services for a planned \$50M - \$75M NMCF Campaign goal with potential \$100M stretch goal before the deadline of February 7, 2025.
- The kick off meeting for the 75th Anniversary steering committee occurred on January 8, 2025. We have a robust and diverse group of committee members and look forward to sharing more with you soon.

Northwestern Michigan College
Board of Trustees
Fellows Nominating Committee Minutes
December 19, 2024
President's Office Conference Room
Tanis Building
1701 E. Front Street, Traverse City, MI 49686

Committee Chair Andy Robitshek called the meeting to order at 10:03 a.m.

Members Present: Ken Warner, Bill Marsh

Members Remote: Andy Robitshek

Others Present: Nick Nissley, Lynne Moritz

2025 Fellow(s) Recommendation—There was discussion regarding the recent update to Policy A-103.00 Committees which states: “No more than two honorees shall be recommended to the full Board, except for exceptional circumstances.” Nominations received in the 2024 cycle of calling for nominations were discussed. A list of nominations that were submitted within the past five years was also reviewed to assess whether any should be reconsidered.

Ken Warner made a motion, seconded by Bill Marsh, to recommend Mark Lundmark and Jayne Mohr to the full Board of Trustees to be recognized as 2025 Fellows of Northwestern Michigan College.

Public Input—There was no public comment offered.

Other Discussion—It was recognized by committee members that it is useful to have letters of support for nominees; as such, letters of support will be encouraged during the next “call for nominations” in late 2025.

The meeting was adjourned at 10:31 a.m.

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

Northwestern Michigan College
Board of Trustees
Building & Site Committee Minutes
January 21, 2025
President's Office Conference Room
Tanis Building
1701 E. Front Street, Traverse City, MI 49686

Committee Chair Ken Warner called the meeting to order at 2:30 p.m.

Members Present: Ken Warner, Chris Bott, Kennard Weaver

Others Present: Nick Nissley, Lynne Moritz, Troy Kierczynski, Jerry Tomczak

Campus Master Plan Implementation

The 2024 Building and Site Committee members gathered as a follow up from their December 10, 2024, meeting. The 2025 committee assignments were not yet official until the first annual meeting of the Board of Trustees, scheduled for January 27, 2025.

Aviation Hangar Expansion Update—Jerry Tomczak provided an update on the hangar expansion project which is currently underway. It was confirmed that construction is not impacting student learning. Vice President of Finance and Administration Troy Kierczynski noted that aircraft purchase authorization is on the upcoming agenda for the full Board of Trustees meeting on January 27, 2025. These requests will provide for completion of growing the aircraft fleet with consideration for limited aircraft supply. The expanded hangar will house 22 aircraft in 2028, while it currently fits 15 planes. The aircraft purchases will be funded by the 2024 Aviation bond. There was discussion regarding whether lease of aircraft is possible.

University Center—The committee continued their discussion from the December meeting regarding Plante Moran Realpoint's strategic use and options analysis of the University Center.

There was discussion regarding funding sources related to the projects included in the 2024 campus facilities master plan, particularly the Osterlin Student Services Hub. It was determined that an estimated appraisal of the excess land at the University Center campus and a summary of potential funding sources for the Student Services Hub project would be helpful for the committee to review in the future.

Public Input—There was no public comment offered.

The meeting was adjourned at 3:32 p.m.

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

Northwestern Michigan College

Federal Awards Supplemental Information
June 30, 2024

Independent Auditor's Reports

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**Plante & Moran, PLLC**

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Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

Independent Auditor's Report

To the Board of Trustees
 Northwestern Michigan College

We have audited the financial statements of the business-type activities and the discretely presented component unit of Northwestern Michigan College (the "College") as of and for the year ended June 30, 2024 and the related notes to the financial statements, which collectively comprise the College's basic financial statements. We issued our report thereon dated October 21, 2024, which contained an unmodified opinion on the financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. We have not performed any procedures with respect to the audited financial statements subsequent to October 21, 2024.

The accompanying schedule of expenditures of federal awards is presented for the purpose of additional analysis, as required by the Uniform Guidance, and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Plante & Moran, PLLC

January 10, 2025

**Plante & Moran, PLLC**

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

Independent Auditor's Report

To Management and the Board of Trustees
 Northwestern Michigan College

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and the discretely presented component unit of Northwestern Michigan College (the "College") as of and for the year ended June 30, 2024 and the related notes to the financial statements, which collectively comprise the College's basic financial statements, and have issued our report thereon dated October 21, 2024. The financial statements of the discretely presented component unit were not audited in accordance with *Government Auditing Standards*.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

To Management and the Board of Trustees
Northwestern Michigan College

Purpose of this Report

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

Plante & Morse, PLLC

October 21, 2024



Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance
 Required by the Uniform Guidance

Independent Auditor's Report

To the Board of Trustees
 Northwestern Michigan College

Report on Compliance for Each Major Federal Program

Qualified and Unmodified Opinions

We have audited Northwestern Michigan College's (the "College") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on the College's major federal program for the year ended June 30, 2024. The College's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Qualified Opinion on Coronavirus State and Local Fiscal Recovery Funds

In our opinion, except for the noncompliance described in the *Basis for Qualified and Unmodified Opinions* section of our report, the College complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on Coronavirus State and Local Fiscal Recovery Funds for the year ended June 30, 2024.

Unmodified Opinion on Student Financial Assistance Cluster

In our opinion, the College complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the Student Financial Assistance Cluster for the year ended June 30, 2024.

Basis for Qualified and Unmodified Opinions

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the "Uniform Guidance"). Our responsibilities under those standards and the Uniform Guidance are further described in the *Auditor's Responsibilities for the Audit of Compliance* section of our report.

We are required to be independent of the College and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the College's compliance with the compliance requirements referred to above.

Matters Giving Rise to Qualified Opinion on Coronavirus State and Local Fiscal Recovery Funds

As described in the accompanying schedule of findings and questioned costs, the College did not comply with requirements regarding ALN 21.027, Coronavirus State and Local Fiscal Recovery Funds, as described in Finding 2024-002, Allowable Costs/Cost Principles.

To the Board of Trustees
Northwestern Michigan College

Compliance with such requirements is necessary, in our opinion, for the College to comply with the requirements applicable to that program.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the College's federal program.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the College's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the College's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the College's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the College's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matter

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the OMB Uniform Guidance, and is described in the accompanying schedule of findings and questioned costs as Finding 2024-001. Our opinion on each major federal program is not modified with respect to this matter.

Government Auditing Standards requires the auditor to perform limited procedures on the College's response to the noncompliance finding identified in our audit and described in the accompanying schedule of findings and questioned costs. The College's response was not subjected to the other auditing procedures applied in the audit of compliance, and, accordingly, we express no opinion on it.

To the Board of Trustees
Northwestern Michigan College

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the *Auditor's Responsibilities for the Audit of Compliance* section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance, and, therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as Findings 2024-001 and 2024-002 to be material weaknesses.

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention of those charged with governance.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on the College's responses to the internal control over compliance findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The College's responses were not subjected to the other auditing procedures applied in the audit of compliance, and, accordingly, we express no opinion on them.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Plante & Moran, PLLC

January 10, 2025

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2024

Federal Agency/Pass-through Agency/Program Title	Assistance	Pass-through Entity Identifying Number	Total Amount	
	Listing Number		Provided to Subrecipients	Federal Expenditures
Clusters - Student Financial Assistance Cluster -				
U.S. Department of Education - Direct programs:				
Federal Supplemental Employment Opportunity Grant (2023-2024)	84.007	P007A232057	\$ -	\$ 129,836
Federal Work-Study Program (2023-2024)	84.033	P033A232057	-	112,451
Federal Pell Grant Program (2023-2024)	84.063	P063P231647	-	4,109,210
Federal Direct Student Loan Program (2022-2023)	84.268	P268K231647	-	324,782
Federal Direct Student Loan Program (2023-2024)	84.268	P268K241647	-	5,030,174
Total Student Financial Assistance Cluster			-	9,706,453
Other federal awards:				
U.S. Department of Education - Passed through the Michigan				
Department of Career Development - Career and technical education -				
Basic grants to states passed through the Michigan Department of				
Career Development - Career and technical education - Basic grants to				
states:				
Regional allocation - (2023-2024)	84.048A	V048A200023	-	338,998
Local administration - (2023-2024)	84.048A	V048A200023	-	9,200
Total U.S. Department of Education			-	348,198
U.S. Department of Transportation:				
State Maritime Schools	20.806	N/A	-	1,583,109
Aircraft Pilots Workforce Development Program	20.111	20-FAA-AWD-AP-1	-	32,455
Total U.S. Department of Transportation			-	1,615,564
U.S. Department of the Interior:				
National Maritime Heritage Grants Program	15.925	N/A	-	479,131
Natural Resource Stewardship - Benthic Habitat Mapping -				
Hydrographic Surveys and Coastal Studies in GLNP	15.944	P20AC00383	-	3,042
Total U.S. Department of the Interior			-	482,173
U.S. Department of the Treasury - Passed through the Michigan				
Department of Labor and Economic Opportunity - Coronavirus State and				
Local Fiscal Recovery Funds:				
ADN to BSN Completion Grant Program	21.027	SLFRP0127	-	238,953
Academic Catch Up	21.027		-	68,581
Reconnect Expansion Program	21.027		-	252,659
Total U.S. Department of the Treasury			-	560,193
National Endowment for the Humanities Promotion of the Humanities	45.149	PG-292381-23	-	10,000
Division of Preservation and Access				
Total other federal awards			-	3,016,128
Total federal awards			\$ -	\$ 12,722,581

See notes to schedule of expenditures
of federal awards.

Northwestern Michigan College**Notes to Schedule of Expenditures of Federal Awards****Year Ended June 30, 2024****Note 1 - Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of Northwestern Michigan College (the "College") under programs of the federal government for the year ended June 30, 2024. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the "Uniform Guidance"). Because the Schedule presents only a selected portion of the operations of the College, it is not intended to and does not present the financial position, changes in net position, or cash flows of the College.

Note 2 - Summary of Significant Accounting Policies

Expenditures reported in the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The pass-through entity identifying numbers are presented where available.

The College has elected not to use the 10 percent *de minimis* indirect cost rate to recover indirect costs, as allowed under the Uniform Guidance.

Schedule of Findings and Questioned Costs

Northwestern Michigan College

Schedule of Findings and Questioned Costs

Year Ended June 30, 2024

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? _____ Yes X No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? _____ Yes X None reported
- Noncompliance material to financial statements noted? _____ Yes X None reported

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? X Yes _____ No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? _____ Yes X None reported

Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR 200.516(a)? X Yes _____ No

Identification of major programs:

Assistance Listing Number	Name of Federal Program or Cluster	Opinion
84.007, 84.033, 84.063, 84.268 21.027	Student Financial Assistance Cluster Coronavirus State and Local Fiscal Recovery Funds	Unmodified Qualified

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee? X Yes _____ No

Section II - Financial Statement Audit Findings

Reference Number	Finding
Current Year None	

Northwestern Michigan College

Schedule of Findings and Questioned Costs (Continued)

Year Ended June 30, 2024

Section III - Federal Program Audit Findings

Reference Number	Finding
2024-001	<p>Assistance Listing Number, Federal Agency, and Program Name - 84.268, U.S. Department of Education, Student Financial Assistance Program - Federal Direct Student Loan Program</p> <p>Federal Award Identification Number and Year - P268K241647, 2023-2024</p> <p>Pass-through Entity - N/A</p> <p>Finding Type - Material weakness and material noncompliance with laws and regulations</p> <p>Repeat Finding - No</p> <p>Criteria - For direct loan disbursement, the institution must provide timely notification to the student of the (1) date and amount of the disbursement, (2) student/parent's right to cancel, and (3) procedure and time by which the student or parent must notify the institution that he or she wishes to cancel (34 CFR 668.165).</p> <p>Condition - The College did not provide notifications to certain students related to direct loan disbursements.</p> <p>Questioned Costs - None</p> <p>Identification of How Questioned Costs Were Computed - N/A</p> <p>Context - There were 16 students receiving direct loans in a sample of 25 students for disbursements did not receive the notification.</p> <p>Cause and Effect - A control was lacking to ensure the notifications were sent to all students receiving direct loans.</p> <p>Recommendation - We recommend a control be implemented to ensure notifications are sent to all students receiving direct loans.</p> <p>Views of Responsible Officials and Corrective Action Plan - While the College has documented procedures in place for the disbursement of federal funds and required post-disbursement notifications to students, the College did not properly send a post-disbursement notification to 591 out of 659 students who received federal financial aid loans in fall 2023. The College will adjust its internal processes to ensure all students who receive federal loans are sent post-disbursement email notifications by performing a weekly review of the report that generates a names list of students that are receiving federal loans. If names exist on the report, a verification in the student record will be conducted to be sure the email was sent. After further investigation, all 608 students that received federal loans in spring semester of 2024 and all 56 students in summer of 2024 received a post-disbursement notification.</p>

Northwestern Michigan College

Schedule of Findings and Questioned Costs (Continued)

Year Ended June 30, 2024

Section III - Federal Program Audit Findings (Continued)

Reference Number	Finding
2024-002	<p>Assistance Listing Number, Federal Agency, and Program Name - 21.027, Coronavirus State and Local Fiscal Recovery Funds, U.S. Department of the Treasury, ADN to BSN Completion Grant Program</p> <p>Federal Award Identification Number and Year - SLFRP0127, 2023-2026</p> <p>Pass-through Entity - Michigan Department of Labor and Economic Opportunity</p> <p>Finding Type - Material weakness and material noncompliance with laws and regulations</p> <p>Repeat Finding - No</p> <p>Criteria - Per 2 CFR 200.303(a), the nonfederal entity must establish and maintain effective internal control over the federal award that provides reasonable assurance that the nonfederal entity is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions of the federal award. These internal controls should be in compliance with guidance in Standards for Internal Control in the Federal Government, issued by the Comptroller General of the United States, or the Internal Control Integrated Framework, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).</p> <p>Costs must be necessary and reasonable for the performance of the federal award and be allocable thereto under the principles in 2 CFR Part 200, Subpart E.</p> <p>Condition - The College's internal control in place for manual journal entries did not identify unallowable costs reported in the SEFA.</p> <p>Questioned Costs - \$326,781</p> <p>Identification of How Questioned Costs Were Computed - Questioned costs are made up of unallowable direct costs of \$233,415 and the related indirect cost at 40 percent of \$93,366, totaling \$326,781.</p> <p>Context - A manual journal entry reviewed and approved included unallowable costs, which also impacted the determination of indirect costs charged to the grant in a separate manual journal entry. Therefore, the error is made up of two manual journal entries selected for testing out of 40 total expenditures. The error represented 36 percent of the original amount reported on the SEFA, or \$880,303. As a result, \$326,781 was removed from the SEFA.</p> <p>Cause and Effect - Due to an ineffective review of manual journal entries, the grant expenditures reported to the grantor and the amount reported on the original SEFA provided by management for the grant were overstated.</p> <p>Recommendation - We recommend an effective review of manual journal entries be put in place.</p> <p>Views of Responsible Officials and Planned Corrective Actions - While the College currently has controls in place to review all manual journal entries, we will adjust our review process going forward to incorporate additional oversight for any manual journal entries impacting federal grants. Going forward, the controller will review all manual journal entries impacting federal grants, and the vice president of finance will provide a second level review of any such entries that equal or exceed \$50,000.</p>



Northwestern Michigan College

231.995.1000 | Traverse City, MI | www.nmc.edu

Board Policy A-109.00

Board of Trustees Process

Trustee Vacancy

In accordance with Board Policy A-100.00 Board of Trustees Bylaws, Sections 3 (d) and 3 (h), and other applicable laws, trustee vacancies shall be filled through a selection process at a properly noticed public meeting of the Board, in compliance with the Michigan Open Meetings Act. The Board shall not be restricted to considering only applicants if no qualified applicants come forward.

Upon notification of the vacancy, the Board Chair will consult with the College President to initiate the process. If the vacancy occurs shortly after a general election, recent candidates may be considered for appointment.

If an application, interview, and selection process is desired, the President's Office, in coordination with the Board Chair, will determine a timeline to ensure the vacancy is filled within thirty (30) days. The Board of Trustees will vote on the selection at a properly noticed public meeting.

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



Northwestern
Michigan
College

To: Dr. Nick Nissley, President

From: Alex Bloye, Director of Aviation
Stephen N. Siciliano, Ph.D., Vice President for Educational Services
Troy Kierczynski, VP of Finance & Administration

Date: January 14, 2025

Subject: New Aircraft Purchase Agreement

Recommendation

Authorize the administration to enter into an aircraft purchase agreement with Piper Aircraft, Inc. for the purchase of a new 2026/27 Piper Seminole at an amount up to \$1,122,000 for delivery between Q2 - Q3 2026.

Background and Justification

In May 2024 the Aviation Division requested authorization to purchase 1 new Piper Seminole while noting that an additional request for a second multi-engine trainer would follow at a later date.

The decision to phase out the Aztec fleet was driven primarily by the lack of available parts. This is a trend we have been seeing regarding many components of the Piper Aztec, as they are no longer being built, and thus no longer being supported by parts manufacturers. As a result, NMC Aviation maintenance staff spend a great deal of time and effort maintaining the aging Aztec fleet.

The multi-engine aircraft are a critical part of NMC's fleet and the student experience; graduates need multi-engine experience to qualify for employment with airlines.

The Piper Seminole is the most commonly used multi-engine trainer in the United States. It utilizes the same engines and avionics as the Cessna Skyhawk, making parts mass produced and readily available. New Piper Seminoles come with a full 2-year warranty, as well as parts direct and on-demand from the factory. This will greatly reduce aircraft downtime, and support utilization and availability.

This request for a new plane helps bring certainty that the Aviation Division will meet its Strategic Plan targets. The aircraft will generate return immediately, as student demand for flight time continues to be at an all-time high. High demand driving up the price of used aircraft to nearly the price of new combined with warranty and parts plans included with new aircraft, make purchasing new more economically sound.

This purchase requires a contract with an up-front deposit of 20% of the purchase price to secure our position in line. The Seminole will be manufactured in Vero Beach, Florida. The vendor is deemed "sole source" due to the program's investment in avionics curriculum, tooling, and major component availability. The Piper Seminole is the only multi-engine training aircraft produced in the United States.

Funding Source

Purchase will be funded from the 2024 Aviation bond proceeds.



Northwestern
Michigan
College

To: Nick Nissley, Ed.D., President

From: Alex Bloye, Director of Aviation
Stephen N. Siciliano, Ph.D., Vice President for Educational Services
Troy Kierczynski, VP of Finance & Administration

Date: January 14, 2025

Subject: Additional Aircraft Purchase Agreement

Recommendation

Authorize the administration to purchase up to four (4) Cessna Skyhawks through the used aircraft market, in an amount not to exceed \$2,500,000 total through December 31, 2027.

Background and Justification

Strategy 5, Objective 1 of the Strategic Plan calls for the addition of at least four (4) training aircraft to Aviation Division's fleet, with the expanded hangar's design capacity allowing for up to seven (7) additional training aircraft. Each new aircraft supports approximately 7-10 students, allowing program capacity to grow accordingly.

To date, we've ordered three new training aircraft and received one:

- (+1 trainer) Received Sept. 2024 - Delivery of 1 new Cessna C172 Skyhawk (ordered Dec. 2022)
- (+2 trainers) Expected March 2028 - Delivery of 2 new Cessna C172 Skyhawks (ordered Dec. 2024)

In less than two years, Textron's manufacturing backlog grew from 18 months to over 36 months for new orders, driven largely by market demand and labor challenges at the manufacturer. Relying exclusively on new aircraft to meet our fleet expansion goal will significantly delay Aviation Division's growth plan.

This authorization to procure used aircraft will provide administration enough flexibility to meet fleet expansion goals sooner as we await the production and delivery of 2 new planes by March 2028. We intend to work with multiple brokers and resellers to find aircraft that align with Aviation's curriculum and fleet specifications.

Funding Source

These purchases will be funded by proceeds from NMC's 2024 Aviation Bonds.