

**HENRY FORD COLLEGE  
OFFICE OF THE PRESIDENT**

**BOARD REPORT**

**SUBJECT:** Fiscal Year 2021 Mid-Year Budget Adjustment

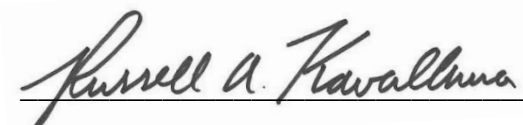
Mid-year budget adjustments are required for the initial FY2021 adopted budget in order to adjust revenue and expenses based upon actual activity for the first six months of the fiscal year.

Total revenue is recommended to be increased by \$4.7 million. The largest increase is in state appropriations of \$4.7 million since the appropriations for FY2021 are the same as for FY2020. In April, the College planned for a 20% reduction in state allocations. Tuition for summer is increased by \$750,000, while due to a larger decrease in enrollment for winter 2021, other tuition is reduced by \$947,000. Property taxes have been reviewed and will be increased by \$750,000. Enrollment was budgeted at a decrease of 5.5%. However, fall enrollment decreased by 4% and winter enrollment is anticipated to decrease by 9-10%. Other revenue decreases include investment earnings (rates are down to .4%) and other revenue from space rental such as P-12 use of classrooms.

Expenses have been reviewed and increases for the various categories total \$4.5 million. VESP payment for 22 faculty members is \$1.1 million and takes place in FY2021 versus last fiscal year due to the timing of the offering of the program. Also, since a number of faculty applied for the VESP option after the fall semester, savings for the program is reduced for FY2021 by \$1.1 million. An adjustment is recommended to include the reinstatement of vacant positions that were removed at the start of the year totaling \$1.2 million including fringe benefits. Also, a \$900,000 transfer for the Tech building and IEMP projects has been included as a plant fund transfer.

With the recommended adjustments, the initial net surplus of \$3,000 is adjusted to a revised surplus of \$153,000.

  
\_\_\_\_\_  
John S. Satkowski, JD  
Vice President of Financial Services

  
\_\_\_\_\_  
Russell A. Kavalhuna, JD  
President

**HENRY FORD COLLEGE  
OFFICE OF THE PRESIDENT**

**BID AWARD**

**SUBJECT:** Laerdal SimPad PLUS Systems  
Bid #21094

The faculty of the School of Health and Human Services requests a contract for the purchase of five (5) Laerdal SimPad PLUS Systems and related accessories, software, and monitors. This equipment will be used for instructional purposes in HFC's Nursing program. Instructors can use the SimPad PLUS System to control Laerdal patient manikins and simulators to deliver highly effective simulation-based training and a realistic clinical experience to students. The system helps build skills and experience in areas such as advanced lifesaving, patient handling, treatment of compromised newborns, and CPR delivery. Federal Vocational Education Equipment Grant (Perkins) dollars provide 100% of the funds for this purchase.


The College solicited proposals under Bid #21094. The responses appear below.

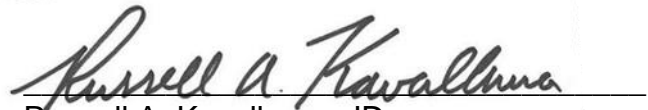
Pocket Nurse Enterprises	\$30,194.46
Medline Industries	30,903.80
Laerdal Medical	34,950.00
CPR Savers & First Aid Supply *	Disqualified
Armstrong Medical Industries	No Bid
Emergency Medical Products	No Bid
Henry Schein Medical	No Reply
McKesson General Medical	No Reply
School Health	No Reply

\* Specifications stipulated that, "Bids shall be accepted only from authorized Laerdal distributors." Laerdal Medical confirmed that CPR Savers & First Aid Supply is not an authorized distributor.

**RECOMMENDATION:**

The College administration recommends a contract award to Pocket Nurse Enterprises, Inc. for \$30,194.46 for the purchase of five (5) Laerdal SimPad PLUS Systems and related accessories, software, and monitors requested by the Nursing program, in accordance with the specifications of Bid #21094.

  
John S. Satkowski, JD  
Vice President of Financial Services

  
Russell A. Kavalhuna, JD  
President

**HENRY FORD COLLEGE  
OFFICE OF THE PRESIDENT**

**CONTRACT AWARD**

**SUBJECT:** Siemens SINAMICS S120 Training Cases

The faculty of the School of Business, Entrepreneurship, and Professional Development requests a contract for the purchase of six (6) Siemens SINAMICS S120 Training Cases, Part #6ZB24800CT00, for student use in the Electrical Technology department. The training case is a simulator system that helps students acquire the skills and experience necessary to design, operate, or maintain modular, high-performance motion control drives used in machine building and plant engineering. Motion control drives increase machine performance in many industrial applications, such as, packaging and printing, plastic, textile, paper and wood processing, material handling and assembly, machine tools, rolling mills, and the renewable energy sector.

The discounted educational cost for the six SINAMICS S120 Training Cases totals \$158,370.00. Federal Vocational Education Equipment Grant (Perkins) dollars provide 100% of the funds for this purchase.

Siemens distributes their training products through a network of designated training and education partners at discounts of 20% to 90% to qualified schools. Siemens' sole partner for the state of Michigan is Electro-Matic Products, Inc.

When procuring property and services under a Federal award, the College must comply with the requirements of Federal regulations found in 2 CFR 200, §§200.317 through 200.326. These regulations address a non-competitive procurement as follows:

Non-competitive Proposals – Sole Source. Procurement by noncompetitive proposals is procurement through solicitation of a proposal from only one source and may be used only when one or more of the following circumstances apply:


- i. The item is available only from a single source;
- ii. The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;
- iii. The Federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from the College; or
- iv. After solicitation of a number of sources, competition is determined inadequate.

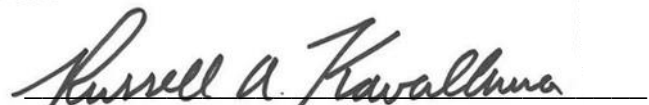
The Siemens S120 Training Case procurement complies with the above federal requirements per section i.) the items are available only from a single source and section iii.) the College submitted supporting documentation for a sole source procurement to the State of Michigan Department of Labor and Economic Opportunity (the pass-through entity) and received their authorization to proceed with the procurement.

The College requests Board approval for a sole source award.

**RECOMMENDATION:**

The College administration recommends a contract award totaling \$158,370.00 to Electro-Matic Products, Inc. for six (6) Siemens SINAMICS S120 Training Cases requested by the Electrical Technology department, in accordance with Quotation #1818934 dated January 11, 2021.

  
\_\_\_\_\_  
John S. Satkowski, JD  
Vice President of Financial Services

  
\_\_\_\_\_  
Russell A. Kavalhuna, JD  
President

**HENRY FORD COLLEGE  
OFFICE OF THE PRESIDENT**

**BID AWARD**

**SUBJECT:** Acoem Fixturlaser Smart Machine Checker  
Bid #21136


The faculty of the Workforce and Professional Development Division requests a contract for the purchase of four (4) Acoem Fixturlaser Smart Machine Checkers including Balancing Kit upgrades for use in the Henry Ford College Early/Middle College Trade School Program. To better prepare students for success in the skilled trades workforce, deliver state of the art training to businesses, and expand its skilled trades curriculum, faculty selected this equipment to train students enrolled in the Industrial Maintenance and related programs. In these courses, students receive specialized instruction in diagnosing and resolving machinery vibration in rotating equipment, the most cost-effective methods to reduce maintenance costs, and how to extend machinery life. The Fixturlaser Machine Checker is a portable, machinery diagnostic tool that allows mechanics and maintenance technicians to analyze and check the health of any rotating machine. It offers automatic diagnosis of machine faults and includes a built-in camera, pyrometer, stroboscope, and wireless tri-axial sensor. A workforce development grant from the Ralph C. Wilson Foundation provides 100% of the funds for the new purchase.


The College solicited proposals under Bid #21136. The responses appear below.

VibrAlign	\$71,315.00
Alignment Specialists	75,120.00
Reliability Point	75,350.00
Southern Maintenance Services	76,200.00
Services Techniques	No Reply

**RECOMMENDATION:**

The College administration recommends a contract award to Vibralign, Inc. for \$71,315.00 for the purchase of four (4) Fixturlaser Smart Machine Checkers including Balancing Kit upgrades requested by the Early/Middle College Trade School Program, in accordance with the specifications of Bid #21136.

  
John S. Satkowski, JD  
Vice President of Financial Services

Handwritten signature of Russell A. Kavalhuna in black ink, written in a cursive style.

Russell A. Kavalhuna, JD  
President

**HENRY FORD COLLEGE  
OFFICE OF THE PRESIDENT**

**CONTRACT AWARD**

**SUBJECT:** Course Syllabus Management System


The College administration requests a contract for the purchase of a software subscription for a course syllabus management system. This request addresses a recommendation from the Higher Learning Commission's accreditation review in November 2019 for the College to provide a more accessible, standardized, and integrated course syllabus system. With a course syllabus management system, students will gain access to their syllabi from any device, anywhere, any time; seamless integration with the HFC Moodle learning management system; push notifications of syllabus updates to their smartphones and devices; the ability to preview syllabi before course registration; greater consistency of syllabi format and content across all divisions and departments; and improved accessibility for students with disabilities.

In February 2020, the two leading providers of course syllabus management systems in the United States (Intellidemia and Simple Syllabus) demonstrated their products at an open forum for all full-time and part-time faculty and members of the Academic Affairs Leadership Council. The Faculty Senate subsequently voted to adopt a syllabus management system. In September 2020, the Vice President of Academic Services presented proposals from the two firms to the HFC Information Technology Oversight Team (ITOT). The ITOT supported the proposal from Intellidemia for its Concourse Syllabus Management System product. The President's Cabinet also approved the proposal for the Concourse product.

The discounted cost for a 3-year license for an unlimited number of users totals \$36,450 (\$12,150/year, guaranteed for 3 years) and the one-time fee for software implementation and training totals \$4,400. The total expenditure equals \$40,850.00. Federal grant dollars through the Coronavirus Aid, Relief, and Economic Security (CARES) Act provide 100% of the funds for this purchase.

**RECOMMENDATION:**

The College administration recommends a contract award totaling \$40,850.00 to Intellidemia, Inc. for a course syllabus management system and implementation services, in accordance with Quotation #HFC-01 dated December 14, 2020.

  
John S. Satkowski, JD  
Vice President of Financial Services



*Russell A. Kavalhuna*

---

Russell A. Kavalhuna, JD  
President

**HENRY FORD COLLEGE  
OFFICE OF THE PRESIDENT**

**BOARD REPORT**

**SUBJECT:** Financial Institution Designations and Practices Resolution

**Designation of Depositories**

RESOLVED, that Bank of America, Comerica Bank, Fifth Third Bank, UBS, JP Morgan Chase, PNC Bank, and Michigan Liquid Asset Fund Plus be and they are hereby designated as depositories of this corporation.

BE IT FURTHER RESOLVED, that anyone or more of the persons authorized hereby to withdraw funds deposited hereunder be and they are hereby authorized to enter into, in behalf of this corporation, with Bank of America, Comerica Bank, Fifth Third Bank, UBS, JP Morgan Chase, PNC Bank, and Michigan Liquid Asset Fund Plus, the contract set forth in the specimen signature cards provided by said organizations for use with respect to any account or accounts of this corporation provided for hereunder.

BE IT FURTHER RESOLVED, that funds of this corporation deposited in said Bank of America, Comerica Bank, Fifth Third Bank, UBS, JP Morgan Chase, PNC Bank, and Michigan Liquid Asset Fund Plus, may be withdrawn upon checks, drafts, notes, orders and receipts of this corporation, when executed by Irene Watts, Treasurer, whose signature shall be duly certified to said banks, and that no check, draft, note or other order drawn on said bank shall be valid unless so executed, and that no person shall sign and countersign the same instrument.

BE IT FURTHER RESOLVED, that Bank of America, Comerica Bank, Fifth Third Bank, UBS, JP Morgan Chase, PNC Bank, and Michigan Liquid Asset Fund Plus, are hereby authorized and directed to honor and pay any drafts, checks, notes or orders so drawn, whether such drafts, checks, notes or orders payable to the order of any persons signing or countersigning said drafts, checks, notes or orders, or any such persons in their individual capacities or not, and whether such drafts, checks, notes or orders deposited to the individual credit of the person so signing or countersigning said drafts, checks, notes or orders or to the credit of any other persons or not. These resolutions shall continue as set forth in the certificates, contained in specimen signature cards delivered to say banks for use with respect to any account or accounts provided for hereunder or in any similar certificate subsequently executed, until written notice to the contrary is duly served on said banks.

**Establishing Depository Maximum Amounts**

That, WHEREAS, there may not be and may hereafter come from time to time into the hands of Irene Watts, Treasurer of the Board of Trustees of Henry Ford College, certain public monies belonging to said Henry Ford College; and

WHEREAS, under Section 2 of Act No. 40 of the Public Acts of Michigan of 1932 (1st Ex. Sess.), this Board of Trustees is required to provide by resolution for the deposit of all public monies, including tax monies, coming into the hands of said Treasurer, in one or more banks or trust companies to be designated therein, and in such proportion and manner as may be therein provided,

NOW, THEREFORE, BE IT RESOLVED, that said Irene Watts, Treasurer, is hereby directed to deposit all public monies, including tax monies, coming into his/her hands as Treasurer in the following financial institutions, and in the amounts not to exceed the amount set opposite the name of the said financial institution.

Financial Institution:	Maximum Amount:
BANK OF AMERICA	\$150,000,000.00
COMERICA BANK <sup>2</sup>	\$175,000,000.00
FIFTH THIRD BANK	\$150,000,000.00
UBS	\$150,000,000.00
JP MORGAN CHASE <sup>1</sup>	\$175,000,000.00
PNC BANK	\$150,000,000.00
MICHIGAN LIQUID ASSET FUND PLUS (MILAF+)	\$ 25,000,000.00

<sup>1</sup> Primary Bank

<sup>2</sup> Secondary Bank

**Investment Practices**

(NOTE: The following is copied from the Community College Act of 1966)

389.142 Investment of funds; restrictions; commingling prohibited; disposition of earnings; limitation on investment or deposit of additional funds; "eligible collateral" defined. Sec. 142. (1) The Treasurer of a community college district, if authorized by resolution of the board of trustees, may invest debt retirement funds, building and site funds, building and site sinking funds, or general funds of the district as provided in subsection (3). The investment shall be restricted to the following:

- A. Bonds, bills, or notes of the United States, or of an agency or instrumentality of the United States, or obligations of this state.
- B. Negotiable certificates of deposit, saving accounts, or other interest-earning deposit accounts of a financial institution. As used in this section, "financial institution" means a state or nationally chartered bank or a state or federally chartered savings and loan association, savings bank, or credit union whose deposits are insured by an agency of the United States government and which maintains a principal office or branch office located in this state under the laws of this state or the United States.

- C. Bankers' acceptances that are issued by a bank that is a member of the federal deposit insurance corporation.
- D. Commercial paper that is supported by an irrevocable letter of credit issued by a bank that is a member of the federal deposit insurance corporation.
- E. Commercial paper of corporations rated prime by at least 1 of the standard rating services.
- F. Mutual funds, trusts, or investment pools composed entirely of instruments that are eligible collateral
- G. Repurchase agreements against eligible collateral, the market value of which must be maintained during the life of the agreements at levels equal to or greater than the amounts advanced. An undivided interest in the instruments pledged for these agreements must be granted to the community college.
- H. Investment pools, as authorized by the surplus funds investment pool act, 1982 PA 367, MCL 129.111 to 129.118, composed entirely of instruments that are legal for direct investment by a community college.
  - 1. Money in the funds of a community college district shall not be commingled for the purpose of making an investment authorized by this section, and all earnings on an investment shall become a part of the funds for which the investment was made.
  - 2. Notwithstanding subsection (1), additional funds of a community college district shall not be invested or deposited in a financial institution that is not eligible to be a depository of surplus funds belonging to this state under section 6 of 1855 PA 105, MCL 21.146.
  - 3. As used in this section, "eligible collateral" means all securities which otherwise would qualify for outright purchase under this act.

History: 1966, Act 331, Eff. Oct. 1, 1966;—Am. 1976, Act 401, Imd. Eff. Jan. 5, 1977;—Am. 1979, Act 78, Imd. Eff. Aug. 1, 1979;—Am. 1984, Act 299, Imd. Eff. Dec. 21, 1984;—Am. 1997, Act 23, Imd. Eff. June 12, 1997.

If in the course of an investment, physical securities are received by the College; they shall be safe kept at the financial institution having the particular fund from which the obligation was purchased.

Safekeeping of investment securities, at other than College depositories, shall require third party verification of College transactions with brokers or dealers by their respective banking depository for customer accounts, upon request of the College or its authorized representative.

Safekeeping of securities by issuers is acceptable if purchased directly by the College and prompt written confirmation of each transaction is received by the College.


The following personnel are authorized to conduct investment transactions on behalf of the College:

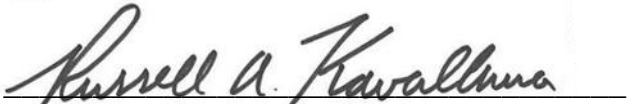
Irene Watts, Treasurer  
 John Satkowski, Vice President of Financial Services  
 Bryan Bame, Director of Financial Research and Budgetary Development

Resolution for Facsimile Signature

RESOLVED, that Bank of America, Comerica Bank, Fifth Third Bank, UBS, JP Morgan Chase, PNC Bank, and Michigan Liquid Asset Fund Plus, all being designated as depositories of Henry Ford College, be and they are hereby requested, authorized and directed to honor checks, drafts, or other orders for the payment of money drawn in the "name" of Henry Ford College, when bearing or purporting to bear the facsimile signature Irene Watts, Treasurer of the Henry Ford College, or the manual signature of same.

BE IT FURTHER RESOLVED, that Bank of America, Comerica Bank, Fifth Third Bank, UBS, JP Morgan Chase, PNC Bank, and Michigan Liquid Asset Fund Plus, shall be entitled to honor and charge the appropriate account for such checks, drafts and other orders regardless of by whom or by what means any actual or purported facsimile signature may have been affixed thereto if the same resembles the facsimile specimen duly certified to or filed with said bank.

  
John S. Satkowski, JD  
Vice President of Financial Services

  
Russell A. Kavalhuna, JD  
President