**MCCBOA SUMMER 2009 WORKSHOP – GRAND HOTEL, MACKINAC ISLAND**

**JULY 22-24, 2009**

**MINUTES**

**July 22, 2009**

We were welcomed by Jim Polkowski, President of MCCBOA at 9:00 am. Jim expressed how we were in changing times with the uncertainty of property taxes, state appropriations and tuition increases.

Bob Partridge introduced Mike Bitar and Randy Hoff from Energy Education. Grand Rapids has contracted with them to save energy costs and educate staff on ways to save on energy. They projected that they will save 6.3 Million over 10 years. You do need to hire someone in a managerial position to coordinate and communicate with staff. You also must purchase their software program. If your energy costs are less than 1.2 – 1.3 million, this plan will not probably work for you.

Kari Constanza from Thrun Law Firm spoke about Michigan’s Energy Legislation and Financing Options. Renewable energy projects including solar, wind, geothermal, biomass, biofuel, tidal and wave and hydropower were highlighted. By 2015 the state has mandated that 10% of our energy come from renewable sources. Net metering allows measurement of energy your produce and energy you use. There are many grants and incentives to finance renewable energy.

Brenda Voutyras and Brodie Killian from Stifel Nicholaus presented Bonds 101 to the group. The presentation was directed to someone who nothing about bonds to the experts in the area. Key points touched on were getting legal counsel, legislation pertaining to CC Act 331 of 1966, negotiated sales, competitive sales, different ratings, bond math basics, refinancing, refunding and The American Recovery & Reinvestment Act.

A great lunch in the Grand Hotel dining room was sponsored by Stifel Nicholaus as well.

Jim Baird from PMFA-Investment Strategy/Market spoke about Investment Strategies in Uncertain Times. Why are we where we are now? The Federal Reserve created a “cheap money” environment. The real estate market found trouble when the home prices began to fall and people tried to refinance their way out of trouble. Massive sell offs, lack of faith, mergers, government take-overs, depression and volatility followed. Where do we stand today? Credit conditions have improved by remain constricted. The economy is still in recession, but is showing signs of improvement. Michigan has lagged behind other states in recovering; we have the highest unemployment rate in the nation. He expects continued vitality in the capital markets and the feds will keep short-term interest rates low. He expects the economy to be slow for some time.

Katie Thornton from Plante Moran presented on the American Recovery & Reinvestments Act. Katie spoke of the proposed legislation that is out there and the effects on us. Reporting of these funds is going to be the recipient’s responsibility. The timing on financial reporting is very short – 10 calendar days after the end of each quarter. Any of these funds that are associated with PELL do not have to be reported in this manner. It has been determined that there is no way to separate PELL. Two websites to reference are [www.federalreporting.gov](http://www.federalreporting.gov) and [www.recovery.gov](http://www.recovery.gov)

Luke Pickleman from MCCA talked about what we can expect. Community Colleges currently have no cut their base. But we will have to wait and see what happens when the budget comes out. The tuition restraint has been removed. The baccalaureate degree expects to have a lot of opposition from the 4 year schools, but it is still looking good. Moving colleges into a defined benefit plan died. ORP may be expanded. We need to look at ACS again. MCCA has worked out an agreement with CDW and Microsoft which many schools took advantage of. Nothing new on capital outlay and no word on what will happen with the Promise Grant.

Tom Glanville and Frank Mitchell from identity Theft Loss Prevention presented an eye-opening program on just how easy it is to commit identity theft. Their company will come into your facility and show you where your weaknesses are and work with you to tighten your security. They will help you become compliant with the Red Flag rules by identifying what is specific to your college, figure out who and how they will detect patterns, put in writing who and what needs to be responded to and continue to update and your plan. 1 in 4 colleges has been a victim of some type of identity theft.

Attitude Adjustment was sponsored by John Edwards from Nelnet and dinner followed in the Grand Pavilion.

**July 23, 2009**

Our morning began with the history of the Grand Hotel and many humorous stories told by Bob Tagatz the Grand Hotel historian.

John Edwards from Nelnet reported that with the economy as it is they are servicing more student than ever. He did note that credit card usage is down 1%. John wanted everyone to know that Nelnet is PCI compliant, certification can be requested.

Table Topics

TPA-403B – Many schools found that it has taken longer than expected to get this started with a TPA. Several companies have dropped out and many employees have discontinued contributions due to the economy.

Return of Title IV – all schools are seeing more receivables due to these returns and all are looking for ways to decrease this. Attendance and no shows are an issue.

Investments – Several schools now have investment committees or an investment advisor to help. Splitting funds between banks is difficult. Small local banks want your deposits, but are they safe. Some long term investments are paying higher rates. We are hoping the CEDARS plan becomes a reality.

Grant Accounting-How are grants affecting your staffing? Most are not adding staff and increase in work load is adding up. Recovery money is adding additional work to offices. Perhaps Plante Moran can present a best practice session on grant management.

Also FA applications have increased with the economy, what are we doing with state grants that we are not certain we will be awarded? Some schools did preliminary awards some did not award at all.

Red Flag Rules – Steven Hardy from Washtenaw did hire the firm that presented on Wednesday and is very happy with the services he received. Several schools created their own policies and several are still working on it.

Cocktails on the front porch were sponsored by Miller Canfield.

**July 24, 2009**

A lively discussion on the Community College Act was moderated by Amanda Van Dusen and Bill Danhof from Miller Canfield. A brief history of the act that was created in 1961 was presented. There have not been many changes made, in fact the act still has playground listed 3 times in it and nowhere are the words computer, copier, technology or internet mentioned. Both Amanda and Bill know this act inside and out and they have a lot of great ideas and suggestions to make changes. We feel that changes need to be made, but as business officers we can’t do this. We feel this needs to be referred to the Presidents.

Chris Mitchell from the DMB spoke of the MCCA Consortium Update. We can use the state system, bid4michigan.com, for bidding at no cost to us. The state will train each school to use the system. Vendors will pay $50/year to receive bids from the system. Jim Polkowski will coordinate participation and training.

Bull Session was moderated by Larry Gawthrop from Mott.

Tom Vainer is working on the Gibson survey

Mott is looking at calendar year tuition

Millage updates – Henry Ford going in November to renew a supplemental

ACS –Needs to become active again. Libby not getting any responses from Jim Folkning.

Best practices –New ideas – Purchasing System – Bookstore rentals – how are we responding to federal requirements and how do we make faculty comply.

Update on MI New Jobs Training

Oakland – going full force – probably will self fund

Delta – board approved – no one applied yet

Grand Rapids – couple of potential employers

Muskegon – board received a presentation

Fall workshop will be held November 12-13 at the Hyatt in Clinton Township, rates from $90-95/night. Only 1 mile from Macomb.

Association Business

Spring Minutes – approved

Treasurers Report – none provided

Election of Officers

Secretary – Rosemary Zink

Treasurer – Ilene Scherer

Vice-President – David Cunningham

President – Libby Argiri

Past-President – Jim Polkowski

Kelly Sproule, Past-President thanked Jim for a great job and presented him with a token of appreciation.

Meeting adjourned at 11:30 am

Respectfully submitted,

Ilene Scherer

MCCBOA Secretary