Mott Community College
Board of Trustees

Regular Meeting
Monday, September 22, 2014
Room 1301
Regional Technology Center

AGENDA

The mission of Mott Community College is to provide high quality, accessible, and affordable educational opportunities and services that cultivate student success and individual development and improve the overall quality of life in a multicultural community.
AGENDA

I. CALL TO ORDER

II. ADDITIONS TO THE AGENDA

III. ADOPTION OF THE AGENDA

IV. SPECIAL PRESENTATIONS
   Corrections Program Update
   - Dr. Amy Fugate, Vice-President, Academic Affairs

   Athletics Update
   - Scott Jenkins, Vice-President, Student & Administrative Services

   Bond Refunding
   - Larry Gawthrop, Chief Financial Officer

V. COMMUNICATIONS

VI. COMMENTS FROM THE PUBLIC

VII. APPROVAL OF MINUTES

   Approval of Regular Meeting Minutes of August 18, 2014 217-217d

VIII. INFORMATIONAL REPORTS

   Acceptance of Standing Board Committee Reports:
   1. Personnel (Joseph, Norwood, Turner)
   2. Finance/Audit (Koegel, Freeman, Snell)

IX. UNFINISHED BUSINESS

X. NEW BUSINESS

   Consent Agenda:

   1.50 Treasurer’s Report for August 2014 235-239
Individual Items:

1.51 Resolution to Approve Best Practices Initiatives
1.52 Resolution to Authorize the Issuance of Refunding Bonds – Not to Exceed $18,000,000
1.53 Flexible Manufacturing System – Purchase Award
1.54 Robotics Training – Purchase Award

XI. ADMINISTRATIVE ITEMS

President’s Report

XII. MISCELLANEOUS BUSINESS

Comments from Board Members

XIII. EXECUTIVE SESSION

ADJOURNMENT
1.50 Treasurer’s Report for August 2014

This resolution is recommended.

Be it Resolved, That

The Charles Stewart Mott Community College Board of Trustees

Accepts the financial report of the College for the month of August 2014 as presented by the Administration.

Reviewed and Submitted By:

Lawrence A. Gawthrop
Chief Financial Officer

Date: September 22, 2014

Board Policy Statement Reference: 3100 – Budget Adoption
General: The annual budget represents the programmatic direction and vision of the College. It is also designed to meet both the legal requirements and needs of the College.
August Treasurer’s Report

Larry Gawthrop, CPA
Chief Financial Officer

September 22, 2014

Summary of Expenditures:

Month of August Spending:

<table>
<thead>
<tr>
<th>Fund Type</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund</td>
<td>$4,886,419</td>
</tr>
<tr>
<td>All Other Funds</td>
<td>$9,647,673</td>
</tr>
<tr>
<td>Total</td>
<td>$14,534,092</td>
</tr>
</tbody>
</table>

Comments on General Fund Financial Statements:

- **Statement of Revenues, Expenditures and Changes in Net Assets**

  In summary, total revenues for the two months ended August 31, was approximately $17.2 million, representing 22.8% of the annual budget. This is .8% lower than last year at this time, when we had recognized 23.6% of budgeted revenues. The most significant changes are in the *Tuition and fees*, *Property taxes*, and *Grants and other* which are discussed further below. Expenditures for the two month ended were $8.8 million, which represents 11.7% of the annual budget, .2% higher than it was one year ago.

**Revenues**

*Tuition and fees* revenues are $15.0 million and while it is roughly $130 thousand more than last year, it is 1.4% lower than originally budgeted. This is attributable to the fall enrollment being less than originally budgeted. The final fall enrollment numbers will be reported in the September Treasurer’s report.

*Property taxes* collected are roughly $1.9 million. The amount budgeted is $17.3 million, the same as it was in the 2013-2014 fiscal year and is based on final taxable value figures provided by the Genesee County Equalization Department.

*State appropriations* payments for FY 2014-15 are paid in monthly installments starting with October. The total budgeted amount for the current fiscal year is $15.7 million or roughly $400 thousand (2.7%) more than last year excluding the UAAL stabilization pass-through. The $58 thousand change from last year in this line item is attributable to the timing difference receipt of the Renaissance Zone payment from August in the prior year and September in the current year.
Expenditures

*Salaries and Wages* are at $4.0 million, or 9.9% of the annual budget, .5% lower than it was one year ago, mainly due to less summer classes and related wages.

*Fringe Benefits* are at $1.9 million, or 11% of the budgeted amount and .2% lower when compared to the previous year. This decrease is due to the lower wages as discussed above.

**Other Expenditures**
The changes in the Other Expenses area for August are due in large part to timing differences of invoices from receipt and vouchering of invoices from last year as well as a change in the recognition of prepays from monthly to once a year.

- **Balance Sheet**

*Total Assets* are at approximately $20.7 million, down $1.9 million from last August. The largest differences are a $2.6 million decrease in *Cash and Cash Equivalents*, a $1.7 million increase in *Due from other funds* and a $856 thousand decrease in *Accounts receivable*. The Accounts receivable decrease is due in part to lower enrollment, reduced allowance for bad debts and efforts made to more closely monitor and update more timely the student A/R records.

*Due to/Due from Other Funds* The College maintains one checking account for all of its funds; deposits and disbursements. This necessitates the short-term “loaning” or “borrowing” between the funds throughout the year depending on which funds revenue or expenditures are being deposited or paid out. Each month the accounting department clears these “due to’s” and “due from’s” respectively assigning the activity to the proper fund. However, significant activity can occur after these transfers are completed, causing large variances when compared to the previous period.

At roughly $6.3 million, *Total Liabilities* are approximately $732 thousand lower than the prior year. The most significant changes were decreases in *Accounts payable* and *Other accrued liabilities* and an increase in *Accrued payroll and related liabilities*. These were the effects of timing differences in payments from the prior year.

**Comments on spending from other funds:**

- Of the $9.6 million expended in the other funds, $191 thousand was expended out of the *Maintenance and Replacement Funds* for maintenance and improvements, $500 thousand from the *Bond funds*, and the remaining $8.9 million out of the *Agency, Scholarships, and Federal Grants*, for grant activities and student scholarships.
Mott Community College  
General Fund  
Statement of Revenues, Expenditures and Changes in Net Assets - Modified Accrual  
For the 2 Months Ended August 31, 2014  
With Comparative Totals at August 31, 2013

<table>
<thead>
<tr>
<th></th>
<th>FY 2014-2015 Budget</th>
<th>YTD Actuals as of 08/31/14</th>
<th>YTD Actuals as of 08/31/13</th>
<th>Actual to Actual $</th>
<th>Actual to Actual %</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tuition and fees</td>
<td>$38,177,492</td>
<td>$14,966,062</td>
<td>$14,836,117</td>
<td>$129,945</td>
<td>0.88%</td>
</tr>
<tr>
<td>Property taxes</td>
<td>17,338,093</td>
<td>1,856,245</td>
<td>2,219,335</td>
<td>(363,090)</td>
<td>-16.36%</td>
</tr>
<tr>
<td>State appropriations</td>
<td>15,736,817</td>
<td>-</td>
<td>58,007</td>
<td>(58,007)</td>
<td>-100.00%</td>
</tr>
<tr>
<td>Ballenger trust</td>
<td>1,815,763</td>
<td>294,294</td>
<td>294,294</td>
<td>-</td>
<td>0.00%</td>
</tr>
<tr>
<td>Grants and other</td>
<td>2,362,191</td>
<td>56,253</td>
<td>311,228</td>
<td>(254,975)</td>
<td>-81.93%</td>
</tr>
<tr>
<td><strong>Total revenues</strong></td>
<td>75,430,356</td>
<td>17,172,854</td>
<td>17,718,981</td>
<td>(546,127)</td>
<td>-3.08%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>FY 2014-2015 Budget</th>
<th>YTD Actuals as of 08/31/14</th>
<th>YTD Actuals as of 08/31/13</th>
<th>Actual to Actual $</th>
<th>Actual to Actual %</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Expenditures:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries and wages</td>
<td>40,310,719</td>
<td>3,986,043</td>
<td>4,173,226</td>
<td>187,183</td>
<td>4.49%</td>
</tr>
<tr>
<td>Fringe benefits</td>
<td>17,608,243</td>
<td>1,945,445</td>
<td>2,076,179</td>
<td>130,734</td>
<td>6.30%</td>
</tr>
<tr>
<td>Contracted services</td>
<td>5,131,756</td>
<td>573,089</td>
<td>507,520</td>
<td>(65,569)</td>
<td>-12.92%</td>
</tr>
<tr>
<td>Materials and supplies</td>
<td>2,126,599</td>
<td>217,119</td>
<td>142,376</td>
<td>(74,743)</td>
<td>-52.50%</td>
</tr>
<tr>
<td>Facilities rent</td>
<td>205,400</td>
<td>40,482</td>
<td>40,582</td>
<td>100</td>
<td>0.25%</td>
</tr>
<tr>
<td>Utilities and insurance</td>
<td>2,938,000</td>
<td>812,132</td>
<td>613,920</td>
<td>(198,212)</td>
<td>-32.29%</td>
</tr>
<tr>
<td>Operations/communications</td>
<td>5,284,424</td>
<td>1,214,888</td>
<td>1,105,394</td>
<td>(109,494)</td>
<td>-9.91%</td>
</tr>
<tr>
<td>Transfers out</td>
<td>1,453,100</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>0.00%</td>
</tr>
<tr>
<td>Equipment and Improvements</td>
<td>366,500</td>
<td>30,765</td>
<td>17,522</td>
<td>(13,243)</td>
<td>-75.58%</td>
</tr>
<tr>
<td><strong>Total expenditures</strong></td>
<td>75,424,741</td>
<td>8,819,963</td>
<td>8,676,719</td>
<td>(143,244)</td>
<td>-1.65%</td>
</tr>
</tbody>
</table>

Net increase/(decrease) in net assets  
5,615  
8,352,891  
9,042,262  
(689,371)  
-7.62%
Mott Community College  
General Fund  
Balance Sheet - Modified Accrual  
August 31, 2014  
With Comparative Totals at August 31, 2013

<table>
<thead>
<tr>
<th></th>
<th>As of August 31</th>
<th>As of August 31</th>
<th>$ Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td>2014</td>
<td>2013</td>
<td></td>
</tr>
<tr>
<td><strong>Current Assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>$6,457,068</td>
<td>$9,105,600</td>
<td>$(2,648,532)</td>
</tr>
<tr>
<td>Due from other funds</td>
<td>10,031,208</td>
<td>8,307,146</td>
<td>1,724,062</td>
</tr>
<tr>
<td>Accounts receivable - net of allowance for uncollectible accounts ($3,777,951 for 2015 and $5,247,901 for 2014)</td>
<td>3,955,744</td>
<td>4,811,746</td>
<td>$(856,002)</td>
</tr>
<tr>
<td>Inventories</td>
<td>48,024</td>
<td>44,069</td>
<td>3,955</td>
</tr>
<tr>
<td>Prepaid expenses and other assets</td>
<td>212,568</td>
<td>351,215</td>
<td>$(138,647)</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>$20,704,612</td>
<td>$22,619,776</td>
<td>$(1,915,164)</td>
</tr>
</tbody>
</table>

|                      |                 |                 |          |
| **Liabilities and Net Assets** |         |                 |          |
| **Current Liabilities** |                 |                 |          |
| Accounts payable      | $1,959,115      | $2,383,650      | $(424,535) |
| Accrued payroll and related liabilities | 1,625,332     | 1,530,087      | 95,245   |
| Deposits held for others | 14,302        | 16,488         | (2,186)  |
| Other accrued liabilities | 200,209       | 540,536        | (340,327) |
| **Total Current Liabilities** | 3,798,958     | 4,470,761      | $(671,803) |

|                      |                 |                 |          |
| **Accrued termination pay** |              |                 |          |
| 2,464,883             | 2,525,592      | (60,709)       |
| **Total Liabilities** | 6,263,841      | 6,996,353      | (732,512) |

|                      |                 |                 |          |
| **Net Assets**       |                 |                 |          |
| Unrestricted         | 14,440,771      | 15,623,423      | (1,182,652) |
| **Total Net Assets** | 14,440,771      | 15,623,423      | (1,182,652) |

|                      | $20,704,612     | $22,619,776     | $(1,915,164) |
1.51 Resolution to Approve Best Practices Initiatives

In order to be eligible for its portion of the appropriation for local strategic values, which is a component of the community college performance funding formula, the State of Michigan, in Section 230 of PA 201 of 2012, requires community colleges to meet four of five best practices in the following categories: Economic Development and Business of Industry Partnerships, Educational Partnerships, and Community Services.

Mott Community College has demonstrated its compliance as evidenced by the attachment showing the requirement and specific examples of each requirement.

On the basis of the preceding information, the following resolution is recommended.

Be it Resolved, That

The Charles Stewart Mott Community College Board of Trustees

Adopts the Resolution to Approve Best Practices Initiatives for the fiscal year ended June 30, 2015, as shown on pages 241-245.

Reviewed and Submitted By:

[Signature]
Lawrence A. Gawthrop
Chief Financial Officer

Date: September 22, 2014

Board Policy Statement Reference: 3920 – Financial Stability
General: The Board is committed to maintaining financial stability of the College, its mission, programs, facilities, faculty, staff, and students, in line with its strategic plan.
Community Colleges Local Strategic Value Template

Please use this table as a method to succinctly detail what your community college is doing to meet the best practices in each category. Each category is worth one-third of the total amount available for your institution. Your institution must meet 4 out of 5 best practices in a category to receive funding associated with that category.

<table>
<thead>
<tr>
<th>Best Practices by Category</th>
<th>Examples of Adherence</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Category A: Economic Development and Business or Industry Partnerships (must meet 4 of 5)</strong></td>
<td></td>
</tr>
</tbody>
</table>
| (i) The community college has active partnerships with local employers including hospitals and health care providers. | 1. MCC partners with Genesys Regional Medical, Hurley Medical, and McLaren Regional Medical centers in Genesee County for clinical rotations.  
2. MCC partners with Greater Flint Health Coalition in retraining workforce for Health Care fields.  
3. MCC’s Institute for Medical Simulation has partnered with Hurley Medical Center to provide training to medical personnel. |
| (ii) The community college provides customized on-site training for area companies, employees, or both. | 1. MCC provides customized training for area companies with matching funds through Perkins Grant.  
2. MCC’s Institute for Medical Simulation provides customized training to the Flint Police Department, Indian Trails Motor Coach, Genesee Packaging, Carcostics.  
3. MCC’s Corporate Services provides customized training to numerous entities including: Michigan Works, Ogihara, Flint Area Painters Joint Apprenticeship, and General Motors including a partnership for the New Jobs Training Program with GM. MCC provides customized contract training and grants with companies within our region. Mott has a contract for on-site training with three separate local plants for implant skill centers. |
<p>| (iii) The community college supports entrepreneurship through a small business assistance center or other training or consulting activities targeted toward small businesses. | 1. MCC operates a digital fabrication laboratory (FABLAB) through its Regional Technology Center that is available to students, residents and small businesses. The lab helps individuals turn product ideas into working prototypes or models. To date, several individuals and/or companies have matured product ideas and some have been taken to market. The FABLAB |</p>
<table>
<thead>
<tr>
<th>Best Practices by Category</th>
<th>Examples of Adherence</th>
</tr>
</thead>
</table>
| (iv) The community college supports technological advancement through industry partnerships, incubation activities, or operation of a Michigan technical education center or other advanced technology center. | 1. MCC operates two Michigan Technology Education Centers (M-Tec), its Regional Technology Center on Main Campus in Genesee County and its M-TEC in Livingston County.  
2. MCC is one of the founding members of the Workforce Intelligence Network representing SE MI community colleges, workforce boards, economic developers and incubators. MCC’s representative co-chairs the Employer Strategies sub-committee and meets actively with employers across the region to understand workforce talent needs and develop solutions to those needs. Mott also created the Regional Technology Initiatives (RTI) department to pursue emerging and advanced technology applications. To date, the RTI office has secured several federal grants and awards, is leading the development and commercialization of a new orthopedic medical device and is building an automated system to streamline the production of high-value composite products with minimal waste, higher quality and greater throughput. The RTI office is reaching out to Michigan State University and their Composites Vehicle Research Center to resolve some outstanding project issues and seek additional work in this |
### Best Practices by Category

<table>
<thead>
<tr>
<th>(v) The community college has active partnerships with local or regional workforce and economic development agencies.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. MCC partners with Michigan Works agencies in four counties including, Genesee, Lapeer, Livingston and Shiawassee; Livingston Workforce Agency is located in MCC’s Livingston M-TEC location.</td>
</tr>
<tr>
<td>2. MCC operates Genesee and Shiawassee County Employment Services agencies.</td>
</tr>
<tr>
<td>3. MCC partners with Law Enforcement Officers Regional Training (LEORTC) for regional law enforcement officers commissions.</td>
</tr>
<tr>
<td>4. MCC partners with the Employers Support of the Guard and Reserve (ESGR) to conduct Job Fairs.</td>
</tr>
<tr>
<td>5. MCC is currently participating in the Genesee County Regional Cluster initiative involving several regional and state entities seeking to identify and develop strategies related to economic development. MCC also supports the Next Michigan I-69 Corridor Initiative and has developed new curriculum to support the Transportation, Distribution &amp; Logistics industry. These activities are in addition to those undertaken regionally through WIN which includes projects in energy, skilled trades, IT and others that combine the assets of economic and workforce development organizations.</td>
</tr>
</tbody>
</table>

### Examples of Adherence

<table>
<thead>
<tr>
<th>(i) The community college has active partnerships with regional high schools, intermediate school districts, and career-tech centers to provide instruction through dual enrollment, direct credit, middle college, or academy programs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Mott Middle College enrolls 400 students and is located on the MCC main campus.</td>
</tr>
<tr>
<td>2. MCC has articulation agreements in place for all occupational programs with high schools throughout the county.</td>
</tr>
<tr>
<td>3. MCC has partnered with all 21 school districts in Genesee County, and several out of county, near our extension centers for dual enrollment.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>(ii) The community college hosts, sponsors, or participates in enrichment programs for area K-12 students, such as college days, summer or after-school programming, or</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. MCC hosts Science Olympiad on an annual basis.</td>
</tr>
</tbody>
</table>
| 2. MCC hosts an annual math competition for high
<table>
<thead>
<tr>
<th>Best Practices by Category</th>
<th>Examples of Adherence</th>
</tr>
</thead>
<tbody>
<tr>
<td>science Olympiad.</td>
<td>school students.</td>
</tr>
<tr>
<td></td>
<td>MCC hosts tours/workshops for area schools in Science labs.</td>
</tr>
<tr>
<td>(iii) The community college provides, supports, or participates in programming to promote successful transitions to college for traditional age students, including grant programs such as talent search, upward bound, or other activities to promote college readiness in area high schools and community centers.</td>
<td>1. MCC’s Upward Bound program is a federally funded education program aimed at increasing academic and motivational levels of low income and First Generation high school students so that they will graduate and successfully pursue a college education.</td>
</tr>
<tr>
<td></td>
<td>2. MCC faculty and deans serve on advisory committees for GISD in English and Math coordinating curriculum.</td>
</tr>
<tr>
<td></td>
<td>3. MCC hosts and participates in the College day and a Criminal Justice Career Fair for the past 15 years.</td>
</tr>
<tr>
<td>(iv) The community college provides, supports, or participates in programming to promote successful transitions to college for new or reentering adult students, such as adult basic education, GED preparation, GED testing, or recruiting, advising, or orientation activities specific to adults.</td>
<td>1. MCC’s Workforce Development department provides several programs targeting adult and dislocated workers including Operation Fast Break, an intensive 8-wk. computer-assisted accelerated learning/work preparation module for individuals, ages 18 and older.</td>
</tr>
<tr>
<td></td>
<td>2. MCC participates in the Gateway Project serving individuals up to 21 years of age who have dropped out of high school re-enter college.</td>
</tr>
<tr>
<td></td>
<td>3. MCC works closely with Mott Adult High School including GED preparation/testing.</td>
</tr>
<tr>
<td>(v) The community college has active partnerships with regional 4-year colleges and universities to promote successful transfer, such as articulation, 2+2, or reverse transfer agreements or operation of a university center.</td>
<td>1. MCC maintains articulation agreements with colleges and universities throughout the state.</td>
</tr>
<tr>
<td></td>
<td>2. MCC operates the first university center created in the state of Michigan. Located on MCC’s Main Campus, partners include: MSU, UofM-Flint, Ferris State, Cleary, Rochester.</td>
</tr>
</tbody>
</table>

**Category C: Community Services (must meet 4 of 5)**

(i) The community college provides continuing education programming for leisure, wellness, personal enrichment, or professional development.

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1. MCC provides state testing for the Certified Nursing Assistant.</td>
<td></td>
</tr>
<tr>
<td>2. MCC annually offers Motorcycle Safety Training in partnership with the State of</td>
<td></td>
</tr>
<tr>
<td>Best Practices by Category</td>
<td>Examples of Adherence</td>
</tr>
<tr>
<td>---------------------------</td>
<td>-----------------------</td>
</tr>
</tbody>
</table>
| (ii) The community college operates or sponsors opportunities for community members to engage in activities that promote leisure, wellness, cultural or personal enrichment such as community sports teams, theater or musical ensembles, or artist guilds. | Michigan.  
3. MCC established a Law Enforcement Regional Training Academy.  
4. MCC offers the only Factory Five build school in the world, allowing participants the opportunity to build a car from scratch.  
1. MCC Choir, Concert Band, and Guitar ensemble are combinations of students and community members as participants.  
2. MCC’s Ballenger Speaker Series provides free lectures to the public on a variety of topics. |
| (iii) The community college operates public facilities to promote cultural, educational, or personal enrichment for community members, such as libraries, computer labs, performing arts centers, museums, art galleries, or television or radio stations. | 1. MCC operates an art gallery open to the public with both visiting artist exhibits and student exhibits.  
2. Community members have full MCC library privileges.  
3. MCC operates three community-based technology centers that provide computer and internet access to lower social economic communities. |
| (iv) The community college operates public facilities to promote leisure or wellness activities for community members, including gymnasiums, athletic fields, tennis courts, fitness centers, hiking or biking trails, or natural areas. | 1. MCC maintains hiking and bike trails throughout the campus which are connected to city hiking and bike trails.  
2. MCC co-sponsors the Commit to Fit Regional wellness campaign.  
3. MCC maintains tennis courts for student and community use. |
| (v) The community college promotes, sponsors, or hosts community service activities for students, staff, or community members. | 1. MCC offers a variety of service learning opportunities provided by faculty including but not limited to – anti-bullying programs, VIDA tax preparation, reading to children and seniors.  
2. MCC faculty and staff participate in service days working with North End Soup Kitchen.  
3. MCC’s Department of Public Safety sponsors a community Halloween party every year. |
1.52 Resolution to Authorize the Issuance of Refunding Bonds – Not to Exceed $18,000,000

A review by the administration indicates that it would now be in the best interest of the College to refund a portion of outstanding bonds to create substantial savings of interest costs over the life of the bonds.

Chapter VI of Act No. 34, Public Acts of Michigan, 2001, as amended (“Act 34”) permits the College to refund all or any part of its outstanding securities.

A formal resolution authorizing the Refunding of the 2005 and 2006 Series Bonds not to exceed $18,000,000 is attached on the following pages 247 to 266.

On the basis of the preceding information the following resolution is recommended.

Be it Resolved, That

The Charles Stewart Mott Community College Board of Trustees

Adopts the Resolution to Authorize the Refunding of the 2005 and 2006 Series Bonds as attached on the following pages 247 to 266.

Reviewed and Submitted By:

Lawrence A. Gawthrop
Chief Financial Officer

Date: September 22, 2014

Board Policy Statement Reference: 3910 – Debt Management

General: The Mott Community College Board of Trustees recognizes the significant impact bonding and other debt vehicles such as bank loans, installment purchase agreements, etc. have on the ability of the College to acquire adequate facilities and equipment in support of its mission. The Board further recognizes its policy responsibility to insure appropriate debt levels, management and oversight. 3. All bonding proposals shall be approved by the Board in accordance with the provisions of PA 331, 1906.
RESOLUTION TO AUTHORIZE THE ISSUANCE
OF REFUNDING BONDS NOT TO EXCEED $18,000,000

At a regular meeting of the Board of Trustees of Charles Stewart Mott Community College, County of Genesee, Michigan (the "Board"), held on the 22nd day of September, 2014.

PRESENT:

__________________________________________

__________________________________________

ABSENT:

__________________________________________

The following resolution was offered by ________________ and seconded by ________________:

WHEREAS, Charles Stewart Mott Community College (the “College”) previously has issued its Community College Facilities Refunding Bonds, Series 2005, dated as of February 11, 2005, in the principal amount of $22,620,000 (the "2005 Bonds") and 2006 Community College Facilities Bonds, dated as of April 4, 2006, in the principal amount of $14,455,000 (the "2006 Bonds");

WHEREAS, the 2005 Bonds and the 2006 Bonds (together, the "Prior Bonds") remain outstanding in various principal amounts, and the College has been advised that certain of the Prior Bonds could be redeemed and thereby secure savings for the College; and

WHEREAS, Part VI of Act 34, Public Acts of Michigan, 2001, as amended ("Act 34"), authorizes the issuance of refunding bonds for the purpose of refunding all or part of the College's outstanding securities such as the Prior Bonds; and
WHEREAS, the Board has determined that it is in the best interest of the College to refund all or a portion of the Prior Bonds to secure savings for the College through the issuance of such refunding bonds.

NOW, THEREFORE, BE IT RESOLVED that:

1. **AUTHORIZATION OF BONDS – PURPOSE.** Bonds of the College aggregating the principal sum of not to exceed Eighteen Million Dollars ($18,000,000) (the "Refunding Bonds") shall be issued and sold pursuant to the provisions of Act 34, and other applicable statutory provisions, for the purpose of refunding all or a portion of the Prior Bonds as determined by order of the President or the Chief Financial Officer of the College.

2. **BOND DETAILS.** The Refunding Bonds shall be designated "2015 Refunding Bonds (Unlimited Tax General Obligation)"; shall be dated as of the date approved by order of the President or Chief Financial Officer; shall be numbered from 1 upwards; shall be fully registered; shall be in the denomination of $5,000 each or any integral multiple thereof not exceeding the aggregate principal amount for each maturity at the option of the purchaser thereof; shall bear interest at a rate or rates as shall be determined by order of the President or Chief Financial Officer; shall be payable on such dates as shall be determined by order of the President or Chief Financial Officer; and shall be serial bonds and/or term bonds and mature on such dates and in such years as shall be determined by order of the President or Chief Financial Officer. If requested by the original purchaser of the Refunding Bonds and determined by the President or Chief Financial Officer, the Refunding Bonds may be issued in the form of a single bond with an exhibit containing the principal maturity amounts and applicable interest rates and due dates.

3. **PAYMENT OF PRINCIPAL AND INTEREST.** The principal of and interest on the Refunding Bonds shall be payable in lawful money of the United States. Principal shall be payable upon presentation and surrender of the Refunding Bonds to the bond registrar and
paying agent as they severally mature; provided, however, if the Refunding Bonds are issued in the form of a single bond, only the final principal payment shall be payable upon presentation and surrender of the bond to the bond registrar and paying agent and all other principal installments shall be paid to the registered owner of the bond as shown on the registration books. Interest shall be paid to the registered owner of each Refunding Bond as shown on the registration books at the close of business on the 15th day of the calendar month preceding the month in which the interest payment is due. Interest shall be paid when due by check or draft drawn upon and mailed by the bond registrar and paying agent to the registered owner at the registered address.

4. **PRIOR REDEMPTION.** The Refunding Bonds shall not be subject to optional redemption prior to maturity. If any of the Refunding Bonds are issued as term bonds, such Refunding Bonds shall be subject to mandatory redemption prior to maturity upon such terms and conditions as shall be determined by order of the President or the Chief Financial Officer.

5. **BOOK-ENTRY SYSTEM.** Initially, if requested by the original purchaser of the Refunding Bonds and determined by the President or the Chief Financial Officer, one fully-registered Refunding Bond for each maturity, in the aggregate amount of such maturity, shall be issued in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC") for the benefit of other parties (the "Participants") in the book-entry-only transfer system of DTC. In the event the College determines that it is in the best interest of the College not to continue the book-entry system of transfer or that the interests of the holders of the Refunding Bonds might be adversely affected if the book-entry system of transfer is continued, the College may notify DTC and the bond registrar and paying agent, whereupon DTC will notify the Participants of the availability through DTC of Refunding Bond certificates. In such event, the bond registrar and paying agent shall deliver, transfer and exchange Refunding Bond certificates as requested by DTC and any Participant or "beneficial owner" in appropriate amounts in accordance with this resolution. DTC may
determine to discontinue providing its services with respect to the Refunding Bonds at any time by giving notice to the College and the bond registrar and paying agent and discharging its responsibilities with respect thereto under applicable law or the College may determine that DTC is incapable of discharging its duties and may so advise DTC. In either such event, the College shall use reasonable efforts to locate another securities depository. Under such circumstances (if there is no successor securities depository), the College and the bond registrar and paying agent shall be obligated to deliver Refunding Bond certificates in accordance with the procedures established by this resolution. In the event Refunding Bond certificates are issued, the provisions of this resolution shall apply to, among other things, the transfer and exchange of such certificates and the method of payment of principal of and interest on such certificates. Whenever DTC requests the College and the bond registrar and paying agent to do so, the College and the bond registrar and paying agent shall cooperate with DTC in taking appropriate action after reasonable notice to make available one or more separate certificates evidencing the Refunding Bonds to any Participant having Refunding Bonds credited to its DTC account or to arrange for another securities depository to maintain custody of certificates evidencing the Refunding Bonds.

Notwithstanding any other provision of this resolution to the contrary, so long as any Refunding Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to the principal of, interest on and redemption premium, if any, on such Refunding Bonds and all notices with respect to the Refunding Bonds shall be made and given, respectively, to DTC. The President or the Chief Financial Officer of the College is authorized to sign the Blanket Issuer Letter of Representations on behalf of the College in such form as such official signing the Blanket Issuer Letter of Representations deems necessary or appropriate in order to accomplish the issuance of the Refunding Bonds in accordance with law and this resolution.

Notwithstanding any other provision of this resolution to the contrary, if the President or the Chief Financial Officer deems it to be in the best interest of the College, the
Refunding Bonds shall not initially be issued through the book-entry-only transfer system of DTC.

6. **BOND REGISTRAR AND PAYING AGENT.** The President or the Chief Financial Officer shall designate, and may enter into an agreement with, a bond registrar and paying agent for the Refunding Bonds which shall be a bank or trust company located in the State of Michigan that is qualified to act in such capacity under the laws of the United States of America or the State of Michigan. The President or the Chief Financial Officer from time to time as required may designate a similarly qualified successor bond registrar and paying agent. Notwithstanding any provision of this section to the contrary, if the President or the Chief Financial Officer deems it to be in the best interest of the College, the Chief Financial Officer, Treasurer of the Board or other College official as determined by the President or the Chief Financial Officer shall serve as bond registrar and paying agent for the Refunding Bonds.

7. **EXECUTION, AUTHENTICATION AND DELIVERY OF BONDS.** The Refunding Bonds shall be executed in the name of the College by the manual or facsimile signatures of the Chairperson and the Secretary of the Board and authenticated by the manual signature of an authorized representative of the bond registrar and paying agent. After the Refunding Bonds have been executed and authenticated for delivery to the original purchaser thereof, they shall be delivered by the President or the Chief Financial Officer to the purchaser of the Refunding Bonds upon receipt of the purchase price. Additional Refunding Bonds bearing the manual or facsimile signatures of the Chairperson and the Secretary of the Board may be delivered to the bond registrar and paying agent for authentication and delivery in connection with the exchange or transfer of the Refunding Bonds. The bond registrar and paying agent shall indicate on each Refunding Bond the date of its authentication.

8. **EXCHANGE AND TRANSFER OF BONDS.** Any Refunding Bond, upon surrender thereof to the bond registrar and paying agent with a written instrument of transfer
satisfactory to the bond registrar and paying agent duly executed by the registered owner or
his duly authorized attorney, at the option of the registered owner thereof, may be
exchanged for Refunding Bonds of any other authorized denominations of the same
aggregate principal amount and maturity date and bearing the same rate of interest as the
surrendered Refunding Bond.

Each Refunding Bond shall be transferable only upon the books of the College,
which shall be kept for that purpose by the bond registrar and paying agent, upon surrender
of such Refunding Bond together with a written instrument of transfer satisfactory to the
bond registrar and paying agent duly executed by the registered owner or his duly authorized
attorney.

Upon the exchange or transfer of any Refunding Bond, the bond registrar and
paying agent on behalf of the College shall cancel the surrendered Refunding Bond and shall
authenticate and deliver to the transferee a new Refunding Bond or Bonds of any authorized
denomination of the same aggregate principal amount and maturity date and bearing the
same rate of interest as the surrendered Refunding Bond. If, at the time the bond registrar
and paying agent authenticates and delivers a new Refunding Bond pursuant to this section,
payment of interest on the Refunding Bonds is in default, the bond registrar and paying
agent shall endorse upon the new Refunding Bond the following: "Payment of interest on
this bond is in default. The last date to which interest has been paid is __________, ___.
"

The College and the bond registrar and paying agent may deem and treat the person
in whose name any Refunding Bond shall be registered upon the books of the College as the
absolute owner of such Refunding Bond, whether such Refunding Bond shall be overdue or
not, for the purpose of receiving payment of the principal of and interest on such Refunding
Bond and for all other purposes, and all payments made to any such registered owner, or
upon his order, in accordance with the provisions of section 3 of this resolution shall be
valid and effectual to satisfy and discharge the liability upon such Refunding Bond to the extent of the sum or sums so paid, and neither the College nor the bond registrar and paying agent shall be affected by any notice to the contrary. The College agrees to indemnify and save the bond registrar and paying agent harmless from and against any and all loss, cost, charge, expense, judgment or liability incurred by it, acting in good faith and without negligence hereunder, in so treating such registered owner.

For every exchange or transfer of Refunding Bonds, the College or the bond registrar and paying agent may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer, which sum or sums shall be paid by the person requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer.

The bond registrar and paying agent shall not be required to transfer or exchange Refunding Bonds or portions of Refunding Bonds that have been selected for redemption.

9. **FORM OF BONDS.** The Refunding Bonds shall be in substantially the following form:
UNITED STATES OF AMERICA
STATE OF MICHIGAN
COUNTY OF GENESEE

CHARLES STEWART MOTT COMMUNITY COLLEGE
2015 REFUNDING BOND
(UNLIMITED TAX GENERAL OBLIGATION)

INTEREST RATE  MATURITY DATE  DATE OF ORIGINAL ISSUE  CUSIP

Registered Owner:

Principal Amount:

Charles Stewart Mott Community College, County of Genesee, State of Michigan (the "College"), acknowledges itself indebted to, and for value received hereby promises to pay to, the Registered Owner identified above, or registered assigns, the Principal Amount set forth above on the Maturity Date specified above, unless redeemed prior thereto as hereinafter provided, upon presentation and surrender of this bond at _________________________________, the bond registrar and paying agent, or at such successor bond registrar and paying agent as may be designated pursuant to the Resolution (as hereinafter defined), and to pay to the Registered Owner, as shown on the registration books at the close of business on the 15th day of the calendar month preceding the month in which an interest payment is due, by check or draft drawn upon and mailed by the bond registrar and paying agent by first class mail postage prepaid to the Registered Owner at the registered address, interest on such Principal Amount from ________, _____, or such later date through which interest has been paid until the College's obligation with respect to the payment of such Principal Amount is discharged, at the rate per annum specified above. Interest is payable on the first days of _______ and _______ in each year, commencing on ________, 200_. Principal and interest are payable in lawful money of the United States of America. Interest shall be computed on the basis of a 360-day year of twelve 30-day months.

This bond is one of a series of bonds aggregating the principal sum of ________________________________ Dollars ($_______) issued by the College under and pursuant to and in full conformity with the Constitution and Statutes of Michigan (especially Act No. 34, Public Acts of 2001, as amended) and a resolution adopted by the Board of Trustees of the College on September 22, 2014 (the "Resolution"), for the purpose of refunding the College's outstanding Community College Facilities Refunding Bonds, Series 2005, dated February 11, 2005, maturing in the years ____ through ____ and 2006 Community College Facilities Bonds, dated April 4, 2006, maturing in the years ____ through ____. The full faith and credit of the College have been pledged for the prompt
payment of the principal of and interest on this bond. The College is required to levy annually ad valorem taxes, without limitation as to rate or amount, to pay such principal and interest as the same shall become due.

This bond is transferable, as provided in the Resolution, only upon the books of the College kept for that purpose by the bond registrar and paying agent, upon the surrender of this bond together with a written instrument of transfer satisfactory to the bond registrar and paying agent duly executed by the Registered Owner or his attorney duly authorized in writing. Upon the exchange or transfer of this bond a new bond or bonds of any authorized denomination, in the same aggregate principal amount and of the same interest rate and maturity, shall be authenticated and delivered to the transferee in exchange therefor as provided in the Resolution, and upon payment of the charges, if any, therein provided. Bonds so authenticated and delivered shall be in the denomination of $5,000 or any integral multiple thereof not exceeding the aggregate principal amount for each maturity.

The bond registrar and paying agent shall not be required to transfer or exchange bonds or portions of bonds that have been selected for redemption.

This bond is not subject to optional prior redemption prior to maturity.

Bonds maturing in the year ____ are subject to mandatory prior redemption at par and accrued interest as follows:

<table>
<thead>
<tr>
<th>Redemption Date</th>
<th>Principal Amount of Bonds to be Redeemed</th>
</tr>
</thead>
</table>

Bonds or portions of bonds to be redeemed by mandatory redemption shall be selected by lot.

Not less than thirty but not more than sixty days' notice of redemption shall be given to the Registered Owners of bonds called to be redeemed by mail to each Registered Owner at the registered address. Bonds or portions of bonds called for redemption shall not bear interest on and after the date fixed for redemption, provided funds are on hand with the bond registrar and paying agent to redeem the same.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of the bonds of this series, existed, have happened and have been performed in due time, form and manner as required by law, and that the total indebtedness of the College, including the series of bonds of which this bond is one, does not exceed any constitutional or statutory limitation.

IN WITNESS WHEREOF, Charles Stewart Mott Community College, County of Genesee, State of Michigan, by its Board of Trustees, has caused this bond to be executed in its name by the manual or facsimile signatures of the Chairperson and the Secretary of the Board of Trustees. This bond shall not be valid unless the Certificate of Authentication has
been manually executed by the bond registrar and paying agent or an authorized representative of the bond registrar and paying agent.

CHARLES STEWART MOTT COMMUNITY COLLEGE

By: _____________________________

Its: Chairperson

And: _____________________________

Its: Secretary
CERTIFICATE OF AUTHENTICATION

This bond is one of the bonds described in the within mentioned Resolution.

________________________________________
Bond Registrar and Paying Agent

By: ______________________________________
Authorized Representative

AUTHENTICATION DATE:
ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto
______________________________________________________________________
(please print or type name, address and taxpayer identification number of transferee) the
within bond and all rights thereunder and hereby irrevocably constitutes and appoints
attorney to transfer the within bond on the books kept for registration thereof, with full
power of substitution in the premises.

Dated: __________________________

Signature Guaranteed: ____________________________________________

Signature(s) must be guaranteed by an eligible guarantor institution participating in a
Securities Transfer Association recognized signature guarantee program.
10. **SECURITY.** There shall be levied upon all taxable property in the College upon the tax roll for each year while any of the Refunding Bonds shall be outstanding an amount such that the estimated collections therefrom will be sufficient to pay promptly at maturity the principal and interest maturing on the Refunding Bonds prior to the time of the following year's tax collections. Taxes required to be levied to pay principal of and interest on the Refunding Bonds shall be without limitation as to rate or amount. The proceeds of such taxes (both current and delinquent) shall be deposited as collected into a debt retirement fund that shall be established and maintained for the Refunding Bonds as either a separate or a common fund as permitted by law, and until the principal of and the interest on the Refunding Bonds are paid in full, such proceeds shall be used only for payment of such principal and interest or for other authorized purposes of the fund.

11. **DEBT RETIREMENT FUND.** There is hereby established for the Refunding Bonds a debt retirement fund (the "Debt Retirement Fund") that shall be either a separate or a common fund as permitted by law. From the proceeds of the sale of the Refunding Bonds, there shall be set aside in the Debt Retirement Fund any accrued interest received from the purchaser at the time of delivery of the same plus any such portion of premium received from the original purchasers of the Refunding Bonds as determined by the President or the Chief Financial Officer. All proceeds from taxes levied for the payment of the principal of and interest on the Refunding Bonds shall be deposited into the Debt Retirement Fund. If a separate debt retirement fund is established, the moneys deposited in the Debt Retirement Fund shall be used solely for the purpose of paying the principal of and interest on the Refunding Bonds. If a common debt retirement fund is established, the moneys deposited in the Debt Retirement Fund shall be used solely for the payment of the principal of and interest on the Refunding Bonds and other bonds of like character of the College payable from such common debt retirement fund.

12. **PAYMENT OF COSTS OF ISSUANCE -- ESCROW FUND.** The remainder of the proceeds of the Refunding Bonds shall be used to pay the costs of issuance of the Refunding
Bonds and to refund the outstanding Prior Bonds maturing in the years determined by order of the President or the Chief Financial Officer (the "Prior Bonds To Be Refunded"). After the costs of issuance have been paid or provided for the remaining proceeds shall be used, together with any moneys transferred by the Board from the debt retirement fund for the Prior Bonds, to establish an escrow fund (the "Escrow Fund") consisting of cash and investments in direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America or other obligations the principal of and interest on which are fully secured by the foregoing and used to pay the principal of, interest on and redemption premiums, if any, on the Prior Bonds To Be Refunded. The Escrow Fund shall be held by an escrow agent (the "Escrow Agent") pursuant to an Escrow Agreement (the "Escrow Agreement"), which irrevocably shall direct the Escrow Agent to take all necessary steps to pay the principal of and interest on the Prior Bonds To Be Refunded when due and to call such Prior Bonds To Be Refunded at redemption at such time as shall be determined in the Escrow Agreement. The President or the Chief Financial Officer is authorized to select the Escrow Agent and enter into the Escrow Agreement on behalf of the College. The amounts held in the Escrow Fund shall be such that the cash and the investments and the income received on the investments will be sufficient without reinvestment to pay the principal of, interest on and redemption premiums, if any, on the Prior Bonds To Be Refunded when due at maturity or call for redemption as required by the Escrow Agreement.

13. **DEFEASANCE.** In the event cash or direct obligations of the United States or obligations the principal of and interest on which are guaranteed by the United States, or a combination thereof, the principal of and interest on which, without reinvestment, come due at times and in amounts sufficient to pay, at maturity or irrevocable call for earlier optional redemption, the principal of, redemption premium, if any, and interest on all or any portion of the Refunding Bonds, shall have been deposited in trust, this resolution shall be defeased and the owners of the Refunding Bonds shall have no further rights under this resolution except to receive payment of the principal of, redemption premium, if any, and interest on the
Refunding Bonds from the cash or securities deposited in trust and the interest and gains thereon and to transfer and exchange Refunding Bonds as provided herein.

14. APPROVAL OF DEPARTMENT OF TREASURY. The issuance and sale of the Refunding Bonds shall be subject to permission being granted therefor by the Michigan Department of Treasury pursuant to Act No. 34, Public Acts of Michigan, 2001, as amended ("Act 34"), unless the College has obtained qualified status thereunder, and, if necessary, the President or Chief Financial Officer is authorized and directed to make application to the Department of Treasury for permission to issue and sell the bonds as provided by the terms of this resolution and by Act 34.

15. SALE, ISSUANCE, DELIVERY, TRANSFER AND EXCHANGE OF BONDS. The Refunding Bonds shall be sold pursuant to a negotiated sale as hereinafter provided, and it is hereby determined that such negotiated sale is in the best interests of the College and is calculated to provide the maximum flexibility in pricing the Refunding Bonds so as to achieve sufficient debt service savings with respect to the Prior Bonds To Be Refunded. The Refunding Bonds shall be sold to either the underwriter or underwriters identified in section 22 (the "Underwriter") in connection with a public offering of the Refunding Bonds or to a purchaser (the "Purchaser") in connection with a private placement by the placement agent identified in section 22 (the "Placement Agent"), as determined by the President or the Chief Financial Officer, following consultation with the College's financial consultant, to be in the best interests of the College. The President or the Chief Financial Officer is authorized to negotiate, execute and deliver a bond purchase agreement (the "Bond Purchase Agreement") with the Underwriter or the Purchaser, as the case may be, which Bond Purchase Agreement shall set forth the Prior Bonds To Be Refunded, the principal amount of the Refunding Bonds, principal maturities and dates, interest rates and interest payment dates, redemption provisions, if any, purchase price to be paid by the Underwriter or the Purchaser, as the case may be, and compensation to be paid to the Underwriter or the Placement Agent, as the case may be, as well as such other terms and
provisions as the President or Chief Financial Officer determines to be necessary or appropriate in connection with the sale of the Refunding Bonds. The approval of the Bond Purchase Agreement, as well as the foregoing provisions with respect to the Refunding Bonds, shall be set forth in an order authorizing the sale of the Refunding Bonds to be executed by the President or Chief Financial Officer. The Chairperson, the Secretary and the Treasurer of the Board, the Chief Financial Officer and the President and other appropriate officials of the College are authorized to do all things necessary to effectuate the sale, issuance, delivery, transfer and exchange of the Refunding Bonds in accordance with the provisions of this resolution. In making the determination in the order authorizing the sale of the Refunding Bonds and in the Bond Purchase Agreement with respect to principal maturities and dates, interest rates, purchase price of the Refunding Bonds and compensation to be paid to the Underwriter or the Placement Agent, the President or Chief Financial Officer shall be limited as follows:

The average interest rate on the Refunding Bonds shall not exceed 3% per annum.
The final maturity date of the Refunding Bonds shall not be later than May 1, 2022.
The issuance of the Refunding Bonds shall result in present value savings (net of issuance costs) of not less than 3% with respect to the debt service on the Prior Bonds To Be Refunded.
The Underwriter's discount with respect to the Refunding Bonds shall not exceed 0.5% of the principal amount of the Refunding Bonds.

16. OFFICIAL STATEMENT. The President or the Chief Financial Officer is authorized to cause the preparation of an official statement for the Refunding Bonds for purposes of compliance with Rule 15c2-12 issued under the Securities Exchange Act of 1934, as amended (the "Rule") and to do all other things necessary to comply with the Rule. After the award of the Refunding Bonds, the College will provide copies of a "final official statement" (as defined in paragraph (e)(3) of the Rule) on a timely basis and in reasonable quantity as requested by the purchasers to enable the purchasers to comply with paragraph (b)(4) of the Rule and the rules of the Municipal Securities Rulemaking Board. The
President or the Chief Financial Officer is authorized to enter into such agreements as may be required to enable the purchasers to comply with the Rule.

17. **CONTINUING DISCLOSURE.** The President or the Chief Financial Officer is authorized to execute and deliver in the name and on behalf of the College a continuing disclosure certificate to comply with the requirements for a continuing disclosure undertaking of the College pursuant to paragraph (b)(5) of the Rule, and amendments to such certificate from time to time in accordance with the terms of such certificate (the certificate and any amendments thereto are collectively referred to herein as the "Continuing Disclosure Certificate"). The College hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate.

18. **REPLACEMENT OF BONDS.** Upon receipt by the President or the Chief Financial Officer of proof of ownership of an unmatured Refunding Bond, of satisfactory evidence that the Refunding Bond has been lost, apparently destroyed or wrongfully taken and of security or indemnity that complies with applicable law and is satisfactory to the President or the Chief Financial Officer, the President or the Chief Financial Officer may authorize the bond registrar and paying agent to deliver a new executed Refunding Bond to replace the Refunding Bond lost, apparently destroyed or wrongfully taken in compliance with applicable law. In the event an outstanding matured Refunding Bond is lost, apparently destroyed or wrongfully taken, the President or the Chief Financial Officer may authorize the bond registrar and paying agent to pay the Refunding Bond without presentation upon the receipt of the same documentation required for the delivery of a replacement Refunding Bond. The bond registrar and paying agent, for each new Refunding Bond delivered or paid without presentation as provided above, shall require the payment of expenses, including counsel fees, which may be incurred by the bond registrar and paying agent and the College in the premises. Any Refunding Bond delivered pursuant to the provisions of this section in lieu of any Refunding Bond lost, apparently destroyed or wrongfully taken shall be of the
same form and tenor and be secured in the same manner as the Refunding Bond in substitution for which such Refunding Bond was delivered.

19. **TAX COVENANT.** The College covenants to comply with all applicable requirements of the Internal Revenue Code of 1986, as amended (the "Code"), necessary to assure that the interest on the Refunding Bonds will be and will remain excludable from gross income for federal income tax purposes. The Chairperson, the Secretary and the Treasurer of the Board and the President, the Chief Financial Officer and other appropriate officials of the College are authorized to do all things necessary (including the making of such covenants of the College as shall be appropriate) to assure that the interest on the Refunding Bonds will be and will remain excludable from gross income for federal income tax purposes.

20. **NOT QUALIFIED TAX-EXEMPT OBLIGATIONS.** The Refunding Bonds are not designated as Qualified Tax-Exempt Obligations as described in Section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended.

21. **BOND INSURANCE.** The President or the Chief Financial Officer is authorized and directed to take any actions that may be necessary or appropriate to purchase a policy or policies of municipal bond insurance with respect to the Refunding Bonds to the extent that the President or the Chief Financial Officer determines that the purchase of such municipal bond insurance is in the best interests of the College. If the President or the Chief Financial Officer makes such a determination, the purchase of a policy or policies and the payment of premiums therefor and the execution by the President or the Chief Financial Officer of any necessary commitments with respect thereto are hereby authorized.

22. **APPOINTMENTS.** Dickinson Wright PLLC is hereby appointed to act as bond counsel, Stauder Barch & Associates, Inc. is hereby appointed to act as financial consultant and Fifth Third Securities, Inc. is hereby appointed to act as Underwriter or Placement Agent, as the case may be, with respect to the Refunding Bonds. The President or the Chief Financial
Officer is authorized to appoint additional underwriters with respect to the Refunding Bonds if the President or Chief Financial Officer determines such appointment is in the best interests of the College, in which case the term “Underwriter” in this resolution shall include Fifth Third Securities, Inc. and such additional underwriter or underwriters.

23. **CONFLICTING RESOLUTIONS.** All resolutions and parts of resolutions insofar as they may be in conflict herewith are rescinded.

YEAS: _____________________________________________________________

______________________________________________________________

NAYS: ___________________________________________________________

ABSENT: __________________________________________________________

RESOLUTION DECLARED ADOPTED.
STATE OF MICHIGAN

COUNTY OF GENESEE

I hereby certify that I am the Secretary of the Board of Trustees of Charles Stewart Mott Community College, Genesee County, Michigan, and that the foregoing is a true and complete copy of a resolution duly adopted by the Board of Trustees of said College at a regular meeting held on the 22nd day of September, 2014, the original of which resolution is on file in my office. I further certify that notice of said meeting was given in accordance with the provisions of the open meetings act.

Secretary, Board of Trustees
Charles Stewart Mott Community College
FOR ACTION

Board of Trustees
Charles Stewart Mott Community College
Regular Meeting, September 22, 2014
Volume 45

1.53 Flexible Manufacturing System – Purchase Award

Mott Community College (MCC) will be purchasing one (1) SMC International Training FMS-200 Flexible Manufacturing System with TAACCCT MCAM (RTC): Equipment/Remodeling grant funds. This purchase will enable MCC to perform integrated training in industrial automation.

The Purchasing Department will be purchasing one (1) SMC International Training FMS-200 Flexible Manufacturing System from Advanced Technology Consultants, following a competitive sealed proposal in which one (1) response was received and evaluated.

Based on the above information, the following resolution is recommended.

Be it Resolved, That

The Charles Stewart Mott Community College Board of Trustees

Awards the purchase of one (1) SMC International Training FMS-200 Flexible Manufacturing System to Advanced Technologies Consultants (ATC), 110 W. Main Street, PO Box 905, Northville, MI 48167, for a cost in the amount of $199,205.00 [One hundred ninety-nine thousand two hundred five dollars and zero cents].

Reviewed and Submitted by:

Thomas D. Crampton
Executive Dean, Regional Technology Initiatives

Date: September 22, 2014

Board Policy Statement Reference: 4410 – Purchasing
General: Purchases should be based on quality and price. Qualified vendors should have the opportunity to bid on College purchases. This policy is established to ensure that sound business practices are followed in the purchase of furnishings, equipment, materials, goods and supplies.
<table>
<thead>
<tr>
<th>Vendor</th>
<th>Bid</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advanced Technologies Consultants, Inc.</td>
<td>$199,205.00</td>
</tr>
<tr>
<td>110 W. Main Street, PO Box 905</td>
<td></td>
</tr>
<tr>
<td>Northville, MI 48167</td>
<td></td>
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</tbody>
</table>
FOR ACTION

Board of Trustees
Charles Stewart Mott Community College
Regular Meeting, September 22, 2014
Volume 45

1.54 Robotics Training – Purchase Award

Mott Community College (MCC) will be purchasing two (2) FANUC Robotics Training bundles with TAACCCT MCAM (RTC): Equipment/Remodeling grant funds to work in conjunction with the robots purchased with Perkins funds in March 2014. The FANUC Certified Education Robot Training (CERT) platform and instructor certification training included in these bundles provide students and instructors with curriculum, simulation software and activities, and instructional guides.

MCC is a FANUC certification center; the College provides a FANUC certification to students who successfully complete the requisite MCC robotics courses. The industry recognized certification must occur on FANUC-manufactured robots; therefore FANUC products must be used. The new robots will complement existing FANUC robots and match the types of robots used by our industry partners, including General Motors (Flint Engine South).

The Purchasing Department will be purchasing two (2) FANUC LR Mate 200iD/4S R-30iB Certified Education Robot Training (CERT) Bundles from Integrated Systems Technology (IST).

Based on the above information, the following resolution is recommended.

Be it Resolved, That

The Charles Stewart Mott Community College Board of Trustees

Awards the purchase of two (2) FANUC LR Mate 200iD/4S R-30iB Certified Education Robot Training (CERT) Bundles to Integrated Systems Technology (IST), 150 Industrial Drive, Lexington, OH 44904, for a cost in the amount of $70,108.00 [Seventy thousand one hundred eight dollars and zero cents].

Reviewed and Submitted by:

Thomas Crampton
Executive Dean, Regional Technology Initiatives

Date: September 22, 2014

Board Policy Statement Reference: 4410 – Purchasing

General: Purchases should be based on quality and price. Qualified vendors should have the opportunity to bid on College purchases. This policy is established to ensure that sound business practices are followed in the purchase of furnishings, equipment, materials, goods and supplies.
Robotics Training – Purchase Award  
Sole Source

**VENDOR**

IST  
150 Industrial Drive  
Lexington, OH 44904

**Bid**

FANUC LR Mate 200iD/4S R-30iB Certified Education Training CERT Packages ($35,054.00 each)

**Justification**

FANUC no longer sells direct to colleges and universities. The FANUC CERT program is being provided by IST, an exclusive Education Authorized Reseller for the state of Michigan. The FANUC CERT program can only be purchased from IST and is only offered to educational institutions.
President’s Report  
Regular Board of Trustees Meeting  
September 22, 2014

1. Executive Summary

2. Introduction of New Hires

3. Upcoming Dates:

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October 2, 2014  Welcome Reception for President Walker-Griffæa, 4:00 – 6:30 p.m., Event Center  
October 21, 2014  FMCC Alumni Friendraiser @ 6pm – 9pm, the Smart Museum of Art, Chicago  
October 22, 2014  Finance/Audit Committee @ 12:00 noon, CM1019  
Personnel Committee @ 4:00 p.m., CM1019  
October 23 – 26, 2014  ACCT Leadership Congress, Chicago, IL  
October 27, 2014  Regular Board Meeting – Regional Technology Center  
5:45 p.m. dinner; 6:30 p.m. workshop; 7:30 p.m. meeting  
November 19, 2014  Finance/Audit Committee @ 12:00 noon, CM1019  
Personnel Committee @ 4:00 p.m., CM1019  
November 24, 2014  Regular Board Meeting – Regional Technology Center  
5:45 p.m. dinner; 6:30 p.m. workshop; 7:30 p.m. meeting  
November 27-28, 2014  College Closed for Thanksgiving Holiday  
December 10, 2014  Finance/Audit Committee @ 12:00 noon, CM1019  
Personnel Committee @ 4:00 p.m., CM1019  
December 15, 2014  Regular Board Meeting – Regional Technology Center  
5:45 p.m. dinner; 6:30 p.m. workshop; 7:30 p.m. meeting  
December 24 – January 5  College Closed for Winter Break